ANNUAL REPORT
2025

SHAPING THE FUTURE OF ISLAMIC BANKING

Standard Islami Bank PLC.

بِسۡمِ اللّٰہِ الرَّحۡمٰنِ الرَّحِیۡمِ

THE MESSAGE FROM THE NOBLE QURAN

فَاِذَا قُضِیَتِ الصَّلٰوۃُ فَانۡتَشِرُوۡا فِی الۡاَرۡضِ وَ ابۡتَغُوۡا مِنۡ فَضۡلِ اللّٰہِ وَ اذۡکُرُوا اللّٰہَ کَثِیۡرًا لَّعَلَّکُمۡ تُفۡلِحُوۡنَ .

Then when the (Jumu`ah) Salat (prayer) is concluded, you may disperse through the land and seek the Bounty of Allah (by working, etc.) and remember Allah much: that you may be successful.

(Surah Al-Jumu`ah, 62: 10)

یٰۤاَیُّهَا الَّذِیۡنَ اٰمَنُوا اتَّقُوا اللّٰهَ وَ ذَرُوۡا مَا بَقِیَ مِنَ الرِّبٰۤوا اِنۡ کُنۡتُمۡ مُّؤۡمِنِیۡنَ .

O you who believe! Be afraid of Allah and give up what remains (due to you) from Riba (usury) (from now onward), if you are (really) believers.

(Surah Al-Baqarah, 02: 278)

ثُمَّ جَعَلۡنٰکَ عَلٰی شَرِیۡعَةٍ مِّنَ الۡاَمۡرِ فَاتَّبِعۡهَا وَلَا تَتَّبِعۡ أَهۡوَآءَالَّذِیۡنَ لَا یَعۡلَمُوۡنَ .

Then We have put you, [O Muhammad (peace be upon him)] on an ordained way concerning the matter [of religion]; so follow it and do not follow the inclinations of those who do not know.

(Surah Al-Jathiyah 45: 18)

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

GUIDANCE FROM THE HOLY HADITH

عَنْ جَابِرِ بْنِ عَبْدِ اللَّهِ ـ رضى الله عنهما ـ أَنَّ رَسُولَ اللَّهِ ﷺ قَالَ " رَحِمَ اللَّهُ رَجُلاً سَمْحًا إِذَا بَاعَ، وَإِذَا اشْتَرَى، وَإِذَا اقْتَضَى "

Narrated Jabir bin 'Abdullah (may Allah be pleased with him) Allah's Rasul said, "May Allah's Mercy be on him who is lenient in his buying, selling, and in demanding back his money."

(Sahih Al-Bukhari: 2076)

عَنْ أَبِي هُرَيْرَةَ ـ رضى الله عنه ـ عَنِ النَّبِيِّ ﷺ قَالَ " مَنْ أَخَذَ أَمْوَالَ النَّاسِ يُرِيدُ أَدَاءَهَا أَدَّى اللَّهُ عَنْهُ، وَمَنْ أَخَذَ يُرِيدُ إِتْلاَفَهَا أَتْلَفَهُ اللَّهُ "

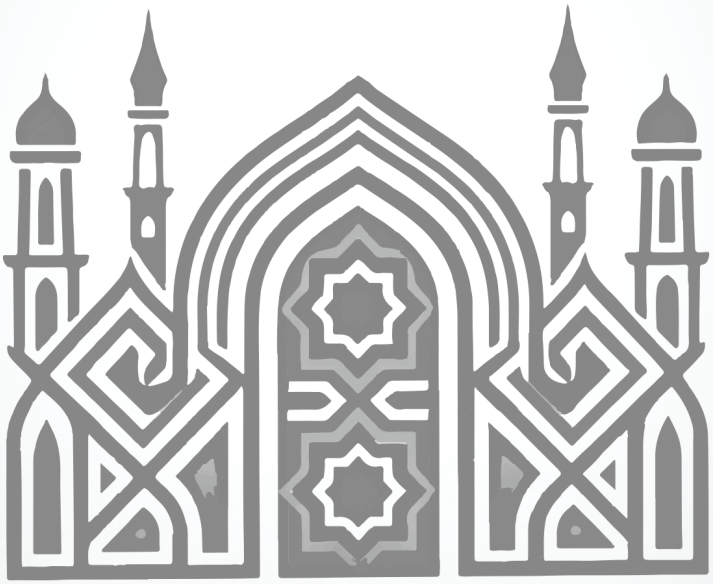
Narrated Abu Hurairah (may Allah be pleased with him) the prophet (peace be upon him) said, "Whoever takes the money of the people with the intention of repaying it, Allah will repay it on his behalf, and whoever takes it in order to destroy it, then Allah will destroy him. "

(Sahih Al-Bukhari: 2387)

عَنِ النَّوَّاسِ بْنِ سَمْعَانَ الأَنْصَارِيِّ، قَالَ سَأَلْتُ رَسُولَ اللَّهِ ﷺ عَنِ الْبِرِّ وَالإِثْمِ فَقَالَ " الْبِرُّ حُسْنُ الْخُلُقِ وَالإِثْمُ مَا حَاكَ فِي صَدْرِكَ وَكَرِهْتَ أَنْ يَطَّلِعَ عَلَيْهِ النَّاسُ "

Nawwas Ibn Sam'an al-Ansari (may Allah be pleased with him) reported: I asked Allah's Rasul (peace be upon him) about virtue and vice. He said: Virtue is a kind disposition and vice is what rankles in your heart and that you disapprove that people should come to know of it."

(Sahih Muslim: 2553)



Standard Islami Bank PLC. Annual Report 2025

SUSTAINABLE PROGRESS
GUIDED BY SHARIAH

Sustainable Progress, Guided by Shari'ah reflects our commitment to achieving long-term growth through ethical, transparent, and responsible banking practices. Guided by Shari'ah principles, we strive to create sustainable value for our stakeholders while contributing to social well-being and economic development.

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INTRODUCTION

LETTER OF TRANSMITTAL

All Shareholders, Bangladesh Bank
Bangladesh Securities and Exchange Commission
Financial Reporting Council
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC.

Sub: Annual Report of Standard Islami Bank PLC. for the year ended on December 31, 2025

Muhtaram(s),

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

It is our immense pleasure to present before you a copy of the Bank's Annual Report 2025 along with the audited financial statements including consolidated and separate balance sheet as at 31 December 2025, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement for the year ended on 31 December 2025 with the notes thereto of Standard Islami Bank PLC. and its subsidiaries for your kind information and record.

Ma' assalam

Md. Mizanur Rahman, FCS
Company Secretary

Standard Islami Bank PLC.

Metropolitan Chamber Building (3rd Floor)
122-124 Motijheel C/A, Dhaka-1000, Banglades
Web:www.standardbankbd.com

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

Notice is hereby given to all concerned that the 27th (Twenty-Seventh) Annual General Meeting (AGM) of Standard Islami Bank PLC. will be held on Thursday, July 30, 2026, at 11:00 a.m. through a hybrid system—combining physical presence at the Police Convention Hall, 37/3/B, Eskaton Garden Road, Ramna, Dhaka, and virtual participation via a digital platform through the link https://sbplc.bdvirtualagm.com to transact the following business and to adopt necessary resolutions thereon:

AGENDA

I. To receive, consider, and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2025, along with the Auditors' Report and the Directors' Report thereon.
II. To declare a dividend for the year ended December 31, 2025, as recommended by the Board of Directors.
III. To retire and re-elect Directors of the Bank.
IV. To appoint the External Auditor of the Bank for the term until the conclusion of the next AGM and fix their remuneration.
V. To appoint the Corporate Governance Compliance Auditor for the year 2026 and fix their remuneration.
VI. To consider and approve the investment proposals of the Directors as recommended by the Board of Directors.

All members of the Company are requested to attend or join the meeting at the scheduled date and time.

Dated: July 06, 2026
Dhaka

To join AGM

To download Annual Report

By order of the Board of Directors

Sd/-

Md. Mizanur Rahman, FCS
Company Secretary

Notes:

i. The Record Date for the 27th AGM was Wednesday, June 03, 2026. Shareholders whose names appeared in the Register of Members of the Company or in the Depository (CDBL) on the Record Date are eligible to attend and vote at the 27th AGM.

ii. Shareholders will join the AGM through the link https://sbplc.bdvirtualagm.com and will be able to submit their questions/ comments and vote electronically at least 24 (Twenty-Four) hours prior to the commencement of the AGM through this link, as well as live during the Annual General Meeting.

iii. In order to log in online, shareholders need to click on the link https://sbplc.bdvirtualagm.com and provide their 16-digit Beneficiary Owners' (BO) account number or 5-digit folio number, the name of the shareholder, and their number of shares.

iv. Shareholders may also attend and vote at the meeting in person. A member entitled to attend and vote at the AGM may appoint a proxy to attend and vote in his/her stead. The scanned copy of the "Proxy Form"—duly filled, signed, and affixed with a BDT 100 revenue stamp—must be sent via email to the Standard Islami Bank PLC. Share Department at share@ standardbankbd.com at least 48 hours before the commencement of the AGM. (Note: To ensure timely processing and verification of digital credentials on the virtual platform, submission 72 hours in advance is highly appreciated).

v. Institutional shareholders of the Company, by resolution of their Board of Directors or other governing body, may authorize a person to act as their representative at the meeting.

vi. In compliance with the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/208/ Admin/81, dated June 20, 2018, soft copies of the Annual Report 2025 along with the Attendance Slip, Proxy Form, and Notice will be forwarded to all members via the email addresses obtained from their BO Accounts. Members may also collect the Annual Report 2025 and Proxy Form from the Share Department of the Bank or download them from the official website: www.standardbankbd.com.

vii. In compliance with the Bangladesh Securities and Exchange Commission Circular No. SEC/CMRRCD/2009-193/154, dated October 24, 2013, no benefit in cash or kind shall be paid or offered in connection with the 27th AGM of the Bank.

viii. Members can download the Annual Report and join the AGM directly by scanning the QR codes provided herein.

VISION, MISSION, CORE VALUES

VISION

To be a Shari'ah based modern Islami Bank
having the objective of building a sound national economy
and to contribute significantly to the Public Exchequer.

MISSION

To be the best Shari'ah based Islami Bank in Bangladesh in
terms of efficiency, capital adequacy, asset quality
sound management and profitability.

CORE VALUES

OUR CUSTOMER

To become most caring bank by providing the most courteous and
efficient service in every area of our business.

COMMUNITY

Assuring our socially responsible corporate entity in a tangible manner
through dose adherence to national policies and objectives.

OUR EMPLOYEE

By promoting the well being of all employees irrespective of strata

OUR SHAREHOLDERS

By ensuring fair return on their investment through generating stable profit.

CODE OF CONDUCT

Values of Standard Islami Bank PLC. (SBPLC) are defined in line with what we stand for everywhere we do business. They are reflected in our behavior and the way we build relationships and deliver value to all our stakeholders, clients, employees, shareholders, communities and others we deal with. In striving for outstanding performance and results, we do not compromise our ethics or principles. SBPLC places great importance on honesty, integrity, quality and trust. In doing this, we follow a well-set of code of conduct. SBPLC's Code of Conduct incorporates SBPLC's Values, and in particular our Value of Integrity, to guide our day-to -day actions and decisions so we can always do the right thing. The Code provides a practical set of guiding principles to help us make decisions in day to day work, whatever we do and wherever we do it. It, basically, aligns the behavior or conduct of employees to the standard as desired by the management in achieving common goal of the bank.

All employees of SBPLC are required to display the highest standard of conduct in all dealings within and outside the Bank. The success of the Bank is dependent on maintaining a high level of public trust. The following Code of Conduct Guiding Principles of SBPLC is in place:

PERSONAL RESPONSIBILITIES

- Maintain high level of integrity and ethics in line with Islami Shahri'ah Principle
- Be punctual, well dressed and placid mannered
- Stick to company policies, instructions and guidelines of the Bank

DO NOT COMPROMISE WITH BANK'S INTEREST WITH PERSONAL INTEREST WORKPLACE RESPONSIBILITIES

- Ensure appropriate use and safeguarding bank's property
- Behave with decorum and decency with other colleagues
- Do not harass and be not be ill-mannered to female colleagues
- Do not engage in any kind of business, gambling, racing, betting or wagering contracts
- No insider trading, workplace violence is allowed
- Follow proper procedures in raising grievance and disciplinary action Marketplace

RESPONSIBILITIES

- Report all sorts of fraud, anti-money laundering and terrorist financing, theft or illegal activities to concerned authority
- Be ever responsive to all requirements of customers
- Maintain customers' confidentiality
- Maintain utmost secrecy and confidentiality in dealing with bank's affairs
- Report all records, accounts or books accurately abiding by law

CORPORATE CITIZENSHIP

- Respond to all public or corporate enquiries timely
- Extend all-out assistance for business communities
- Emphasize on green banking to save environment

STRATEGIC PRIORITIES

DRIVE SUSTAINABLE BUSINESS AND REVENUE GROWTH

- Sustainable and diversified funded and non-funded business portfolio
- Maximize shareholders' wealth
- Ensure good governance

ENHANCE CUSTOMER SATISFACTION

- Develop Shari'ah spirit among employees, customers and other stakeholders
- Become a trend-setter in serving the customers
- Reduce turnaround time (TAT) in customer service
- Increase brand visibility by creating positive image of the Bank

REINFORCE COST AND CAPITAL EFFICIENCY

- Effective and efficient risk management system
- Cost optimization through Business Process Reengineering (BPR)

MAXIMIZE POTENTIAL USE OF PEOPLE, TECHNOLOGY AND DATA FOR SOCIETAL WELLBEING

- Train existing and hire skillful people
- Adopt state-of-art and innovative technology
- Providing green services through Internet banking, electronic fund transfer, automated cheque clearing,
- e-bank statement, SMS alert etc.
- Develop new ideas for more financial inclusion
- Serving unprivileged group through Mobile banking and Agent banking.

SERVE THE PEOPLE IN NEED

- Help people in need through CSR and other philanthropic programs
- Serve the community through SBPLC. Foundation

STRATEGIC MANAGEMENT MODEL

Values of Standard Islami Bank PLC. (SBPLC) are defined in line with what we stand for everywhere we do business. They are reflected in our behavior and the way we build relationships and deliver value to all our stakeholders, clients, employees, shareholders, communities and others we deal with. In striving for outstanding performance and results, we do not compromise our ethics or principles. SBPLC places great importance on honesty, integrity, quality and trust. In doing this, we follow a well-set of code of conduct. SBPLC's Code of Conduct incorporates SBPLC's Values, and in particular our Value of Integrity, to guide our day-to-day actions and decisions so we can always do the right thing. The Code provides a practical set of guiding principles to help us make decisions in day to day work, whatever we do and wherever we do it. It, basically, aligns the behavior or conduct of employees to the standard as desired by the management in achieving common goal of the bank.

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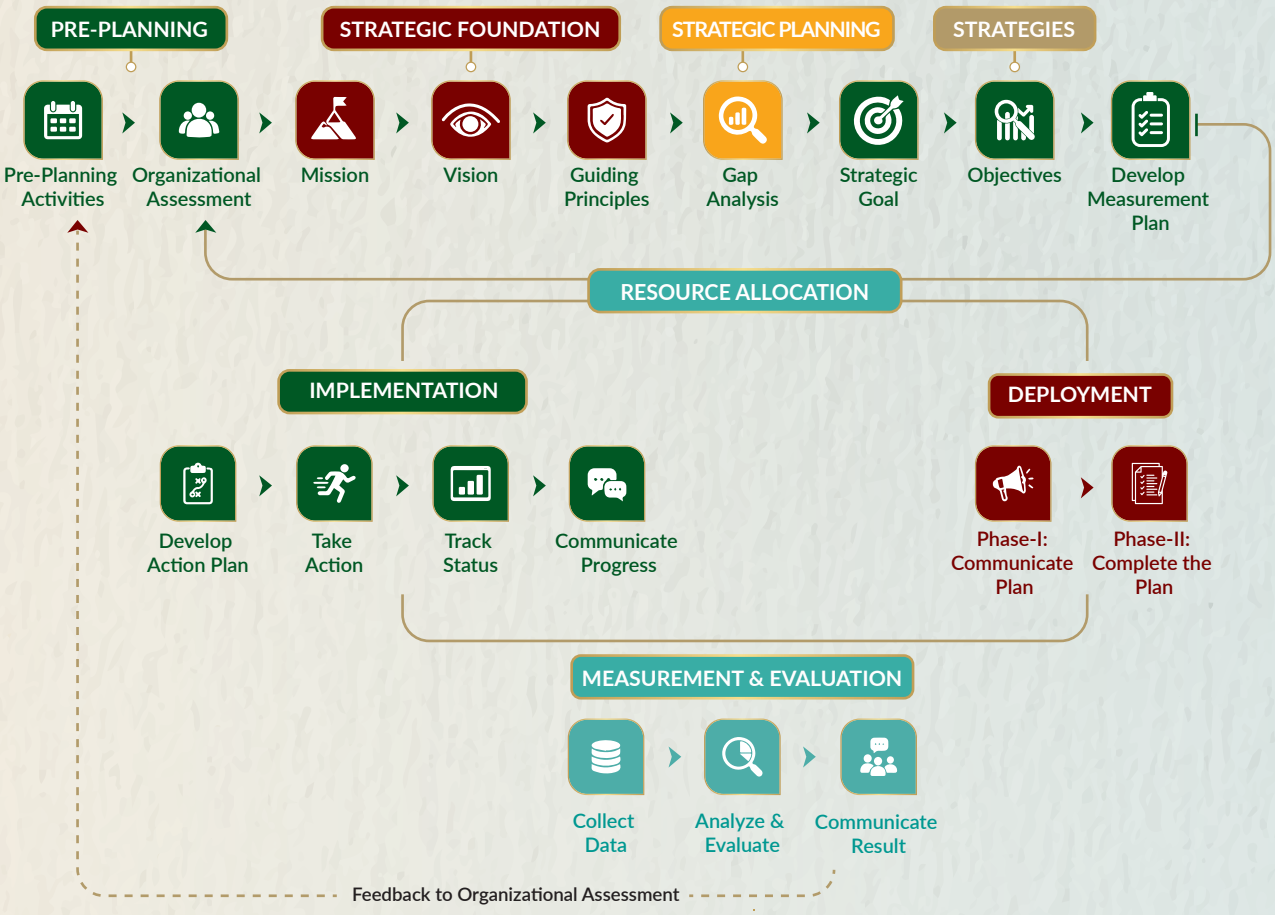


STATEMENT REGARDING FORWARD-LOOKING

The material in the Annual Report includes certain forward-looking statement concerning current goals of the Bank and its future plans, strategies and policies. We wish to caution you that these statements are based on management's expectations, estimates, projections and assumptions. Words such as “expects,” “anticipates” “plans,” “believes,” “scheduled,” “estimates” and variations of these words and similar expressions are intended to identify forward-looking statements, which include but are not limited to projections of revenue earnings, cash flows. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results and trends may differ materially from what is forecast in forward-looking statements due to a variety of factors, which are:

a) The possibility of adverse economic and business conditions that may increase the default and delinquency risk in investment portfolio;
b) Changes in monetary & fiscal policies and action of government or regulatory authorities;
c) Increase in rate of Tax and VAT on corporate and Bank’s services;
d) Increase in regulatory capital requirement, CRR and SLR of the Banks;
e) Increase in competition within the financial industry;
f) Changes in technology and evolving banking industry standards;
g) Unfavourable movement of foreign exchange rates and profit rates;
h) Rise in price of essential products in the local and international market;
i) Effect on remittance flow due to political and economic unrest in different countries around the world;
j) Volatility in Capital Market and Money Market;
k) Increase in inflationary pressure;
l) Constraints in access to external funding to meet liquidity requirement;
m) Changing demographic developments including changing consumer spending, saving and borrowing habits;
n) Changes in accounting standards or practices;
o) Underutilization and change of different Risk Management tools.

The preceding list of important factors is not exhaustive. When relying on forward looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events. The Bank does not undertake to update any forward looking statements, whether written or oral, that may be made from time to time by or on its behalf.

CORPORATE PROFILE

Standard Islami Bank PLC.

Name of the Company
Standard Islami Bank PLC.

Web Page
www.standardbankbd.com

Chairman of the Bank
Mr. Mohammed Abdul Aziz

Barrister-at-Law
Dr. Kamal Hossain & Associates

Managing Director
Mr. Riad Mahmud Chowdhury

Tax Consultant
Md. Abdul Hannan, ACA, FCMA

Legal Form
A public limited company incorporated in Bangladesh on 11th May, 1999 under the Companies Act 1994. Subsequently listed in Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC.

Auditor
Khan Wahab Shafique Rahman & Co.
(Chartered Accountants)

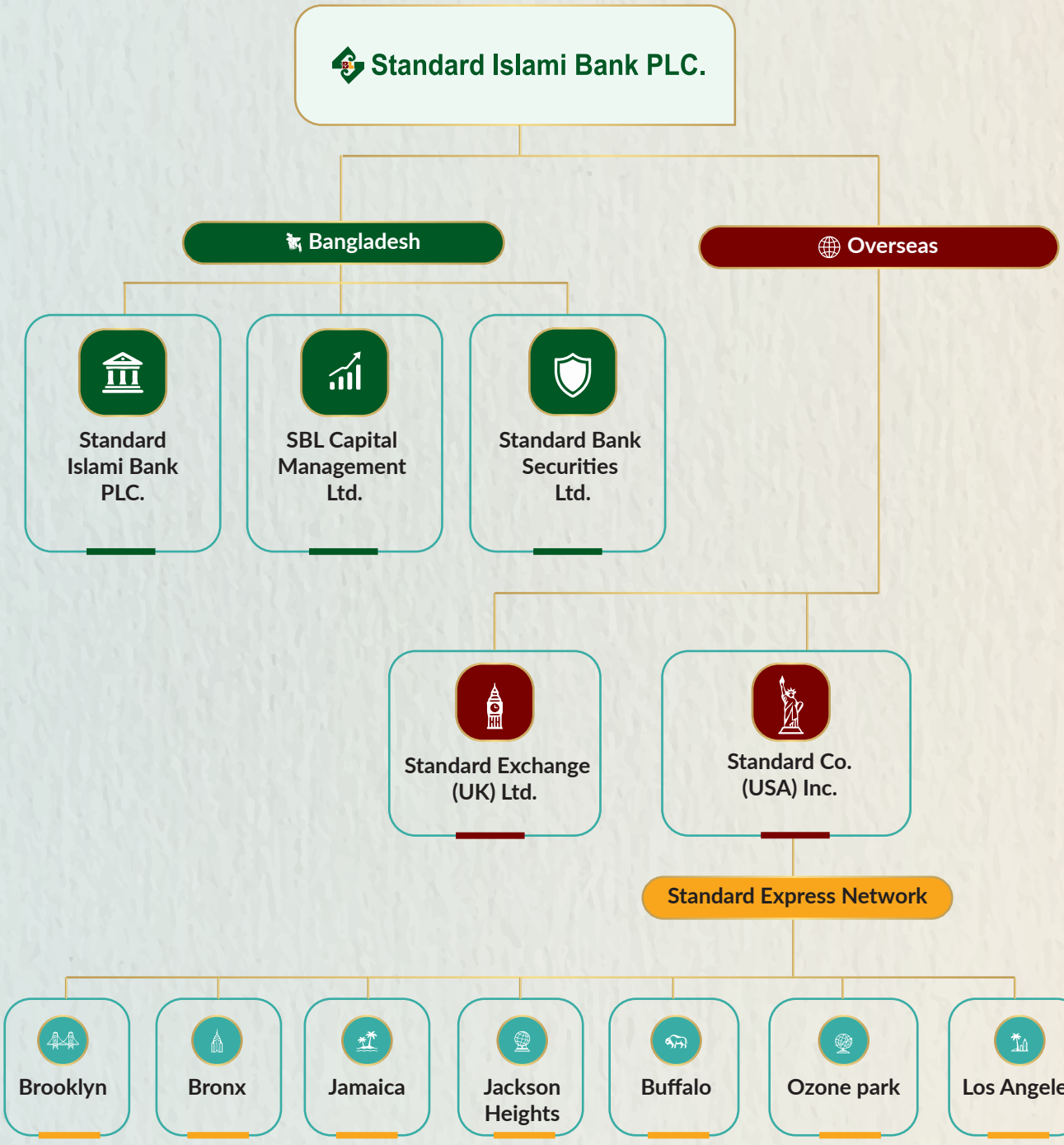
Commencement of Business
11th May, 1999

Legal Advisor
Barrister Ashraful Hadi

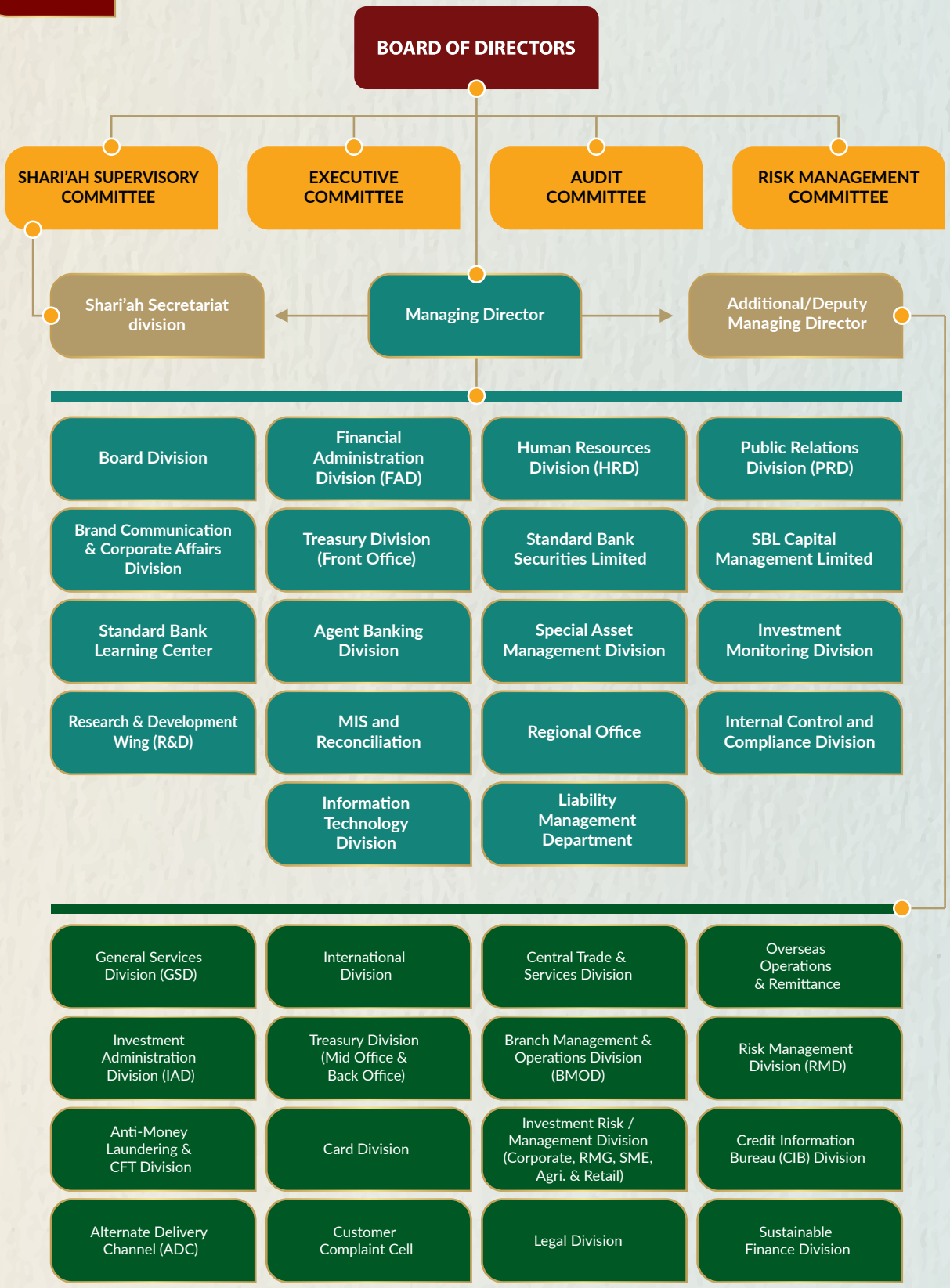
Registered Office
Metropolitan Chamber Building (3rd Floor)
122-124, Motijheel C/A, Dhaka-1000

Rating Agency
National Credit Ratings Ltd.

CORPORATE STRUCTURE



CORPORATE ORGANOGRAM



PRODUCT PORTFOLIO

INVESTMENT PRODUCTS

BAI MODE

Bai-Murabaha (Corporate, SME, Retail & Agri)

- Murabaha TR - General
- Murabaha TR - Gen(SE)
- Murabaha TR - Work Order
- MPI TR - Industrial
- MPI TR - Others
- Murabaha ABP

Murabaha Bill of Exchange (MBE)

- MBE - Cash LC
- MBE - Cash LC (EDF)
- MBE - BTB LC (EDF)

Bai-Muajjal (Corporate, SME, Retail & Agri)

- Bai-Muajjal - General
- Bai-Muajjal - Work Order
- Bai-Muajjal - Export
- Bai-Muajjal - SWC (Stimulus Working Capital)

Bai-Muajjal (Term) (Corporate, SME, Retail & Agri)

- Bai-Muajjal Term - General
- Bai-Muajjal Term - NGO Linked Agri
- Bai-Muajjal Term Agri
- Bai-Muajjal - EDF (Cash LC)
- Bai-Muajjal - EDF (BTB LC)
- Bai-Muajjal - ABP (DP LC)

Bai-as-Sarf

- Bai as Sarf (FDB)

Bai-Salam

- Bai-Salam Pre-Shipment

MUSHARAKA

- Musharaka Documentary Bill (MDB)

MUDARABA

- Mudaraba - EDF (Cash LC)
- Mudaraba - EDF (BTB LC)

BANGLADESH BANK SCHEME ACTIVE PARTICIPATION OF SBPLC:

- Re-finance, Pre - Finance, Stimulus
- Start-up
- Woman Entrepreneur Development Fund

HIRE PURCHASE UNDER SHIRKATUL MELK (HPSM)

(Corporate, SME, Retail & Agri)

- HPSM Club Fin - Industrial
- HPSM Syn - Fin Industrial
- HPSM Industrial
- HPSM lease finance - industrial
- HPSM lease finance - others
- HPSM House Building - Industrial
- HPSM House Building - Commercial
- HPSM House Building - General
- HPSM Semi - Pucca Housing
- HPSM House Renovation
- HPSM Transport - commercial
- HPSM Auto Investment
- HPSM Consumer Investment Scheme (CIS)
- HPSM Staff House Building
- HPSM Staff House Renovation
- HPSM Staff Consumer Investment Scheme (CIS)
- HPSM Staff Transport
- HPSM others

QARD

- Qard against MTDR/Scheme
- Qard against Earnest Money
- Qard against Cash Incentive

CONTINGENT LIABILITY ISLAMIC BANKING PRODUCTS

- Letter of Credit
- Letter of Guarantee - Payment Guarantee
- Letter of Guarantee - Performance Guarantee, Bid Bond, APG, Customs Guarantee, Retation Money Guarantee.
- Local Documentary Bill Collection
- Foreign Doc. Bill Collection
- Letter of Credit (BTB)
- Documentary Collection

DEPOSIT PRODUCTS

AL-WADEAH MODE

CURRENT AND FOREIGN CURRENCY ACCOUNTS

- Al-Wadeah Current Account (AWCA)
- Al-Wadeah Convertible Taka Account
- Al-Wadeah Non-Convertible Taka Account
- NFCD Accounts
- RFCD Accounts
- Corporate Foreign Currency Account

MUDARABA MODE

Mudaraba Savings and Term Deposit Products

General Savings Products

- Mudaraba Savings Account (MSA)
- Mudaraba School Banking Account

Premium Savings Products

- Premium -Mudaraba Savings Account (PMSA)
- Mudaraba Bandhan Savings Account
- Mudaraba Savings Premium Account
- Mudaraba Savings Premium Plus Account
- Mudaraba Super Savers Savings Account
- Mudaraba Women Savings Account
- Mudaraba Classic Savings Account
- Mudaraba Golden Age Savings Account
- Mudaraba Remittance Savers Savings Account

Special Savings Products (No Frill Accounts)

- Mudaraba 10 Taka Account
- Mudaraba Garments Workers – SHOFOL
- Mudaraba Leather & Footwear Sheba Account
- Mudaraba Savings Account – National Service

Mudaraba Special Notice Deposit Account (MSNDA)

Mudaraba Term Deposit

Mudaraba Employee Savings Account (Payroll A/C)

- Mudaraba Smart Saver – Lite
- Mudaraba Smart Saver – Premium

Mudaraba Scheme Deposit Products

- Astha -Mudaraba Monthly Savings Scheme (AMMSS)
- Gunoboti - Mudaraba Monthly Savings Scheme (GMMSS)
- Mudaraba Barakah Deposit Scheme (MBDS)
- Mudaraba Shomriddhi Deposit Scheme (MSDS)
- Mudaraba Golden Deposit Scheme (MGDS)
- Uparjon -Mudaraba Monthly Income (UMMI)
- Standard Jonopriyo -Mudaraba Savings Scheme (SJMSS)
- Mudaraba Hajj Savings Scheme (MHSS)
- Mudaraba Cash Waqf Deposit Account (MCWDA)
- Mudaraba Mohor Savings Scheme (MMSS)

TECHNOLOGY SERVICES

- Internet Banking
- SMS Banking
- DigiBanking
- ATM POS
- NPSB Connectivity

CARD PRODUCTS

Visa Tijarah Card

- Visa Platinum
- Visa Gold

Visa Prepaid Card

- Visa Travel Card
- Visa Hajj Card

Debit Card

OTHER SERVICES

Agent Banking

Booth, HSIA

Call Center

OUR VALUE DRIVEN BUSINESS MODEL

Key Stakeholders

- Shareholders
- Regulators
- Clients
- Suppliers
- Employees
- Society
- Environmental groups
- Other Banks and Financial Institutions

Key Activities

- Innovate and sell financial products and services
- Cross border trade services
- Grow, develop and maintain client relationship
- Attract and manage investment
- Create brand awareness
- Commit to social and environmental responsibilities

Key Resources

- Financial capital
- Human capital
- Intellectual capital
- Social & relationship capital
- Natural capital

Cost Structure

- Profit paid on deposits & placements etc.
- Human resource compensation
- Other administrative expenses
- Tax expense
- Infrastructure and technology cost

Value Propositions

- Delivering consistently to shareholders
- Innovative customer services Customized products
- Partnering with regulators
- Growing business network
- Investing in human capital
- Social contribution
- Environmental awareness
- Quick turnaround time in meeting our clients' financial needs

Revenue Streams

- Profit on investments
- Income from investments in shares & securities
- Other operating income
- Commission, exchange and brokerage income

Our Clients

- Corporate borrowers
- Corporate depositors
- Small & Medium Enterprise (SME)
- Individual borrowers
- Individual depositors
- Consumer
- Suppliers
- Traders
- Investors

Customer Relationships

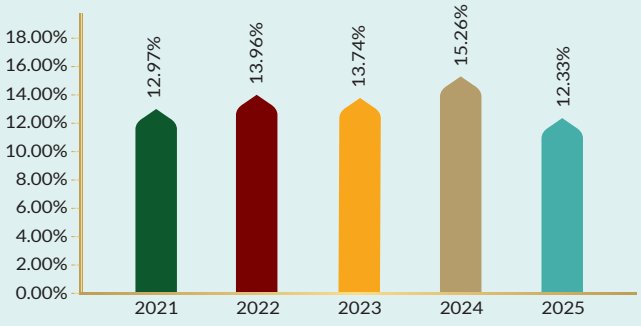
- One-to-one meetings
- Customer reward
- Over the phone &SMS service
- On site visits
- Conference
- Websites
- Newspaper
- Reports

Channels

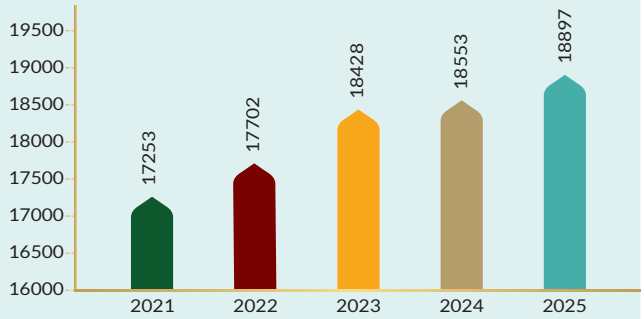
- Branches
- Agent Banking
- ATM
- Internet banking
- Mobile banking

SBPLC HIGHLIGHTS 2025

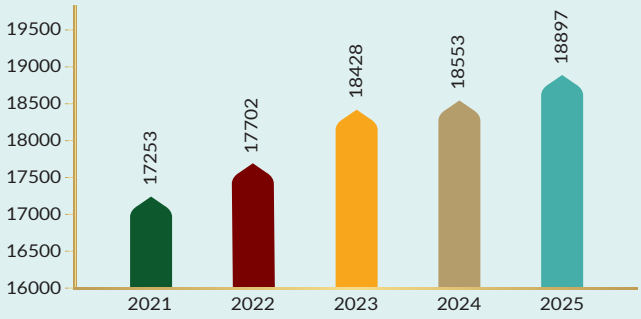
CRAR (PERCENTAGE)



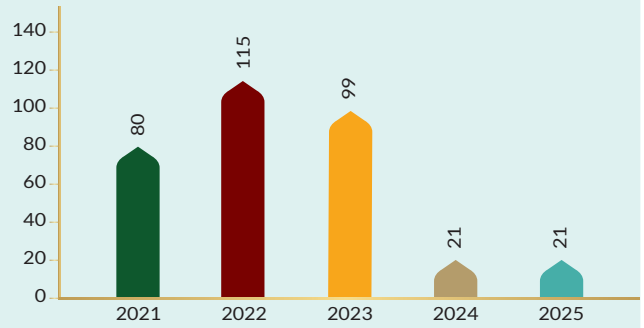
SHAREHOLDERS EQUITY (MILLION TAKA)



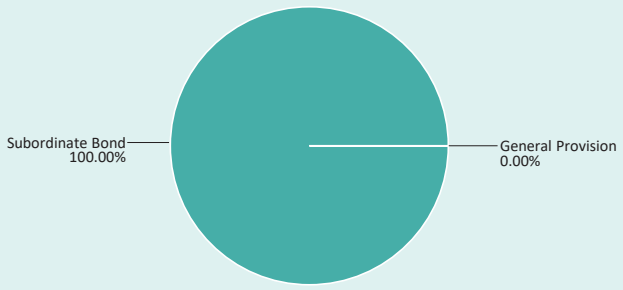
NET ASSETS VALUE (MILLION TAKA)



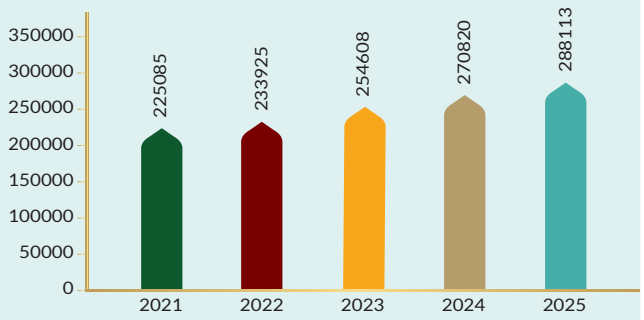
CSR EXPENSE (MILLION TAKA)



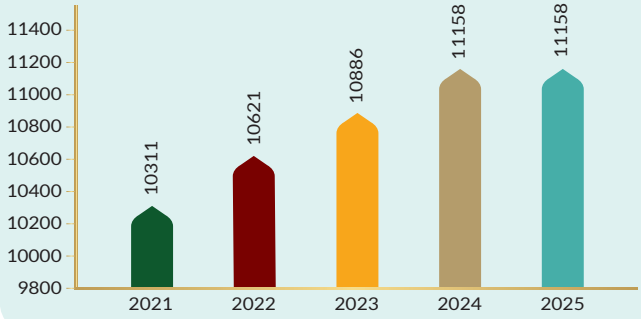
TIER- II CAPITAL



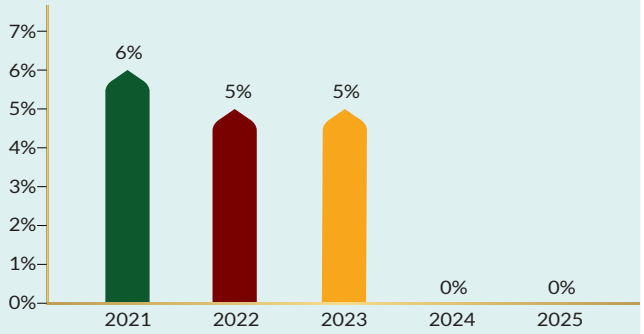
TOTAL ASSETS (MILLION TAKA)



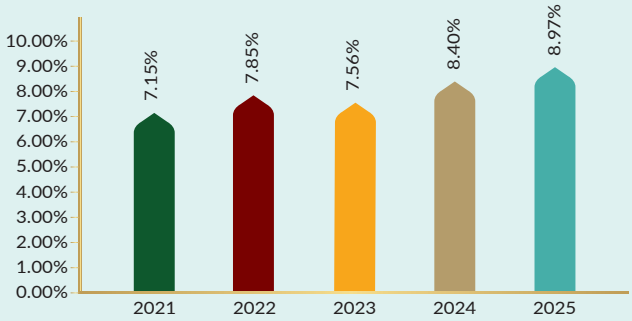
PAID UP CAPITAL (MILLION TAKA)



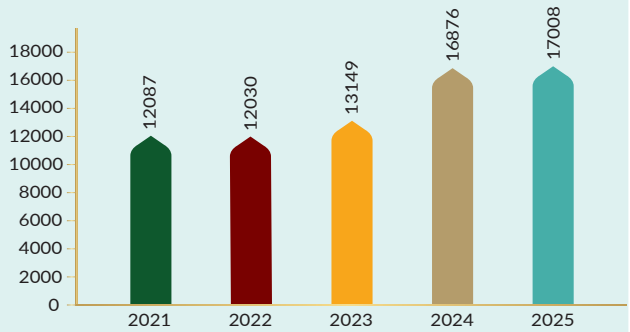
DIVIDEND (PERCENTAGE)



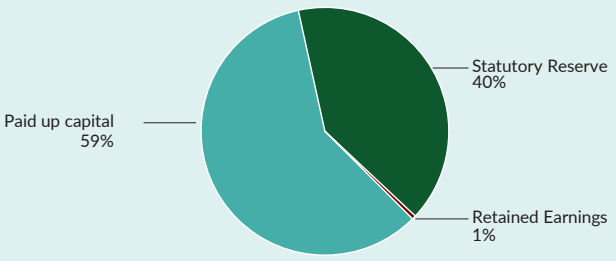
COST OF FUND



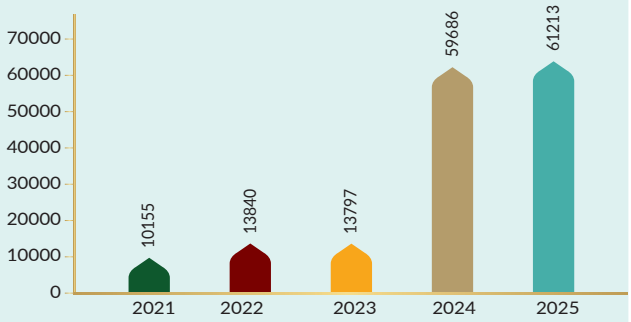
PROFIT ON INVESTMENT (MILLION TAKA)



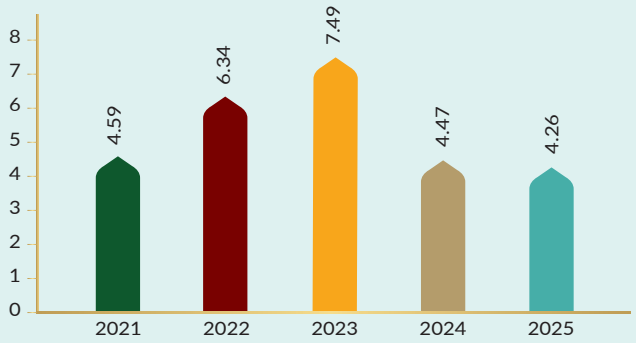
TIER- I CAPITAL



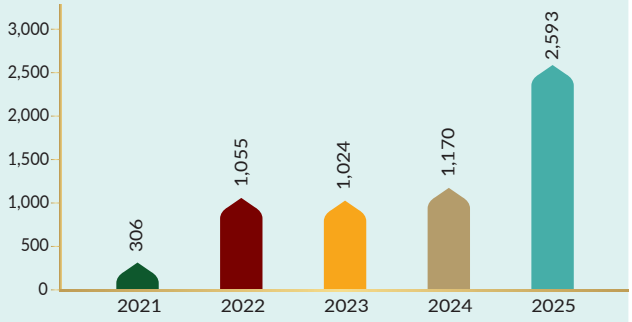
NON PERFORMING ASSETS (MILLION TAKA)



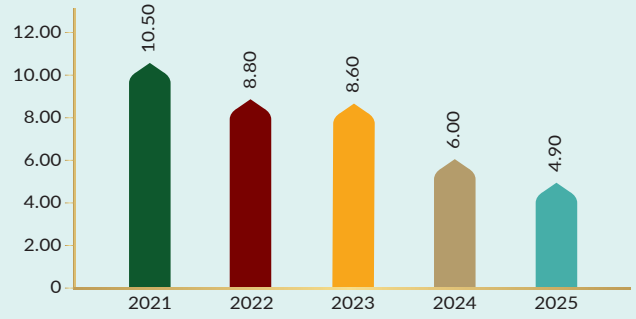
RETURN ON EQUITY (MILLION TAKA)



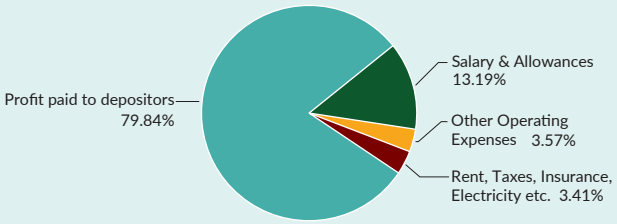
INVESTMENT INCOME FROM SHARE & SECURITIES (MILLION TAKA)



MARKET PRICE PER SHARE (TAKA)



TOTAL EXPENSE MIX- 2025



BOARD OF DIRECTORS

BOARD OF DIRECTORS

Sl	Name	Position
01	Mr. Mohammed Abdul Aziz	Chairman
02	Mr. A K M Abdul Alim	Vice-Chairman
03	Mr. Kazi Akram Uddin Ahmed	Director*
04	Mr. Kamal Mostafa Chowdhury	Director
05	Mr. Ashok Kumar Saha	Director
06	Mr. Ferozur Rahman	Director
07	Mr. Mohammad Manjur Alam	Director
08	Mr. S.A.MD Hossain	Director
09	Al-haj Mohammed Shamsul Alam	Director
10	Mr. Gulzar Ahmed	Director
11	Mr. Md. Zahedul Hoque	Director
12	Mr. Ferdous Ali Khan	Director
13	Mr. Ashit Kumar Saha	Director
14	Mr. Jhahedul Alam (Nominated by M/S Super Electronics)	Director
15	Mr. Golam Hafiz Ahmed	Independent Director
16	Mr. Khondoker Rumy Ehsanul Huq	Independent Director
17	Mr. Riad Mahmud Chowdhury, Managing Director	Ex-Officio Director

* He was retired and re-elected in 26th AGM of the Bank held on 14th August 2025, but Bangladesh Bank did not give any response till 31st December 2025

BOARD OF DIRECTORS

Mr. Mohammed Abdul Aziz
Chairman

Mr. A K M Abdul Alim
Vice-Chairman

Mr. Kazi Akram Uddin Ahmed
Director*

Mr. Kamal Mostafa Chowdhury
Director

Mr. Ashok Kumar Saha
Director

Mr. Ferozur Rahman
Director

Mr. Mohammad Manjur Alam
Director

Mr. S.A. MD Hossain
Director

Al-haj Mohammed Shamsul Alam
Director

Mr. Gulzar Ahmed
Director

Mr. Md. Zahedul Hoque
Director

Mr. Ferdous Ali Khan
Director

Mr. Ashit Kumar Saha
Director

Mr. Jhahedul Alam
Director

Mr. Golam Hafiz Ahmed
Independent Director

Mr. Khondoker Rumy Ehsanul Huq
Independent Director

Mr. Riad Mahmud Chowdhury
Managing Director

* He was retired and re-elected in 26th AGM of the Bank held on 14th August 2025, but Bangladesh Bank did not give any response till 31st December 2025

MOHAMMED ABDUL AZIZ

CHAIRMAN

A man of pleasant personality and strong determination Mr. Mohammed Abdul Aziz is the Chairman of Standard Islami Bank PLC. He is a man with a sterling vision & commitment and a selfless social leader.

Ln. Aziz completed his SSC examination from the renowned Galimpur Rahmania High School in the year 1968. Later he completed his HSC from Salimullah College in the year 1970. He was a valiant freedom fighter who participated in the Liberation War of 1971. He successfully obtained graduation in Commerce in the year 1972 from Dhaka College under Dhaka University. After completing his education, instead of joining any service, he started his own business. By dint of his untiring efforts, hard work, and sincerity he established himself as a successful entrepreneur of Dhaka city. He is one of the pioneer importers of industrial and commercial raw materials till date.

He is a former Vice-Chairman of Moon Lux Knit Composite Garments Ltd. He is also the founder member of Board of trustee of Fareast International University. Ln. Aziz joined Lionism in the year 1985 as a member of Lions Club of Dhaka Progressive. Since then his service towards the distressed humanity made him reach the different positions of Lions Clubs International District 315B2, Bangladesh. He was elected unopposed District Governor for the term 2005-06. He made his call "**Light the Blind**" as a District Governor for the year 2005-06 where he has completed 4,500 cataract operations of the needy and poor patients free of cost throughout the country. Besides being an active humanitarian and social worker, Ln. Aziz devoted himself into many other social and welfare works with the following that include:

- Former Vice-Chairman of Sonahazra Mofizia Fazil Madrasha
- Major donor & member of governing body of Ichamati College, Nawabgonj
- Major donor & member of governing body of Arambagh Girls' High School
- Vice-Chairman of Dhaka Progressive Lions Eye Hospital
- Former Vice-Chairman of 1st division Arambagh Football Club
- Donor of Ln. Ferozur Rahman Residential Academy, Brahmanbaria

He is a globally experienced individual who has explored the SAARC region, the USA, the UK, Australia, and Morocco. As a prominent business personality and Lions Club member, Lion Aziz has received numerous awards and recognitions.

A K M ABDUL ALIM

VICE-CHAIRMAN

Mr. A K M Abdul Alim is a dynamic entrepreneur, corporate leader, and member of a distinguished business family in Bangladesh. He completed his O-Level and A-Level education under the Cambridge International curriculum at Scholastica, Dhaka, before earning a Bachelor of Business Administration (BBA) from North South University and a Master of Business Administration (MBA) from the University of Bedfordshire, United Kingdom.

With over a decade of diversified business experience, Mr. Alim has established himself as a respected business leader with expertise spanning international trade, supply chain management, strategic business operations, financial markets, and investment management. His professional interests include global commerce, corporate governance, sustainable business development, and long-term value creation through strategic leadership and innovation.

Mr. Alim currently serves as a Director of Standard Islami Bank PLC. and as a Sponsor Director of SBL Securities Ltd. He is also the Sole Proprietor of MAAS Corporation and a shareholder of Midland Credit Cooperative Society Limited. Through these leadership roles, he has gained extensive experience in banking and financial-sector governance, regulatory compliance, risk management, corporate oversight, and strategic decision-making.

As a member of the Board of Directors of a leading financial institution, Mr. Alim actively contributes to board governance, policy formulation, institutional oversight, and the promotion of sound corporate practices. His involvement in governance matters encompasses regulatory compliance, risk management frameworks, internal control systems, and the advancement of transparency, accountability, and stakeholder confidence.

Mr. Alim has also played a constructive role in supporting institutional growth and strategic transformation initiatives. His contributions have focused on strengthening governance standards, enhancing operational efficiency, supporting sustainable business expansion, and fostering long-term organizational resilience in an evolving business and regulatory environment.

Beyond his corporate responsibilities, Mr. Alim remains actively engaged in social, professional, and community development initiatives. He is a Life Member of Gulshan Society, a Member of Lions Clubs International, a Founding Donor Member of Gulshan North Club Ltd., and a General Member of the Dhaka Chamber of Commerce & Industry (DCCI).

A strong advocate of ethical business practices, sustainable growth, and responsible corporate leadership, Mr. Alim is committed to promoting excellence, innovation, and prudent stewardship across the organizations he serves. An avid traveler with extensive international exposure, he has visited numerous countries across Asia, Europe, Australia, the Middle East, and North America. This global perspective has strengthened his business acumen, enriched his cross-cultural understanding, and enhanced his ability to navigate opportunities and challenges in an increasingly interconnected global economy.

KAMAL MOSTAFA CHOWDHURY

DIRECTOR

Mr. Kamal Mostafa Chowdhury, a distinguished business personality, comes from a respectable Muslim family of Kazim Chowdhury Bari at Gunagari, Banshkhali in Chattogram district. While Mr. Chowdhury was studying at Chattogram University, he started his business career in the import-export and shipping sector. He has taken part in establishing a good number of business entities, including bank. He is the Founder Vice-Chairman and Director of Standard Islami Bank PLC., Managing Director of Raja Securities Ltd., Partner of Raja Corporation, Proprietor of KMC International and Director of Holy Crescent Hospital in Chattogram. He is a highly experienced professional with a successful track record in international trading. Mr. Chowdhury is well known in various social and philanthropic activities in addition to his business arena. He is the founder of Ahamadia Sunni Madrasha, Gunagari, Banshkhali and a former member of Kokdandi Gunagari High School Committee at Banshkhali in Chattogram, a member of Chattogram Club Limited, Chattogram Seniors Club Limited, Chattogram Boat Club Limited, Mainamati Golf and Country Club, Army Golf Club Dhaka, Chattogram Diabetic Hospital, Chattogram Maa-O-Shishu Hospital, Lion Blood Bank, former Vice-Chairman of the advisory committee for Chattogram Samity in Dhaka.

He is the former president of Banshkhali Samity in Dhaka. Mr. Chowdhury, a vibrant business leader, is associated with a number of trade bodies and associations devoted to business development of the country. He is an advisor of Chattogram Customs Agents Association. He has also served as Senior Director of Chattogram Chamber of Commerce and Industries, former Director of Bangladesh Malaysia Chamber of Commerce & Industry, Former Director and Member of International Business Forum of Bangladesh (IBFB) and former member of Federation of Bangladesh Chambers of Commerce & Industry (FBCCI). Mr. Chowdhury is a widely traveled person across the globe. As a business representative, he extensively visited many countries, including India, Malaysia, Saudi Arabia, the United States of America, the United Kingdom, China, Thailand, Bhutan, Japan, and Taiwan. By virtue of religious devotion, he has performed the holy Hajj thrice.

ASHOK KUMAR SAHA

DIRECTOR

Mr. Ashok Kumar Saha, a thorough professional and distinguished industrialist, was born into a respected and renowned family in Ghatforhadbegh, Chattogram. While studying in the third year of his master's degree in Chemistry at the Chattogram University, he got the opportunity to pursue higher education abroad and obtained B.Sc Engineering (Electrical) from Ohio University, Ohio, USA and Master of Business Administration (MBA) from the University of New Haven in Connecticut, USA. On 12th October 2009, Mr. Saha was appointed as a Director of Standard Islami Bank PLC. in place of his father, Late Nani Gopal Saha, who was a sponsor director of the bank and well-known Industrialist of the country. He was also declared a CIP (Commercially Important Person) by the Government of Bangladesh and was honored twice as the highest taxpayer in the Chattogram region. Mr. Ashok Kumar Saha has continued his father's legacy with distinction and integrity. He is widely recognized in the business community of Chattogram for his leadership and innovation in the industrial sector. He currently serves as the Managing Director of NGS Industries Limited, NG Saha Steel Industries (Pvt.) Limited, A.K. Saha Steel Industries (Pvt.) Limited and Uttam Oil Limited. He gained phenomenal experience regarding Marketing Survey Reports of various companies in USA during his MBA Degree and accomplished some logical Digital projects for Electrical and Computer Engineering in Ohio, USA. Beyond his professional pursuits, Mr. Saha is actively involved in various social, cultural, and religious activities. As the host Leader in Bangladesh Special Olympic Team, New Heaven, Connecticut, USA and contributed for Sports of Bangladesh Olympic Association, Dhaka in 2009. He was a member of the Executive Committee of Chattogram Senior's Club Ltd. in 2015. Mr. Ashok Kumar Saha is not only a prominent business leader but also a dedicated philanthropist and community figure.

FEROZUR RAHMAN

DIRECTOR

Mr. Ferozur Rahman, an eminent business personality comes of a reputable Muslim family. Mr. Rahman, is a dynamic and visionary leader of banking and other business arena. He is cheerful, good- humored and exuberant character. He established himself as a star, flamboyant hotel businessman in Bangladesh. He has a wide range of experience in several businesses. He is the Director of Hotel Peacock Ltd. & Proprietor of Olio Dream Heaven. Mr. Rahman has been involved with many prominent social organizations and is a dedicated social worker. He is an angelic face to the society and forward footstep for the wellbeing of his neighbor since he has been discernible with the following institution:

- Former Upazilla Chairman of Brahmanbaria
- Former Vice-Chairman and Former EC Chairman of Standard Islami Bank PLC.
- Past District Governor, District 315 B2 as well as PMJF LCI
- Former Chairman of Sultanpur Union Parishad, (5 times Chairman) Brahmanbaria for about 27 years
- Founder Chairman of Ferozur Rahman Fund and Foundation
- Founder and Chairman of Ferozur Rahman Residential Academy School and College in Brahmanbaria

MOHAMMAD MANJUR ALAM

DIRECTOR

Mr. Mohammad Manjur Alam is a renowned Industrialist having over 56 years of business experience. He is the founder of Mostafa Hakim Group. He is the Chairman of H. M. Steel & Industries Ltd., Alhaj Mostafa Hakim Bricks Ltd., H.M Ship Breaking Ind. Ltd., H.M Real Estate Ltd., H.M Oxygen Ltd., H.M Hollow Blocks Ltd. He is also the Managing Director of Golden Ispat Ltd., Golden LPG Ltd., Taher & Co. Ltd., Golden Bricks works Ltd., Golden Steel Alloy Works Ltd., Al-Haj Mostafa Hakim Housing & Real Estate Ltd., Golden Oxygen Ltd., Al-Haj Mostafa Hakim Cement Ind. Ltd., Golden Iron Works Ltd, Eagle Star Textile Mills Ltd. and Mutual Jute Spinners Ltd. He is also the Proprietor of M/s. Manjur Alam.

Besides business activities, Mr. Alam is also actively associated with several distinguished educational and socio cultural organizations. He is the founder of Alhaj Mostafa Hakim Welfare Foundation (Established-1977) and Alhaj Hosne Ara Manjur Welfare Trust. Under the above two welfare organizations 119 educational institute, Mosjid, Madrasa, Hospital and other charitable organization are established and running as of June 2026. He was elected as Mayor of Chattogram City Corporation in 2010. Before elected as Mayor of Chattogram City Corporation he served as Councilor of 10 No. North Kattali ward, Chattogram for 17 years from 1994-2010.

S.A. MD HOSSAIN

DIRECTOR

Mr. S. A. MD Hossain is a prominent, innovative and successful businessman of the country. He was born in a glorious and highly respectable Muslim family of Noapara, Raozan Thana under Chattogram district. He has started his glorifying business career in the Field of Electronics around 45 years ago and excels in this field like a star. Currently, his organizations Victor Group, Victor Electronics, and Victor International have become trusted names across the country. He has successfully expanded his business into multiple sectors. He serves as Chairman of Hotel Victory Ltd., and Link Up Steel Mills Ltd., and as Director of SBL Capital Management Ltd. Additionally, he is a Partner of Surprise Industrial Corporation and the Proprietor of Victor Electronics, Victor International, and Samira Trade International. Beyond his business pursuits, he is actively involved with several distinguished educational and socio-cultural organizations. He is also a life member of the Army Golf Club in Dhaka and the Chattogram Club.

He is a philanthropist and does a lot of charity to variety of organizations. He founded the Aslam Smriti Foundation at Raozan, Noapara, Chattogram. The foundation runs many Etimkhana, which produce numerous Quran-e-Hafiz every year and it also serves many poor and destitute people. He has been relentlessly contributing in the field of education and holds very key post in many institutions. He is the founder member of Noapara Muslim High School. He has been working for the improvement of the downtrodden at his village in Raozan, Noapara.

With his brilliance and prudence, he has been contributing in Standard Islami Bank PLC. to reach its vision through providing best banking services.

AL-HAJ MOHAMMED SHAMSUL ALAM

DIRECTOR

A man of pleasant personality with strong determination Mr. Al-Haj Mohammed Shamsul Alam was born in 1953 at Noapara, Raozan, Chattogram and he is in business since 1972. His father and grandfather Late Haji Abul Bashar Sowdagar and Late Abdur Rouf Sufi respectively were also the renowned businessmen at their own domain. Mr. Mohammed Shamsul Alam in his first business life belonged to his family business “Trading of Clothes” at Kurbanigong, Chattogram. Mr. Alam is a Sponsor Director of Standard Islami Bank PLC. He is also the Managing Partner of M/s Radio Vision, Managing Director of PAM Complex (Pvt.) Ltd. which is the manufacturer of Garments poly bag and others accessories, CIDER Education Services Ltd., Chattogram. He was also Ex-Director and Ex-member of Executive Committee of MIDAS Financing Limited. Mr. Mohammed Shamsul Alam is also a devoted social worker and involved with the following institutions:

- Founder President of “Amena Bashar Boyoshka Punarbashan Kendra” an exclusive self-financial project in Noapara Raozan, Chattogram.
- Former President of Noapara Muslim High School & Noapara Muslim Government Primary School.
- Member of the Lions Clubs of Chattogram.

GULZAR AHMED

DIRECTOR

Mr. Gulzar Ahmed, Honorable Director of Standard Islami Bank PLC., head of the country's renowned jewellery company Apan Jewellers, Chairman of Unique Gold Pvt. Ltd. and has been elected as the Vice-Chairman of the Bank at the 421st meeting of the Board of Directors of Standard Islami Bank PLC. held on 07 January 2026. He is also a member of the Audit Committee of the Bank and a Director of SBL Capital Management Limited. Mr. Gulzar Ahmed was born in a respectable Muslim family of Golapganj Upazila of Sylhet district. After completing his education, he took over his family business Apan Jewellers. The Apan family has established 9 jewellery showrooms in different parts of Dhaka with their combined efforts. As a prominent business personality, Mr. Ahmed has climbed to the pinnacle of success through honesty, dedication and professionalism in his 44-year colorful business career. He served as the Acting President of Bangladesh Jewellers Association (BAJUS) for a long time. He is also the Chairman of Unique Gold Private Limited, First Vice President of Bangladesh Jewellery Manufacturers and Exporters Association (BJMEA), Member of General Body of FBCCI, Member of Executive Council of Baitul Mukarram Business Group, Chief Advisor of Apanscape and Advisor of Gulshan DNCC Market Committee. He is also the former President of Baitul Mukarram Business Group. In addition to his professional success, he is actively involved in various socio-cultural organizations, which demonstrates his commitment to community development and social responsibility.

MD. ZAHEDUL HOQUE

DIRECTOR

Mr. Md. Zahedul Hoque a young and promising professional and well established businessman was born in a renowned family. He completed his Bachelors of Business Administration majoring in Industrial Management in December, 1992 from Northeast Louisiana University, Monroe, Louisiana, USA. His father Al-Haj Md. Nurul Hoque Sowdagar was also a prominent and well established businessman both at home and abroad. He was one of the Sponsor Directors of the Bank and is the founder of Hazi MD. Nurul Hoque Degree College, Shakpura, Boalkhali, Chattogram and Amenia Forkania and Nuria Madrasha, West Shakpura, Boalkhali, Chattogram. Mr. Zahedul Hoque is the proprietor of M/S Zahed Brothers (import of food grains, spices, betel nut, sugar & vegetable oil). Mr. Md. Zahedul Hoque is associated with many renowned social organizations and also devoted to social works as well as involved with the following institutions in different capacities:

- Immediate past Chairman, Boailkhali Upazila, Chattogram
- Former Vice-Chairman, Khatungonj Trade and Finance Industries
- Former Director, Chattogram Chamber of Commerce and Industries (CCI).
- Founding Member, Governing Body of Boalkhali Hazi MD. Nurul Hoque Degree College, Shakpura, Boalkhali, Chattogram .
- Life Member, Army Golf Club, Dhaka.
- Permanent Member, Chattogram Club Limited.
- Permanent member, Chattogram Seniors Club Limited.
- Permanent member, Chattogram Boat Club.
- Life Member, Chattogram Collegiate Club
- Vice President, Chattogram Collegiate School '85
- Life Member, Chattogram Heart Foundation.
- Life Member, Maa-O-Shishu Hospital, Agrabad, Chattogram.
- Former member, Bangladesh Garments Manufacturing and Export Association (BGMEA).
- Councilor, Chattogram Jila Krira Sangstha.
- Chairman, Executive Committee of Chattogram Rising Star Club.
- Founder Member, Amenia Forkaniya Nuria Madrasah and Orphanage.

FERDOUS ALI KHAN

DIRECTOR

Mr. Ferdous Ali Khan is a highly respected businessman and industry leader from a distinguished and well-educated Muslim family in Dinajpur. His father, the late Siddique Ali Khan, was a noted businessman in the region.

Mr. Khan began his journey in the tailoring industry in 1972 as a tailoring apprentice. Through dedication, craftsmanship, and an unwavering pursuit of excellence, he established Ferdous Tailors on September 18, 1980. Under his leadership, the brand grew into one of Bangladesh's leading tailoring houses, renowned for quality, precision, and service.

Over the years, he expanded the brand across key locations in Bangladesh while remaining deeply committed to mentoring future artisans and advancing research and development in modern tailoring craftsmanship. He was awarded the 2012 Quality Summit New York Gold Award for Excellence and Business Prestige, recognizing outstanding quality, innovation, and continuous improvement in tailoring.

Mr. Khan currently serves as a Sponsor Director of Standard Islami Bank PLC. and is a member of Uttara Club Limited, Army Golf Club, and Bangladesh Chamber of Industries (BCI). A responsible member of society, Mr. Khan is actively involved in philanthropy and community development, particularly in underprivileged rural communities, with a strong passion for children's education. He is a family man and is a proud father of two daughters and one son.

ASHIT KUMAR SAHA

DIRECTOR

Mr. Ashit Kumar Saha is an accomplished industrialist and visionary leader with a proven track record of driving large-scale industrial growth and spearheading transformative business strategies since 1983. He has played a pivotal role in Bangladesh's business sector holding key position as the Managing Director of NGS Cement Industries Ltd. Mr. Saha was the founding chairman of Uttam Oil Mills Ltd. He has served as the Managing Director in A. K. Saha steel Industries (PVT) Ltd., NGS Steel Industries (PVT) Ltd. And New Bengal Trading Co. Ltd. His leadership extended to serve as a director in various esteemed companies including N.G. Saha Steel Industries Ltd. and Saha Steel Products (PVT) Ltd. Academically, he holds a B.Com degree from Government College of Commerce, Chattogram. His contributions to the economy have been recognized with multiple accolades, including the Corporation (2017), along with the Commercially Important Person (CIP) title in 2000. Beyond his professional achievements, he is an active member of elite clubs such as Chittagong Club Limited, Bhatiary Golf and Country Club, and Shaheen Golf and Country Club, reflecting his passion for networking and leisure activities.

JHAHEDUL ALAM

DIRECTOR
(Nominee of M/S Super Electronics)

Mr. Jhahedul Alam, is an experienced business professional with a background in Economics. With extensive experience across various phases of the business value chain, he has developed a deep understanding of financial risk management, trading contracts, trade finance, and manufacturing. His analytical research skills, combined with leadership, mentoring, and teamwork abilities, have enabled him to excel in his career and contribute to the success of multiple organizations. He holds a B.Sc. (Hons) in Economics from Queen Mary, University of London, and an advanced diploma in Commodity Trading Risk Analysis from the Swiss Trading and Shipping Association (STSA). His professional journey includes holding key positions such as Managing Partner at M/s Super Electronics, Managing Director at Hay Agro Pvt. Ltd., and Deputy Managing Director at Shufola Multi Products Ltd. Additionally, he serves as a Director for Mizuki Household Products Ltd. and PAM Complex Pvt Ltd. while also being a Partner in M/S Radiovision, J.P Sons, and White Rabbit. His diverse roles demonstrate his adaptability, strategic thinking, and ability to navigate complex business environments. With a strong interest in international business, geopolitics, and technology, he continuously seeks opportunities for growth and innovation. His commitment to continuous improvement and learning agility has positioned him as a forward-thinking professional with a passion for driving change and optimizing business operations.

GOLAM HAFIZ AHMED

INDEPENDENT DIRECTOR

Mr. Golam Hafiz Ahmed has been appointed as Independent Director as well as Chairman of the Audit Committee of Standard Islami Bank PLC. Mr. Hafiz started his banking career with Standard Chartered Bank in 1982. Throughout his 34 years illustrious banking career he held different senior management positions in Standard Chartered, Pubali Bank, Bank Indosuez, Dhaka Bank and NCC Bank PLC. After retirement as Managing Director & CEO of NCC Bank, Mr. Hafiz joined Islami Bank Foundation in 2018 as Executive Director and served until January 2020.

In his long banking career, he demonstrated remarkable leadership ability in institutional transformations & development at various levels of management. In addition to attending many training courses, seminars and workshops at home and abroad, he has completed a leadership course on Value creation in Banking from the renowned French business school 'INSEAD'. Mr. Hafiz obtained his Masters and Honours degrees in Economics from Dhaka University

Prior to joining SBPLC, he was a Director in Bangladesh Finance Board.

KHONDOKER RUMY EHSANUL HUQ

INDEPENDENT DIRECTOR

Mr. Khondoker Rumy Ehsanul Huq is a proficient banking professional with over 38 years of experience in the banking and non-banking financial sector. He holds an MBA from the University of Central Oklahoma, USA. He was appointed as Independent Director of Standard Islami Bank PLC. on 24th March, 2025. He is also acting as Chairman of the Audit Committee of the Bank. He started his Banking Career as 1st batch of Probationary Officer with National Bank PLC. (NBL) in August 1983. He held key positions with National Bank PLC, including Head of Foreign Remittance at NBL and the first Operations Manager of Western Union Money Transfer in Bangladesh. In 1999, he joined Exim Bank PLC. as Senior Assistant Vice President (SAVP) and later he was promoted as the Deputy Managing Director (DMD) in 2013. His leadership spanned multiple roles in Exim Bank, including Chief Anti Money Laundering Compliance Officer (CAMLCO), Chief Risk Officer (CRO), and Supervisor of various divisions and zones, overseeing significant portions of the bank's assets and profit. His achievements include multiple Gold Medals as the "Best Performer of EXIM Bank" from 2007 to 2009.

Following his tenure at Exim Bank, Mr. Huq joined as Managing Director of Hajj Finance Company Limited (HFCL), a Bangladesh-Malaysia joint-venture Shari'ah-based Non-banking Financial Institution (NBFI). He served in this role from 1st October 2019 to 30th September 2022. Under his leadership, HFCL strictly adhered to Bangladesh Bank regulations and the company's Shari'ah policies, working towards long-term strategic objectives, as a result the company was adjudged by the Bangladesh Bank as one of the best sustainable NBFI for the year 2020. He successfully implemented key policies that improved operations, ensuring stable financial growth on both sides of the company's balance sheet. He also worked closely with the Shari'ah Supervisory Committee to ensure compliance with Shari'ah norms and principles.

RIAD MAHMUD CHOWDHURY

MANAGING DIRECTOR

Mr. Riad Mahmud Chowdhury has recently joined Standard Islami Bank PLC. as its Managing Director, where he will lead the bank's strategic growth, digital modernization, and Shari'ah-compliant financial services. With over 26 years of high-impact leadership in Corporate and Institutional Banking, he has established a reputation for driving sustainable asset growth while anchoring robust compliance standards.

Before joining Standard Islami Bank PLC., Mr. Chowdhury was the Deputy Managing Director & Head of Corporate Banking at Eastern Bank PLC. His extensive leadership journey includes scaling large-scale corporate portfolios, setting benchmarks for low-NPL management, and launching specialized Islamic banking frameworks that secured substantial market share.

He has successfully orchestrated landmark project syndications, including the historic financing of the Rooppur Nuclear Power Plant and the record-breaking syndication for Banglalink. A pioneer in digital transformation & innovation, he has institutionalized advanced cross-border trade solutions—including the digitization of the Chittagong Port Authority to enable 24/7 global payments and operational efficiency—while fostering collaborative partnerships with global financial bodies, such as the IFC and ADB, to drive sustainable green finance policies.

An alumnus of the University of Dhaka, Mr. Chowdhury earned his MBA in Finance from the prestigious Institute of Business Administration (IBA). Furthering his technical expertise, he achieved global certification in Credit Skills Assessment (CSA) from Omega Corporation, UK, alongside a Commercial Credit Certification from Moody's.

SPONSORS OF THE BANK

Ln. Kazi Akram Uddin Ahmed
Sponsor & Founder Chairman

Kamal Mostafa Chowdhury
Sponsor & Founder Vice-Chairman

Mohammad Nurul Islam
Sponsor

Late Nani Gopal Saha
Sponsor

Late Al-haj Mohammad Ayub
Sponsor

Ferozur Rahman
Sponsor

Harun Rashid Chowdhury
Sponsor

Mohammad Manjur Alam
Sponsor

S.A. MD Hossain
Sponsor

Mohammed Abdul Aziz
Sponsor

Al-haj Mohammed Shamsul Alam
Sponsor

Late Abdul Ahad
Sponsor

Late Al-haj Md. Nurul Haque Sowdagar
Sponsor

Ferdous Ali Khan
Sponsor

Harun-Or- Rashid
Sponsor

Late Mahabub Uddin Molla
Sponsor

Farzana Yousuf
Sponsor

COMMITTEES OF THE BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

Mr. Ferdous Ali Khan
Chairman

Mr. Mohammed Abdul Aziz
Member

Mr. Ferozur Rahman
Member

Al-haj Mohammed Shamsul Alam
Member

Mr. Md. Zahedul Hoque
Member

AUDIT COMMITTEE

Mr. Khondoker Rumy Ehsanul Huq
Chairman

Mr. S.A. MD Hossain
Member

Mr. Gulzar Ahmed
Member

Mr. Golam Hafiz Ahmed
Member

COMMITTEES OF THE BOARD OF DIRECTORS

RISK MANAGEMENT COMMITTEE

Mr. Kazi Akram Uddin Ahmed
Chairman*

S.A. MD Hossain
Member

Mohammed Abdul Aziz
Member

Al-haj Mohammed Shamsul Alam
Member

SHARI'AH SUPERVISORY COMMITTEE

Mufti Mohammad Muhibbullahil Baqee An-Nadwi
Chairman

Professor Dr. Hafiz Muztaba Riza Ahmed
Member

Mufti Dr. Mohammad Imam Hossain
Member

Professor Dr. A. S. M. Toriqul Islam
Member

Professor Dr. Muhammad Tazammol Hoque
Member

* He was retired and re-elected in 26th AGM of the Bank held on 14th August 2025, but Bangladesh Bank did not give any response till 31st December 2025

MANAGEMENT COMMITTEE

Mr. Riad Mahmud Chowdhury
Managing Director
Chairman

Mr. Md. Siddiqur Rahman
Additional Managing Director
Member

Mr. Md. Iqbal
Head of IRMD
Member

Mr. Mohammad Kaiser Alam Mozumder
Head of HRD
Member Secretary

Mr. Mansoor Ahmed
Head of BMOD
Member

Mr. Md. Mizanur Rahman, FCS
Company Secretary
Member

Mr. Shah Rahat Uddin Ahmed
Head of Treasury
Member

Mr. Md. Mushfiqur Rahman
CITO
Member

Mr. Mohammad Syejuddin Ahmmed
Head of ICCD
Member

Mr. Shakh Anwar Hossain
Head of SAMD
Member

Mr. Mohammad Salah Uddin, FCS
Chief Financial Officer
Member

Mr. Md. Hasibul Hasan
Head of ID
Member

MANAGEMENT COMMITTEE

SL.	Position	Name	Portfolio
1.	Managing Director	Mr. Riad Mahmud Chowdhury	Chairman
2.	Additional Managing Director	Mr. Md. Siddiqur Rahman	Member
3.	Head of IRMD	Mr. Md. Iqbal	Member
4.	Head of HRD	Mr. Mohammad Kaiser Alam Mozumder	Member Secretary
5.	Head of BMOD	Mr. Mansoor Ahmed	Member
6.	Company Secretary	Mr. Md. Mizanur Rahman, FCS	Member
7.	Head of Treasury	Mr. Shah Rahat Uddin Ahmed	Member
8.	CITO	Mr. Md. Mushfiqur Rahman	Member
9.	Head of ICCD	Mr. Mohammad Syejuddin Ahmmed	Member
10.	Head of SAMD	Mr. Shakh Anwar Hossain	Member
11.	Chief Financial Officer	Mr. Mohammad Salah Uddin, FCS	Member
12.	Head of ID	Mr. Md. Hasibul Hasan	Member

MANAGEMENT TEAM

SL.	Name	Position
1.	Mr. Riad Mahmud Chowdhury	Managing Director
2.	Mr. Md. Siddiqur Rahman	Additional Managing Director
3.	Mr. Md. Iqbal	EVP & Head of IRMD
4.	Mr. Mohammad Kaiser Alam Mozumder	EVP & Head of HRD
5.	Mr. Mansoor Ahmed	EVP & Head of BMOD
6.	Mr. Md. Mizanur Rahman, FCS	SVP & Company Secretary
7.	Mr. Shah Rahat Uddin Ahmed	SVP & Head of Treasury
8.	Mr. Md. Mushfiqur Rahman	SVP & Head of IT
9.	Mr. Mohammad Syejuddin Ahmmed	SVP & Head of ICCD
10.	Mr. Mohammad Salah Uddin, FCS	VP & CFO
11.	Mr. S. M. Nazrul Islam	VP & Head of IAD
12.	Mr. Mohammad Shohrab Hossain	VP & Head of IMD
13.	Mr. Mohammad Amzad Hossain Fakir	VP & Head of SME, Retail and Agri. Division
14.	Mr. Shakh Anwar Hossain	VP & Head of SAM
15.	Mr. Md. Hasibul Hasan	VP & Head of ID
16.	Mr. Mir Mohammad Shahinur Rahman	VP & Head of Cards & ADC
17.	Major Ahmed Mustafa Syrus (Retd.)	SAVP & Head of GSD (Acting)
18.	Mr. K. M. Rahmatullah	SAVP & Head of SSD
19.	Mr. Ratan Kumar Saha	AVP & Head of CTSD (Acting)
20.	Mr. Sohel Ahmed Rahmani	AVP & Head of BC & CA
21.	Mr. Md. Limon Sikder	AVP & Head of AML & CFT

মাননীয় চেয়ারম্যান মহোদয়ের বক্তব্য

মোহাম্মদ আবদুল আজিজ
চেয়ারম্যান

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ, পরিচালনা পর্ষদের সম্মানিত সদস্যবৃন্দ, ব্যবস্থাপনা কর্তৃপক্ষ ও অতিথিবৃন্দ,

আস্‌সালামু আলাইকুম ওয়া রাহ্‌মাতুল্লাহ,

স্ট্যান্ডার্ড ইসলামী ব্যাংক পিএলসি. এর ২৭ তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। ২০২৫ সালের ব্যাংকের বার্ষিক প্রতিবেদন পরিচালনা পর্ষদের পক্ষ থেকে আপনাদের সকলের সামনে উপস্থাপন করতে পেরে আমি আনন্দিত। বিগত বছরগুলোর মত এবারো আমরা সফল একটি বছর অতিক্রম করেছি। আর, আমাদের এ অর্জন ধরে রাখা সম্ভব হয়েছে মূলতঃ ব্যাংকের সম্মানিত সকল অংশীজনের অবিরাম সহযোগিতা, ব্যাংক ব্যবস্থাপনা কর্তৃক কার্যকর কর্ম-কৌশল প্রণয়ন, কর্মকর্তা-কর্মচারীদের যথাযথ বাস্তবায়ন ও অক্লান্ত পরিশ্রম এবং শেয়ারহোল্ডার, গ্রাহক এবং শুভানুধ্যায়ীদের সার্বিক সমর্থনের মাধ্যমে। আমি দৃঢ়ভাবে বিশ্বাস করি, ভবিষ্যতেও আপনাদের এ সক্রিয় সহযোগিতা ও অবিচল আস্থার মাধ্যমে আমাদের ব্যাংক আরও শক্তিশালী, উদ্ভাবনী এবং টেকসই আর্থিক প্রতিষ্ঠানে পরিণত হবে।

বৈশ্বিক ও বাংলাদেশের অর্থনীতি

২০২৫ সালে বৈশ্বিক অর্থনীতি বহুমুখী চ্যালেঞ্জের মধ্য দিয়ে অগ্রসর হয়েছে। ভূ-রাজনৈতিক উত্তেজনা, আঞ্চলিক সংঘাত এবং বড় অর্থনৈতিক শক্তিগুলোর মধ্যে বাণিজ্য ও প্রযুক্তিগত প্রতিযোগিতা বৈশ্বিক অর্থনৈতিক স্থিতিশীলতাকে প্রভাবিত করেছে। বিশেষ করে কিছু অঞ্চলের রাজনৈতিক অস্থিরতার ফলে জ্বালানী সরবরাহ, আন্তর্জাতিক বাণিজ্য প্রবাহ এবং বিনিয়োগ সিদ্ধান্তে অনিশ্চয়তা সৃষ্টি করেছে। এ প্রেক্ষাপটে বৈশ্বিক সরবরাহ শৃঙ্খল (Global Supply Chain) এখনো পুরোপুরি স্বাভাবিক হয়নি। ফলে অনেক উন্নত ও উদীয়মান অর্থনীতিতে উৎপাদন ব্যয় বৃদ্ধি এবং আমদানি মূল্যস্ফীতির চাপ অব্যাহত রয়েছে। আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) এর অক্টোবর ২০২৫ বিশ্ব অর্থনৈতিক দৃষ্টিভঙ্গি অনুযায়ী, ২০২৪ সালে বৈশ্বিক জিডিপি প্রবৃদ্ধি ছিল ৩.৩%, যা ২০২৫ সালে ৩.২% এবং ২০২৬ সালে ৩.১% -এ নেমে আসবে বলে পূর্বানুমান করা হয়েছে।

২০২৪-২৫ অর্থবছরে বাংলাদেশের অর্থনীতি বহুমুখী চ্যালেঞ্জ ও ধীরগতির পুনরুদ্ধার প্রক্রিয়ার মধ্য দিয়ে গেছে। বৈশ্বিক বাণিজ্যের প্রভাব, রাজনৈতিক অস্থিতিশীলতা, ব্যবসা বাণিজ্যে স্থবিরতার কারণে দেশের অর্থনীতিতে উল্লেখযোগ্য উন্নয়ন পরিলক্ষিত হয়নি। উচ্চ মূল্যস্ফীতি, বৈদেশিক মুদ্রার চাপ এবং বিনিয়োগের ধীরগতির কারণে সামষ্টিক অর্থনীতি কিছুটা চাপের মধ্যে ছিল। তবে ইতোমধ্যে নেতিবাচক ধারা থেকে দেশের অর্থনীতি অগ্রগতির ধারায় অবতীর্ণ হয়েছে। ADB-এর এপ্রিল ২০২৫ প্রতিবেদন অনুযায়ী, রাজনৈতিক পরিবর্তন, প্রাকৃতিক দুর্যোগের ঝুঁকি, উচ্চ মুদ্রাস্ফীতি ও দুর্বল অভ্যন্তরীণ চাহিদার কারণে FY ২০২৫-এ প্রবৃদ্ধি ৩.৯% হবে বলে পূর্বানুমান করা হয়েছে, যা FY ২০২৬-এ ৫.১%-এ উন্নীত হবে। IMF-এর জানুয়ারি ২০২৬ পর্যালোচনা মতে, FY ২০২৬ ও FY ২০২৭-এ প্রবৃদ্ধি ৪.৭ শতাংশের কাছাকাছি থাকবে বলে প্রত্যাশা করা হয়েছে। বর্তমান সমসাময়িক চ্যালেঞ্জ মোকাবেলা করতে দরকার ব্যাংকিং খাত

তথা আর্থিক খাতে সুশৃংখলা আনয়ন, অনিয়ম, দূর্নীতি ও স্বেচ্ছাচারিতার বিরুদ্ধে কঠোর ব্যবস্থা গ্রহন, অবকাঠামো খাতে অধিক বিনিয়োগ, নিরবিচ্ছিন্ন জ্বালানি সরবরাহ নিশ্চিত করা, পণ্যের বহুমূখীকরণ ও বাজার অনুসন্ধানের মাধ্যমে রপ্তানি বাণিজ্য বাড়ানো, নতুন শ্রম বাজার অনুসন্ধানের মাধ্যমে রেমিট্যান্স আহরণ বৃদ্ধি করা। ২০২৫ সালে ব্যাংকিং খাত একটি কঠিন ও সংকোচনমূলক পরিস্থিতিতে পরিচালিত হয়েছে। তারল্য ব্যবস্থাপনায় চাপ বৃদ্ধি, সীমিত ঋণ প্রবৃদ্ধি সহ সম্পদের গুণগত মানোন্নয়নে অধিক গুরুত্ব দেয়া হয়েছে। তবে বিভিন্ন প্রতিকূলতা স্বত্তেও আমাদের ব্যাংক স্থিতিশীল আর্থিক পারফরম্যান্স বজায় রাখতে সক্ষম হয়েছে।

স্ট্যান্ডার্ড ইসলামী ব্যাংক পিএলসি. এর অর্জনসমূহ:

প্রতিকূল বৈশ্বিক ও দেশীয় পরিস্থিতির মধ্যে পরিপূর্ণ ইসলামী শরীআহ সম্মত ব্যাংক হিসেবে বিভিন্ন গুরুত্বপূর্ণ খাতসমূহে আমানত, বিনিয়োগ, বৈদেশিক বাণিজ্যসহ বিভিন্ন সেবা প্রদানের ক্ষেত্রে শরীআহ সম্মত এবং কল্যাণধর্মী কর্মপন্থা অনুসরনের মাধ্যমে উল্লেখযোগ্য অগ্রগতি অর্জন করে বছরের সমাপ্তি টেনেছে।

অর্জিত মুনাফা ও সঞ্চিতি

ব্যাংকিং খাতে চলমান স্থবিরতা ও তারল্য সংকটের মধ্যেও নিরীক্ষিত আর্থিক প্রতিবেদন অনুযায়ী, ২০২৫ সালে ব্যাংকের পরিচালনগত মুনাফা ১,৯৯৮ মিলিয়ন টাকা। রেগুলেটরি সীমাবদ্ধতার কারণে সম্মানিত শেয়ারহোল্ডারবৃন্দদের মাঝে লভ্যাংশ বিতরণ করতে সক্ষম না হলেও বিগত দু বছরে ২,৭১২ মিলিয়ন টাকা সহ ব্যাংক সর্বমোট ১০,৩৮২ মিলিয়ন টাকা প্রভিশন সংরক্ষণ করেছে, যা ব্যাংকের টেকসই উন্নয়নের লক্ষ্যমাত্রা অর্জনে সহায়ক হবে।

আমানতের প্রবৃদ্ধি বিনিয়োগ কার্যক্রম

২০২৫ সালে ব্যাংকের আমানতের পরিমান ছিল ২,১২,৬৬৬ মিলিয়ন টাকা, যা বিগত বছরের আমানত ২,০১,২৫৬ মিলিয়ন টাকার চেয়ে ৫.৬৭% বেশি। অন্যদিকে, মোট আমানত গ্রাহক সংখ্যাও এ বছর বৃদ্ধি পেয়েছে। ২০২৫ সালে শিল্প খাতে বিতরণকৃত বিনিয়োগের পরিমাণ দাঁড়িয়েছে ১,৩৫,৯৫২ মিলিয়ন টাকা, যা মোট বিনিয়োগের ৬৬.৩৯ শতাংশ। বিনিয়োগ বহুমুখীকরণের জন্য ব্যাংক সময়োপযোগী কৌশলগত পদক্ষেপ নিয়েছে, যার মাধ্যমে এসএমই, নারী উদ্যোক্তা এবং উৎপাদনশীল খাতে বিনিয়োগকে সম্প্রসারিত করা হচ্ছে। এ প্রক্রিয়ার অংশ হিসেবে ২০২৫ সালে এসএমই খাতে ৩৪,৮৯৫ মিলিয়ন টাকা এবং কৃষি খাতে ৩,৯০০ মিলিয়ন টাকা বিনিয়োগ সহায়তা দেওয়া হয়েছে।

আমদানি-রপ্তানি ও রেমিট্যান্স: ২০২৫ সালে ব্যাংকের আমদানি ও রপ্তানির পরিমাণ ২০২৪ সালের তুলনায় যথাক্রমে ১৬.১৪ শতাংশ ও ১৪.৭২ শতাংশ বৃদ্ধি পেয়ে দাঁড়িয়েছে যথাক্রমে ১,৬৫,৪৭০ মিলিয়ন টাকা এবং ৭৯,০৯৯ মিলিয়ন টাকা। ২০২৫ সালে ব্যাংকের রেমিট্যান্স আন্তঃপ্রবাহের পরিমাণ ৬২,৯৩৪ মিলিয়ন টাকায় দাঁড়িয়েছে।

শাখা ও অটোমেশন কার্যক্রম: বর্তমানে ব্যাংকটির সকল শাখায় অনলাইন ব্যাংকিং কার্যক্রম চালু রয়েছে। বর্তমানে -১৩৮ টি পূর্ণাঙ্গ শাখা, ৩ টি জোনাল অফিস এবং ১২৩ টি এটিএম বুথ কার্যক্রমের মাধ্যমে ব্যাংকিং সেবা দেওয়া হচ্ছে। ইন্টারনেট ব্যাংকিং, মোবাইল অ্যাপ ব্যাংকিং এবং ডেবিট ও ক্রেডিট কার্ড (তিজারা ক্রেডিট কার্ড)-এর মাধ্যমে গ্রাহকদের আধুনিক সেবা প্রদান করা হচ্ছে ।

ঝুঁকি ব্যবস্থাপনা ও নিয়ন্ত্রন কার্যক্রম

ব্যাংকের টেকসই উন্নয়ন এবং সার্বিক সূচকসমূহ সন্তোষজনক পর্যায়ে রাখার জন্য স্ট্যান্ডার্ড ইসলামী ব্যাংকের রয়েছে একটি সুদক্ষ ও কার্যকর ঝুঁকি ব্যবস্থাপনা কাঠামো। ব্যাংকের টেকসই উন্নয়ন নিশ্চিত করার জন্য সম্পদ-দায় ব্যবস্থাপনা, বিনিয়োগ ঝুঁকি ব্যবস্থাপনা, মূলধন ব্যবস্থাপনা সহ অন্যান্য মূখ্য ঝুঁকি ব্যবস্থাপনার উপর গুরুত্বারোপ করা হয়েছে। এখানে উল্লেখ্য যে, ২০২৫ সালে ব্যাংকের রেটিং দীর্ঘমেয়াদে AA এবং স্বল্প মেয়াদে ST-2, অর্থাৎ ব্যাংক স্থিতিশীল অগ্রগতির পথে রয়েছে। ঝুঁকি ব্যবস্থাপনা সক্ষমতা বৃদ্ধিতে ব্যাংকের পর্ষদ ঝুঁকি ব্যবস্থাপনা কমিটি, পরিচালনা পর্ষদ ও ব্যবস্থাপনা পর্যায়ে সজাগ দৃষ্টিভঙ্গি রয়েছে, যাতে করে চিহ্নিত এবং সম্ভাব্য ঝুঁকিসমূহ মোকাবেলা করা যায়।

আমাদের ব্যাংক সবসময়ই চিহ্নিত ও সম্ভাব্য ঝুঁকির উপর সজাগ দৃষ্টি রাখে। বিশ্ব অর্থনৈতিক সংকট, আমদানি রপ্তানি ব্যবসা বাণিজ্যে মন্দা, মুদ্রাস্ফীতি, তারল্য সংকট ইত্যাদি চলমান সমস্যার ফলে সৃষ্ট ঝুঁকি মোকাবেলায় স্ট্যান্ডার্ড ইসলামী ব্যাংক বিশেষ প্রস্তুতিমূলক কার্যক্রম হাতে নিয়েছে। সার্বিক ঝুঁকি ও সম্ভাব্য চ্যালেঞ্জসমূহ চিহ্নিতকরণের পাশাপাশি তা মোকাবেলায় ব্যাংকের করনীয় কার্যক্রম হাতে নেয়া হয়েছে। এছাড়া, নিয়ন্ত্রনকারী কর্তৃপক্ষের নির্দেশনাসমূহ ব্যাংকের সামর্থ্য অনুযায়ী যথাযথ পরিপালনের ব্যবস্থা নেওয়া হয়েছে।

তথ্য ও যোগাযোগ প্রযুক্তি

বর্তমান তথ্য প্রযুক্তির যুগে আর্থিক খাতে সাইবার আক্রমনসহ অন্যান্য অপরাধমূলক কার্যক্রম এবং তথ্য-প্রযুক্তি সংক্রান্ত ঝুঁকিও দিন দিন বৃদ্ধি পাচ্ছে। এ লক্ষ্যে আমাদের ব্যাংক সাইবার নিরাপত্তা ঝুঁকি ও প্রযুক্তিগত দূর্বলতা চিহ্নিতকরণ, আপদকালীন ব্যবস্থা গ্রহণ, যে কোন সাইবার বা কারিগরি আক্রমন মোকাবেলা ও সকল কর্মকর্তা-কর্মচারীদের মধ্যে সাইবার নিরাপত্তা বিষয়ক সচেতনতা বৃদ্ধি এবং প্রশিক্ষণের ব্যবস্থা গ্রহণ ইত্যাদি কার্যক্রম জোরদার করেছে, যাতে করে আমরা সম্ভাব্য তথ্য প্রযুক্তি সংক্রান্ত ঝুঁকি সমূহ দক্ষতার সাথে মোকাবেলা করতে পারি। দৈনন্দিন আর্থিক কার্যক্রম সফলভাবে সম্পাদন করার জন্য ব্যাংক BACH, BEFTN, RTGS, ATM, POS, NPSB ও Q-cash সুবিধা সহ Debit Card, Tijarah Credit Card, SMS Banking, SWIFT ও Foreign Remittance ইত্যাদি সেবা প্রদান করছে।

শরীআ'হ পরিপালন

দৈনন্দিন ব্যাংকিং কার্যক্রমে ইসলামী শরীআ'হ পরিপালনে স্ট্যান্ডার্ড ইসলামী ব্যাংক সর্বদা সচেষ্ট রয়েছে। বাংলাদেশ ব্যাংকের গাইডলাইন এবং দেশ বরেণ্য উলামায়ে কেরামের সমন্বয়ে গঠিত শরীআ'হ সুপারভাইজরী কমিটির পরামর্শ আমাদের ব্যাংকিং কার্যক্রমে শরীআ'হ পরিপালনে উৎসাহ যোগাচ্ছে। শরীআ'হ সুপারভাইজরী কমিটির অধীনে কর্মরত মুরাক্বিবগণ বিভিন্ন ধরণের নিরীক্ষা ও অনুসন্ধানের মাধ্যমে চিহ্নিত অপরিপালিত বিষয়সমূহ যথারীতি পরিপালন করা হচ্ছে।

২০২৬ সালের পরিকল্পনা

২০২৬ সাল স্ট্যান্ডার্ড ইসলামী ব্যাংক সহ সকল বাণিজ্যিক ব্যাংকের জন্য একটি গুরুত্বপূর্ণ বছর। বৈদেশিক বাণিজ্যের স্থবিরতা, মুদ্রাস্ফীতি, অর্থনৈতিক খাতের টানাপোড়েন ও রাজনৈতিক পট পরিবর্তনের পর নতুন সম্ভাবনাকে কাজে লাগানোই এখন আমাদের মূল লক্ষ্য। নতুন সম্ভাবনা ও ব্যাংকিং খাতে উন্নয়নের প্রত্যাশাকে আমলে নিয়েই স্ট্যান্ডার্ড ইসলামী ব্যাংক এ বছরের জন্য কৌশলগত পরিকল্পনা গ্রহণ করেছে। পরিচালনগত দক্ষতার উন্নয়নের মাধ্যমে আয়ের সাথে ব্যয়ের সামঞ্জস্য বিধান, রিটেইল আমানত সংগ্রহ ও বাংলাদেশ ব্যাংক কর্তৃক অগ্রাধিকারপ্রাপ্ত খাতসমূহে বিনিয়োগ বৃদ্ধির মাধ্যমে বিনিয়োগ ভারসাম্য রক্ষা, মূলধন পর্যাপ্ততা বৃদ্ধি এবং খেলাপী বিনিয়োগ হতে অধিক পরিমাণে আদায় নিশ্চিতকরণের মাধ্যমে ব্যাংক বিনিয়োগের গুণগত মান উন্নয়নে এ বছর সর্বোচ্চ গুরুত্ব প্রদান করবে। এছাড়াও, বিশ্বের সাথে তাল মিলিয়ে টেকসই উন্নয়ন লক্ষ্যমাত্রা অর্জন, ব্যাংক সংক্রান্ত সকল বিধি-বিধান পরিপালন এবং সামাজিক, নৈতিক, পরিবেশবান্ধব, উৎপাদনশীল ও লাভজনক ব্যবসায় আরো অধিকতর বিনিয়োগের জন্য ব্যাংক বদ্ধপরিকর।

ব্যাংকিং খাতের দ্রুত পরিবর্তনের প্রেক্ষাপটে বিদ্যমান চ্যালেঞ্জ মোকাবেলায় স্ট্যান্ডার্ড ইসলামী ব্যাংক পিএলসি. সামনের ২০২৬ সালে নিম্নলিখিত পদক্ষেপ গ্রহণ করবে:

১. ডিজিটাল রূপান্তর ও প্রযুক্তি বিনিয়োগ: নতুন প্রযুক্তি ও ডিজিটাল গ্রাহকসেবা, উন্নত নেটওয়ার্ক ব্যবস্থা ও ডিজিটাল নিরাপত্তা নিশ্চিত করে পূর্ণাঙ্গ ডিজিটাল ব্যাংকে রূপান্তরিত হওয়া। ডিজিটাল পেমেন্ট সিস্টেমের বিস্তার ও কার্যকর ব্যবহারে প্রযুক্তির সীমাবদ্ধতা দূর করার ক্ষেত্রে ব্যাংক বিশেষ পদক্ষেপ গ্রহন করবে।

২. শ্রেনীকৃত বিনিয়োগ হ্রাস ও সম্পদের গুণগত মান উন্নয়ন: বাংলাদেশ ব্যাংকের সংস্কার রোডম্যাপ অনুসরণ করে শ্রেনীকৃত বিনিয়োগ হ্রাসে আরও সক্রিয় পদক্ষেপ গ্রহন, ঝুঁকি-মূল্যায়ন ব্যবস্থা প্রবর্তন করা, শ্রেনীকৃত বিনিয়োগ তদারকি ও আদায় কর্যক্রম জোরদার করা, নতুন বিনিয়োগ প্রদানের ক্ষেত্রে উত্তম বিনিয়োগ গ্রাহক নির্বাচন সহ সম্পদের গুণগত মান উন্নয়নে অগ্রাধিকার প্রদান করা হবে।

৩. সিএসআর বা সামাজিক দায়বদ্ধতা: সিএসআর বা সামাজিক দায়বদ্ধতার ব্যাপারে স্ট্যান্ডার্ড ইসলামী ব্যাংক শুরু থেকেই আন্তরিক ভূমিকা পালন করে আসছে। সামনের দিনগুলোতেও সামাজিক দায়বদ্ধতার অংশ হিসেবে স্ট্যান্ডার্ড ইসলামী ব্যাংক বিভিন্ন উন্নয়নমূলক কাজে অংশগ্রহন করবে এবং সামাজিক কর্মকান্ডে আর্থিক ভাবে সহায়তা করার পরিকল্পনা গ্রহণ করেছে।

৪. আর্থিক অন্তর্ভুক্তি ও সিএমএসএমই: ক্ষুদ্র উদ্যোক্তা, নারী উদ্যোক্তা ও গ্রামীণ জনগোষ্ঠীর কাছে ব্যাংকিং সেবা পৌঁছে দেওয়া, এসএমই খাতে অর্থায়ন সহজলভ্য করার মাধ্যমে দেশের প্রকৃত অর্থনৈতিক উন্নয়নে অবদান রাখার পদক্ষেপ গ্রহণ করা হবে।

৫. মানব সম্পদ উন্নয়ন ও প্রশিক্ষণ: মানব সম্পদ উন্নয়ন একটি ধারাবাহিক প্রক্রিয়া। শুধুমাত্র নিয়োগ নয়, বরং কর্মকর্তা-কর্মচারীগণকে মানব সম্পদে পরিণত করতে স্ট্যান্ডার্ড ইসলামী ব্যাংক বদ্ধপরিকর। সুষ্ঠুভাবে ব্যাংকিং কার্যক্রম পরিচালনা ও উন্নত গ্রাহক সেবার জন্য মানব সম্পদ উন্নয়নের বিকল্প নেই। এরই প্রেক্ষিতে, দক্ষ ও নিষ্ঠাবান মানব সম্পদ উন্নয়নে নিজস্ব

ট্রেনিং ইনস্টিটিউটের মাধ্যমে সকল পর্যায়ের কর্মকর্তাদের বিভিন্ন ধরনের প্রশিক্ষণের ব্যবস্থা প্রদানের যে কার্যক্রম পরিচালনা করা হয় তা সামনের দিনগুলোতেও অব্যাহত থাকবে।

৬. উন্নত গ্রাহক সেবা: ব্যাংক প্রতিষ্ঠার প্রথম থেকেই আমরা উন্নত সেবা প্রদান করার বিষয়টিকে সর্বোচ্চ গুরুত্ব দিয়ে আসছি। গ্রাহকের চাহিদা পূরনে স্ট্যান্ডার্ড ইসলামী ব্যাংক বিভিন্ন ধরণের আকর্ষনীয় আমানত ও বিনিয়োগ স্কীম এবং উন্নত সেবা প্রদানে অঙ্গীকারবদ্ধ। ভবিষ্যতেও গ্রাহকদের দোরগড়ায় উন্নত ব্যাংকিং সেবা প্রদানে আমাদের ব্যাংক সর্বোচ্চ গুরুত্ব প্রদান করবে।

আমি দৃঢ়ভাবে বিশ্বাস করি যে, সাম্প্রতিক বছরগুলোতে আমরা যে অগ্রগতি অর্জন করেছি, তা আগামী দিনগুলোতেও অব্যহত থাকবে। আমাদের সম্মানিত শেয়ারহোল্ডারদের আকাঙ্ক্ষার সাথে সংগতি রেখে আমরা ব্যাংকের গুরুত্বপূর্ণ সূচকসমূহের মান বৃদ্ধি, পরিচালনগত মুনাফা বৃদ্ধি, মূলধন কাঠামো শক্তিশালীকরণে সর্বাত্মক প্রচেষ্টা অব্যহত রাখবো যাতে করে রেগুলেটরি সীমাবদ্ধতা দূরীকরণ করে শেয়ারহোল্ডারগণের প্রত্যাশা পূরণে ব্যাংক সক্ষম হয় এবং একই সাথে ব্যাংকের টেকসই উন্নয়নের ধারা অব্যাহত থাকে।

পরিশেষে, স্ট্যান্ডার্ড ইসলামী ব্যাংক পিএলসি.-এর পক্ষ থেকে, আমাদের সম্মানিত গ্রাহক, পৃষ্ঠপোষক ও শুভানুধ্যায়ীদের জানাচ্ছি আন্তরিক কৃতজ্ঞতা, যাদের আস্থাই সর্বদা আমাদের শক্তি ও প্রেরণার উৎস। ব্যাংকের ধারাবাহিক অগ্রগতির এই অভিযাত্রার নেপথ্যে সহায়ক নীতি, দূরদর্শী দিক-নির্দেশনা, বিচক্ষণ নেতৃত্ব এবং চেয়ারম্যান হিসেবে দায়িত্ব পালনে আমাকে সহায়তা, পরামর্শ ও সর্বাত্মক সমর্থন প্রদানের জন্য পরিচালনা পর্ষদের সম্মানিত সদস্যদেরকে আন্তরিক কৃতজ্ঞতা ও ধন্যবাদ জানাচ্ছি। সুষ্ঠু ব্যাংকিং কার্যক্রম পরিচালনায় সার্বিক সহযোগিতা ও অবিচ্ছিন্ন সমর্থন প্রদানের জন্য কৃতজ্ঞতা জ্ঞাপন করছি গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের অর্থ মন্ত্রণালয়, বাংলাদেশ ব্যাংক, বিএসইসি, এফআরসি, ডিএসই, সিএসই, যৌথ স্টক কোম্পানিসমূহের রেজিস্ট্রার, জাতীয় রাজস্ব বোর্ড এবং অন্যান্য নিয়ন্ত্রক কর্তৃপক্ষের প্রতি, যারা এগিয়ে চলার পথে আমাদের সক্রিয় সমর্থন যুগিয়েছেন। আমাদের প্রত্যাশা ভবিষ্যতেও আপনাদের এ সহযোগিতা ও সমর্থন অব্যাহত থাকবে। এই মুহূর্তে আরো একটি সফল বছরের প্রত্যাশায় যাত্রা শুরু করতে যাচ্ছি। আশা করি, বিগত বছরগুলোর মতো ভবিষ্যতেও গ্রাহক সেবা ও দেশের অর্থনৈতিক উন্নয়নে স্ট্যান্ডার্ড ইসলামী ব্যাংকের নিরলস প্রচেষ্টা অব্যাহত থাকবে, ইন্‌শাআল্লাহ্। মহান আল্লাহ আমাদের সকল কাজে সহায় হোন এবং দুনিয়া ও আখিরাতে সার্বজনীন কল্যাণ দান করুন। আমীন।

আস্‌সালামু আলাইকুম ওয়া রাহমাতুল্লাহি ওয়া বারাকাতুহ।

মোহাম্মদ আবদুল আজিজ
চেয়ারম্যান, পরিচালনা পর্ষদ

MANAGING DIRECTOR'S ROUND UP

Riad Mahmud Chowdhury
Managing Director

Bismillahir Rahmanir Rahim

Assalamu Alaikum wa Rahmatullah.

It is my distinct privilege to welcome you to the 27th Annual General Meeting of **Standard Islami Bank PLC. (SBPLC)** and to present the Bank's Annual Report and audited financial statements for the year ended December 31, 2025.

The past year demanded extraordinary resilience and agility from our organization. Operating within a highly volatile macroeconomic landscape, the banking sector faced a complex matrix of challenges: persistent domestic inflation, a tight foreign exchange liquidity market, rapid shifts in monetary policy, and rising non-performing assets across the industry. Islamic Banking in particular faced many challenges due to reputational damage arising from lack of corporate governance practice in some scheduled banks. Despite these profound industry headwinds, SBPLC navigated the turbulence with strategic discipline, securing stable growth across our core financial indicators under the robust governance of our Board of Directors.

CORE IDENTITY, SHARI'AH GOVERNANCE & BRAND TRANSFORMATION

Since converting into a fully Shari'ah-compliant model on January 1, 2021, Islamic principles of social equity, justice, and ethical value-creation have served as the anchor of our operations.

As we look ahead, we recognize that sustaining progress requires our brand to evolve alongside our operational model. To that end, the Bank is embarking on a comprehensive, strategic rebranding exercise. This transformation will introduce a modernized visual identity and a renewed brand promise deeply rooted in faith, trust, and prosperity. By standardizing and upgrading our physical branch networks, digital touchpoints, and workplace culture, we will position SBPLC as a progressive, household name synonymous with contemporary ethical banking in Bangladesh.

FINANCIAL & OPERATIONAL PERFORMANCE HIGHLIGHTS (FY 2025)

Our prudent approach to asset deployment and liability management yielded highly resilient results for the financial year 2025:

- **Balance Sheet Expansion:** Total assets grew by **6.39%**, closing the year at **BDT 28,811.28 crore.**
- **Deposit Mobilization:** Total deposits stood at **BDT 21,266.58 crore**, driven primarily by an aggressive focus on low-cost and profit-free Wadeah deposits to optimize funding costs.
- **Investment Portfolio:** Total investments reached **BDT 20,941.83 crore**. Our segment-wise exposure demonstrates strategic diversification: CMSME stood at **BDT 3,489.50 crore**, Retail at **BDT 754.58 crore**, and Agriculture at **BDT 390.40 crore**. (Corporate Investment is finalized at **BDT 15840.07 crore**).
- **Trade Facilitation:** Successfully handled **USD 1,352.99 million** in imports and **USD 651.31 million** in exports, keeping essential trade corridors moving.
- **Profitability & Returns:** Achieved a standalone operating profit of **BDT 193.37 crore**, with Earnings Per Share (EPS) recorded at **BDT 0.74.**
- **Distribution Network:** Served our growing customer base through 138 branches, 123 ATM booths, 11 agent banking outlets, and 8 international exchange houses across the UK and USA.

STRATEGIC VECTORS: FIVE PILLARS FOR SUSTAINABLE GROWTH

To maximize stakeholder value and ensure operational excellence, our forward-looking strategy is anchored upon five critical pillars:

1. Absolute Shari'ah Compliance

We maintain an uncompromising stance on Shari'ah governance. Through routine, independent branch audits and the continuous oversight of our Shari'ah Supervisory Committee, we ensure that every transactional flow, product design, and digital delivery mechanism conforms perfectly to Islamic principles.

2. Superior Asset Quality & Credit Discipline

A sound balance sheet remains the bedrock of our long-term resilience. We are moving beyond mere retroactive recoveries by embedding an unyielding risk culture across all tiers of banking. Going forward, we are stringently upgrading our upfront investment appraisal processes, enhancing credit-risk screening tools, and driving rigorous recovery campaigns for classified, rescheduled, and written-off portfolios.

3. Digital Transformation & Fintech Innovation

Technology is no longer a backend support function; it is our primary engine for growth. We are aggressively accelerating our digital initiatives by transitioning from legacy systems to unified, modern platforms. By upgrading our core banking software (CBS) and entering strategic fintech partnerships, we aim to deliver an agile, seamless mobile banking ecosystem that drives financial inclusion and expands our fee-based income streams.

4. Human Capital Excellence & Future-Readiness

Our people are our greatest differentiator. To drive our corporate and digital transition, we are heavily investing in continuous professional development. Through the SBPLC Learning Center, we are introducing advanced training tracks in artificial intelligence (AI), data analytics, and digital compliance, while simultaneously nurturing employee well-being and a meritocratic corporate culture.

5. Uncompromising Customer-Centricity

Every strategic choice we make must ultimately serve our valued customers better. We are deeply committed to modernizing our service delivery, minimizing processing times, and ensuring that our retail, CMSME, and corporate solutions are delivered with the highest standards of transparency and empathy.

STRATEGIC ROAD MAP FOR 2026

Moving deep into 2026, we will execute a focused, 10-point roadmap to protect margins and accelerate growth:

1. **Shari'ah Priority:** Enforce strict compliance across all consumer, commercial, and digital transactions.
2. **Inclusive Deposit Mobilization:** Expand our footprint into underbanked regions to acquire sticky, low-cost retail deposits.
3. **Cost Optimization:** Aggressively drive Al-Wadeah Current Accounts (AWCA), Mudaraba Savings Accounts (MSA), and MSND balances to maximize our Net Income Margin (NIM).
4. **Portfolio Diversification:** Target high-yield SME, retail, agri-finance, and secure trade-related corporate investments.
5. **Rigorous NPL Control:** Enforce strict asset accountability and accelerate legal resolutions for legacy classified investments.
6. **Capital & Risk Mitigation:** Maintain a sound capital base and optimize risk-weighted assets to strengthen our credit ratings.
7. **Service Ethics:** Instill a high-performance culture aligned with the bank's strict ethical code of conduct.
8. **Cybersecurity & IT Infrastructure:** Harden our networks against cyber fraud, deploy modern firewall modules, and protect data privacy.
9. **Subsidiary Efficiency:** Turn our international exchange houses and local subsidiaries into high-performing, profitable centers.
10. **Value-Driven Operations:** Stick rigidly to an ethical, sustainable business framework that balances commercial profitability with social accountability.

ACKNOWLEDGMENTS & LOOKING AHEAD

Our achievements in 2025 are a clear testament to our collective dedication and the foundational strength of Standard Islami Bank PLC. I express my deepest gratitude to our valued customers, shareholders, and stakeholders for their unyielding trust as we embark on this exciting new chapter. I am incredibly thankful to the Chairman and the Board of Directors for their visionary stewardship, which continues to unlock the vast potential of our institution. I also highly commend the hard work, integrity, and passion of our management team and employees across the network, whose efforts are driving our transformation forward.

Finally, I extend our profound appreciation to the Ministry of Finance, Bangladesh Bank, the Bangladesh Securities and Exchange Commission (BSEC), the National Board of Revenue (NBR), the Dhaka and Chittagong Stock Exchanges, the Registrar of Joint Stock Companies & Firms (RJSC), and our external auditors for their invaluable guidance and continued cooperation.

Moving forward, Standard Islami Bank PLC. stands on the cusp of a transformative era. With a refreshed identity and a clear strategic vision, we are poised to fully harness the immense potential of Shari'ah-compliant financial ecosystems. By bridging traditional values with cutting-edge banking solutions, modernizing our digital infrastructure, and optimizing operational efficiencies, we are uniquely positioned to capture emerging market opportunities and deliver resilient, long-term value to all our stakeholders.

May Allah (SWT) bless our endeavors, grant us wisdom, and sustain our journey toward prosperity.

Allah Hafez.

Riad Mahmud Chowdhury
Managing Director

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is directly accountable to the shareholders and each year the company will hold an Annual General Meeting (AGM), at which the directors must provide a report to the shareholders on the performance of the company, what its future plans and strategies are and also submit themselves for re-election to the board. The Board of Directors is appointed to act for and on behalf of the shareholders to oversee the day-to-day affairs of the business. The report of the Company's affairs and the Audited Financial Statements duly certified by is generally to be laid down before the Annual General Meeting for discussion. In preparing the Annual Report, the Board of Directors is required to ensure that the Financial Statements of the Bank and its subsidiaries are prepared in accordance with applicable International Financial Reporting Standards, relevant provisions of the Companies Act 1994, Bank Company Act 1991 (amended up to 2023), rules and regulations of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), listing rules of Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. and other applicable laws, rules and regulations.

In compliance with section 184 of Companies Act 1994 and BSEC Notification BSEC/CMRRCD/2006-158/207/Admin/80 dated 02 June 2018, the Annual Report which is presented in the Annual General Meeting (AGM) has a separate section as 'Directors' Report' containing, among others, a review of the following issues:

STATE OF THE BANK'S AFFAIRS:

A review of financial performance and position has been presented in the Directors' Report and Management Discussion and Analysis section with relevant analytics.

ANY RECOMMENDED RESERVE IN THE BALANCE SHEET:

An amount of BDT 277 million has been transferred to 'Statutory Reserve' which is required to equate the same with paid up capital as per section 24 of Bank Company Act 1991 (amended up to 2023).

RECOMMENDED DIVIDEND:

The Directors have recommended no dividend for the completed year 2025.

ANY EVENT AFTER THE REPORTING DATE WHICH MAY AFFECT COMPANY'S FINANCIAL CONDITION:

The Board of Directors of the Bank in its 426th Board meeting held on 29.04.2026 has recommended no dividend for the year 2025.

ANY CHANGE IN BANK'S ACTIVITIES, SUBSIDIARIES' ACTIVITIES ETC.

No major change in strategy and actions in the Bank and Subsidiaries experienced in 2025.

IN COMPLIANCE WITH BSEC CORPORATE GOVERNANCE NOTIFICATION NO. BSEC/ CMRRCD/2006-158/207/ ADMIN/80 DATED 02 JUNE 2018 THE DIRECTORS OF THE BANK HEREBY DECLARE ON FOLLOWING ISSUES, AMONG OTHERS, IN THEIR REPORT AS PRESCRIBED:

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENTS IN THE INDUSTRY:

A brief review in this regard has been presented in the Director's Report.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

Business-wise performance has been presented in the Management Discussion and Analysis and Directors Report section.

RISKS AND CONCERNS:

A detailed discussion regarding risks and management of the same has been presented in Chief Risk Officers' Report on Risk Management.

DISCUSSION ON OPERATING PERFORMANCE:

A brief description in this regard has been presented in part of the Directors' Report.

DISCUSSION ON CONTINUITY OF ANY EXTRA- ORDINARY GAIN OR LOSS:

In last five years SBPLC has not experienced any extra-ordinary gain or loss. SBPLC's Five Years progression presented in the "Stakeholders Information" section will provide details information in support of this.

BASIS FOR RELATED PARTY TRANSACTIONS AND A STATEMENT OF ALL RELATED PARTY TRANSACTIONS:

The basis for related party transactions has been stated in the "Corporate Governance Report" and a statement of related party transactions has been presented in the Financial Statements 2025.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR THROUGH ANY OTHERS INSTRUMENTS:

The bank has raised capital through public issues an IPO in 2003 a Right Issue in 2007. However, the raising capital has been presented in the Corporate Governance Report.

DETERIORATION OF FINANCIAL RESULTS AFTER THE COMPANY GOES FOR IPO, RIGHTS OFFER, DIRECT LISTING, ETC.:

Refer to the earlier paragraph, the bank issued IPO in 2003 and Right Share in 2007 but after that financial results of the Bank did not significantly deteriorate.

EXPLANATION OF VARIANCES BETWEEN QUARTERLY AND ANNUAL FINANCIAL PERFORMANCE:

A brief discussion along with financial information in this regard has been presented in the Directors' Report and Management Discussion & Analysis.

REMUNERATION TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS:

Remuneration provided to directors has been presented in the Corporate Governance Report, Financial Statements & Directors' Report

THE FINANCIAL STATEMENTS PREPARED BY THE MANAGEMENT PRESENT FAIRLY ITS STATE OF AFFAIRS, THE RESULT OF ITS OPERATIONS, CASH FLOWS AND CHANGES IN EQUITY:

A brief description in this regard has been presented in Directors' Report.

MAINTENANCE OF PROPER BOOKS OF ACCOUNT:

A brief description in this regard has been presented in Directors' Report.

CONSISTENT APPLICATION OF APPROPRIATE ACCOUNTING POLICIES AND ESTIMATES IN PREPARATION OF FINANCIAL STATEMENTS:

A brief description in this regard has been presented in Directors' Report.

FOLLOWING INTERNATIONAL ACCOUNTING STANDARDS (IAS)/ INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS), AS APPLICABLE IN BANGLADESH, IN PREPARATION OF FINANCIAL STATEMENTS AND ANY DEPARTURE THERE FROM HAS BEEN ADEQUATELY DISCLOSED:

A detailed description including disclosure of departures has been presented in the Financial Statements 2025.

THE SYSTEM OF INTERNAL CONTROL IS SOUND IN DESIGN AND HAS BEEN EFFECTIVELY IMPLEMENTED AND MONITORED:

A brief description in this regard has been presented in the Internal Control and Compliance in Directors' Report.

SIGNIFICANT DOUBTS UPON THE BANK'S ABILITY TO CONTINUE AS A GOING CONCERN:

No such matter mentioned in Directors' Report.

EXPLANATIONS TO SIGNIFICANT DEVIATIONS FROM THE LAST YEAR'S OPERATING RESULTS:

Nothing as yet and mentioned in Directors' Report.

SUMMARIZATION OF LAST FIVE YEAR'S KEY OPERATING AND FINANCIAL DATA:

Please refer to the section of Stakeholders' Information.

DECLARATION OF DIVIDEND OR NOT:

Recommended no dividend for the year 2025.

NO. OF BOARD MEETINGS AND DIRECTORS' ATTENDANCE IN 2025:

Presented in the Directors' Report.

THE PATTERN OF SHAREHOLDINGS:

Presented in the Directors' Report and the Notes to the Financial Statements 2025.

BRIEF RESUME OF THE DIRECTORS AND NATURE OF THEIR EXPERTISE IN SPECIFIC FUNCTIONAL AREAS:

Brief profile of directors and their representation in other companies have been presented in the Directors' Profile.

To adhere to good corporate governance practices, the Bank has been complying with guidelines from Bangladesh Bank and BSEC. SBPLC's compliance status to those prescribed practices is presented in Corporate Governance Report.

The Directors, to the best of their knowledge and information, hereby confirm that the Annual Report 2025 together with the Directors' Report and the Financial Statements have been prepared in compliance with applicable governing Acts, rules, regulations, guidelines and laws of various regulatory bodies including Bangladesh Bank and BSEC

DIRECTORS' REPORT

Respected Shareholders,
Assalamu Alaikum

It is an immense pleasure and privilege on the part of the Board of Directors to place the Directors' Report and Auditors' Report together with the audited financial statements of Standard Islami Bank PLC. for the year ended December 31, 2025, for your valued consideration, adoption, and approval.

The Directors Report has been prepared in compliance with the Section 184 of the Companies Act 1994, BSEC's Notification, the Listing Regulations of Dhaka and Chittagong Stock Exchanges, the Guidelines of Bangladesh Bank and other applicable rules and regulations. Relevant disclosures and explanations relating to certain issues have been given by the Directors, which they consider important to ensure transparency and good governance practices. The Directors believe that the report will give valuable insights into the bank's performance and continuous growth amid stiff competition.

GLOBAL ECONOMIC OUTLOOK

The global economic outlook remains uncertain due to high macroeconomic volatility, changing trade policies, and ongoing fiscal pressures. Rising geopolitical tensions and financial risks have further increased global vulnerability. In 2025, a significant rise in United States tariffs created new trade tensions. However, since these measures did not expand into a wider global trade conflict, the immediate impact on international trade remained limited. Despite the tariff shock, global economic activity stayed relatively strong. This was supported by early shipment movements, higher inventory buildup, and steady consumer spending, helped by easing monetary conditions and generally stable labor markets. Looking ahead, continued policy support is expected to reduce the negative effects of higher tariffs. However, growth in global trade and overall economic activity is likely to slow down in the short term.

Global economic growth is estimated at 2.8 per cent in 2025 and is expected to decline slightly to 2.7 per cent in 2026, before rising to 2.9 per cent in 2027. Overall growth is projected to remain below the pre-pandemic average of 3.2 per cent recorded during 2010–2019. Economic growth in Europe, Japan, and the United States is expected to remain broadly stable but continue at a moderate pace, supported by ongoing monetary and fiscal measures. At the same time, several major developing economies such as China, India, and Indonesia are likely to maintain strong growth, driven by resilient domestic demand and targeted policy support. However, the outlook for many low-income and vulnerable countries remains less positive, with weaker growth prospects compared to larger economies.

The short-term economic outlook is shaped by both positive and negative factors. On the positive side, easing inflation and more accommodative monetary policies are expected to reduce borrowing costs and support domestic demand. In addition, rising wages in several major economies are likely to strengthen household spending and boost private consumption. On the negative side, policy uncertainty—although lower than earlier levels—still remains high and continues to affect business and consumer confidence. At the same time, high public debt and limited fiscal capacity are restricting governments' ability to adopt flexible economic policies and increase public investment. This may create challenges for long-term growth in many countries.

Rapid progress in artificial intelligence (AI) and clean energy technologies, along with the expansion of digital infrastructure and rising demand for critical minerals, is creating new opportunities for investment and innovation. However, these developments are mostly concentrated in a few large economies with strong financial resources and advanced technology. As a result, many countries are falling behind, widening existing global economic gaps. At the same time, risks remain in both financial markets and global trade. High asset prices and increasing borrowing levels raise the possibility of sudden financial market corrections. In addition, renewed trade disputes and geopolitical tensions could disrupt global supply chains, capital flows, and exchange rates, placing further pressure on more vulnerable economies.

Progress towards achieving the Sustainable Development Goals (SDGs) remains slow and uneven across countries. Weak global growth has also reduced the pace of economic improvement in many developing economies, including the least developed countries (LDCs), where per capita income growth has declined in recent years. The number of people living in extreme poverty (below USD 3 per day, based on 2021 purchasing power parity) returned to pre-pandemic levels in 2024 but fell only slightly in 2025. Extreme poverty is increasingly concentrated in sub-Saharan Africa and in countries affected by conflict and instability. Cost-of-living pressures remain high in many economies, as rising prices continue to reduce real incomes and make basic necessities less affordable. These challenges have had a greater impact on low-income households, rural populations, and women. Economic growth in 2025 was also accompanied by record-high carbon emissions and growing environmental pressures, highlighting the continued reliance on carbon-intensive development. Climate-related disasters are becoming more frequent and severe, disrupting agricultural output, increasing food prices, and creating additional fiscal burdens due to higher spending needs for emergency response and reconstruction.

BANGLADESH ECONOMY

Bangladesh's economy ended Fiscal Year 2024–25 (FY25) with a blend of progress and persistent challenges. Recent figures from the Bangladesh Bureau of Statistics (BBS) show that GDP growth in the third quarter rose modestly to 4.86 per cent, up from 4.48 per cent in the second quarter, suggesting a gradual improvement. Inflation also declined

slightly to 8.48 per cent in June. However, the annual average inflation rate remained elevated at 10.03 per cent, staying well above comfortable thresholds.

Although overall growth remains subdued, the economic outlook displayed early indications of recovery. Stronger export performance and higher remittance inflows contributed to stabilizing foreign exchange reserves and provided renewed support to economic activity.

Nevertheless, several structural weaknesses continue to restrain a stronger rebound. Sluggish private sector credit expansion, reduced imports of capital machinery, and declining investment have collectively dampened economic momentum. Moreover, deep-rooted challenges in the banking sector — including regulatory shortcomings and widespread investment irregularities — have further constrained recovery efforts. Continued reforms focused on strengthening financial governance and rebuilding public trust in the banking system will be crucial for accelerating growth and securing long-term economic stability.

ECONOMIC GROWTH

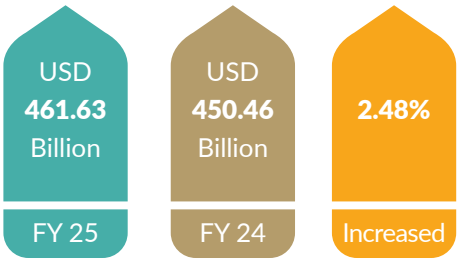
In terms of US Dollar, the value of GDP in current market price increased by 2.48 per cent to US$461.63 billion in FY25 from US$450.46 billion in the previous fiscal year. Per capita GDP stood at US$2,671 in FY25, compared to US$2,625 in FY24, showing an increase of 1.75 per cent. Per capita GNI also increased to US$2,820 in FY25 from US$2,738 in the previous fiscal year.

AGRICULTURE:

The agriculture sector, the most important sector in the economy, employs about 44.67 per cent of the country's total labor force in 2024. The share of the sector in GDP, according to the provisional estimate of the National Accounts Statistics, was 10.94 per cent in FY25, compared to 11.19 per cent in the previous fiscal year. The sector includes four sub-sectors namely:

i. Crops and horticulture,
ii. Animal farming,
iii. Forest and related services, and
iv. Fishing.

GDP in Current Market Price

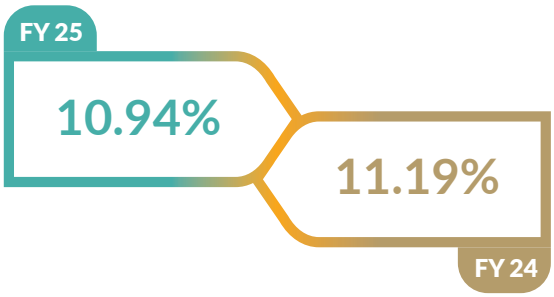


Despite the favorable natural factors and strong government support in terms of timely availability of inputs and finance, the agriculture sector achieved a lower growth rate of 1.79 per cent in FY25, compared to 3.30 per cent in FY24. Among its various components, crops & horticulture, animal farming and forest & related services sub-sectors recorded a growth of -0.39 per cent, 3.19 per cent and 5.04 per cent in FY25, compared to 4.0 per cent, 3.07 per cent and 4.99 per cent, respectively, in the previous fiscal year. On the other hand, fishing subsectors grew at 3.24 per cent in FY25, compared to 0.79 per cent in FY24.

INDUSTRY:

Latest available data indicate that the industry sector employed about 17.38 per cent of Bangladesh's labor force in 2024 and accounted for about 37.44 per cent of GDP in FY25, compared to 37.37 per cent in FY24. However, the sector registered a higher growth of 4.34 per cent in FY25, compared to 3.51 per cent in the previous fiscal year (FY24).

Share of Agriculture Sector in GDP



Slow start of a rebound is reflected in the manufacturing industries. The gradual easing of import restrictions, clearance of a backlog of letters of credit and easing of political situation are considered spurs behind the pickup in economic activity. As a result, the manufacturing subsector registered a higher growth of 5.68 per cent in FY25, compared to 3.16 per cent in the previous fiscal year (FY24). On the other hand, the share of the manufacturing sub-sector in GDP increased to 24.99 per cent in FY25 from 24.62 per cent in FY24. Within manufacturing, the large industry sub-sector grew higher at 6.17 per cent in FY25, compared to 1.02 per cent in FY24. The small, medium and micro industry grew at 4.92 per cent in FY25 against 4.66 per cent in FY24. The cottage industry grew by 5.62 per cent in FY25 compared to 6.92 per cent in the previous fiscal year (FY24). Besides, the share of the large industry sub-sector in GDP rose to 12.84 per cent in FY25 from 12.60 per cent in FY24. On the other hand, the share of small, medium and micro industry in GDP increased to 7.61 per cent from 7.56 per cent while that of cottage industry also increased to 4.53 per cent in FY25 from 4.46 per cent in FY24.

SERVICES:

The broad services sector includes the collective output of the sectors, such as: i) wholesale and retail trade, repair of motor vehicles and motorcycles, ii) transportation and storage, iii) financial and insurance activities, iv) real estate activities, v) professional, scientific and technical activities, vi) administrative and support service activities, vii) accommodation and food service activities, viii) information and communication, ix) public administration and defense: compulsory social security, x) human health and social work activities, xi) education, xii) arts, entertainment and recreation, and xiii) other service activities. Latest available data indicate that the services sector employed about 37.95 per cent of Bangladesh's labor force in 2024 and accounted for about 51.62 per cent of GDP in FY25 against 51.44 per

cent in FY24. Besides, the sector registered a lower growth of 4.51 per cent in FY25, compared to 5.09 per cent in the previous fiscal year (FY24).

CAPITAL MARKET:

Country's both the bourses — Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) — ended down on 27 July 2025 after gaining streak for nine consecutive sessions.

Stocks of the DSE ended down on 27 July 2025 as investors are still thinking of investing due to lack of confidence. Turnover stood at Tk.8.65 billion, decreased by 9.14 per cent from the previous trading day (Tk.9.52 billion). Out of the 399 issues traded, 117 closed higher, 232 ended lower, and 50 remained unchanged on the DSE trading floor.

The key index of the DSE, DSEX, went down by 0.69 per cent, or 37.21 points, closed at 5,354.83 points on 27 July 2025 compared with 5,392.04 points in the previous working day (24 July 2025). Two other indices of the DSE also ended lower on 27 July 2025 compared to the previous trading day. The DSE Shari'ah Index (DSES) went down slightly by 0.69 per cent or 8.13 point to finish at 1,164.56 from 1,172.69 and the DS30 Index, comprising blue chips, decreased by 31.62 points or 1.51 per cent to close at 2,058.15 from 2,089.77.

On the other hand, CSE ended lower on 27 July 2025 with the CSE All Share Price Index - CASPI – decreased by 49.57 points or 0.33 per cent to settle at 14,964.22 from 15,013.79 in the previous working day (24 July 2025) and the Selective Categories Index - CSCX - went down by 32.36 points or 0.35 per cent to close at 9,162.32 from 9,194.68. The port city bourse traded 6.58 million shares and mutual fund units with a turnover volume of Tk.109.77 million.

INVESTMENT AND SAVINGS

Historically, Bangladesh has remained a low-saving and low-investment country. The rate of growth of both savings and investment has also been slow. As proportion of GDP, gross investment recorded at 29.38 per cent in FY25 compared to 30.70 per cent in FY24. The share of private investment in GDP recorded at 22.48 per cent in FY25 against 23.96 per cent in FY24, whereas the share of public investment rose slightly to 6.90 per cent of GDP in FY25 from 6.74 per cent in FY24. The low level of investment, local and foreign, is largely due to the underdeveloped infrastructure and such other impediments as lack of adequate energy and weak transmission infrastructure, lack of consistency in policy and regulatory frameworks, scarcity of industrial land, corruption, and non-transparent and uneven application of rules and regulations. The government needs to address these impediments to attract more foreign direct investment (FDI) to the country to ensure the country's speedy development.

Domestic saving as proportion of GDP decreased by 0.71 percentage points to 23.25 per cent in FY25 from 23.96 per cent in FY24. The national savings ratio however increased to 29.01 per cent in FY25 from 28.42 per cent in FY24.

MONETARY AND CREDIT DEVELOPMENT

The Bangladesh Bank (BB) continued the policy rate (repo) at 10.00 per cent resulting in the standing lending facility (SLF) rate and standing deposit facility (SDF) rate (reverse repo) re-fixed at 11.50 per cent and 8.50 per cent respectively, maintaining the 150-basis points interest corridor with the policy rate, with effect from 27 October 2024.

The interest rate spread between the weighted average interest rate (WAIR) on advances and deposits of all banks registered at 5.82 per cent in June 2025, remaining unchanged since April 2025. Banks' advance rate and deposit rate came down to 12.08 per cent and 6.26 per cent in June 2025, respectively from 12.11 per cent and 6.29 per cent in May 2025.

According to BB data, broad money (M2) recorded a lower growth of 6.95 per cent at the end of June 2025 compared to 7.74 per cent growth at the end of June 2024. June's growth was below the central bank's target of 7.80 per cent in December 2025, set in the Monetary Policy Statement, July - December 2025 (MPS, H1FY26, Table 4, p.23). Domestic credit, on the other hand, grew by 7.97 per cent at the end of June 2025, while a higher growth rate of 9.80 per cent was recorded at the end of June 2024. Among components of domestic credit, private sector credit registered a lower growth of 6.49 per cent during the period between June 2025 and June 2024, compared with a higher growth of 9.84 per cent during the period between June 2024 and June 2023. Private sector credit growth was below the central bank's target of 7.20 per cent in December 2025 (MPS, H1FY26, Table 4, p.23). Public sector credit, on the other hand, recorded a higher growth of 13.09 per cent at the end of June 2025, compared with a lower growth of 9.66 per cent at the end of June 2024. June's growth was lower compared with BB's target of 20.40 per cent in December 2025 (MPS, H1FY26, Table 4, p.23). Within public sector credit, credit to government (net) recorded a growth of 14.83 per cent, and credit to other public sectors recorded a negative growth of 1.88 per cent, during the period under review.

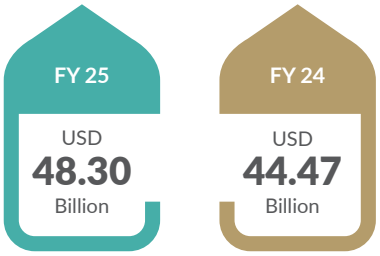
EXPORTS:

According to the latest data, export earnings in FY25 increased by 8.60 per cent to US$48.30 billion from US$44.47 billion in the previous fiscal year (FY24). This surge was mainly fueled as usual by the strong performance of both knitwear and woven garments, accounting for 43.81 per cent and 37.64 per cent, respectively, of total export earnings. Overall export earnings in FY25, however, were 96.60 per cent of the yearly target of US$50.00 billion. Of the total US$48.30 billion, the readymade garments (RMG) export rose by 8.88 per cent to US$39.34 billion in FY25 from US$36.13 billion in FY24. RMG including knit and woven items contributed the lion's share of 81.45 per cent in the period under review. A breakdown of the clothing sector's performance shows that the knitwear sub-sector fetched US$21.16 billion, earning increased year-on-year by 9.83 per cent from US$19.27 billion. Earnings from woven garment exports amounted to US$18.18 billion from US$16.86 billion, up by 7.84 per cent. In July-June of FY25, earnings from the other main 31 non-RMG sectors are: home textiles US$782.71 million, agricultural products US$990.43 million, jute and jute goods US$909.80 million, leather and leather products US$1,145.40 million, frozen and live fish US$441.93 million, chemical products US$368.46 million, pharmaceutical US$213.30 million, plastic products US$284.48 million, and engineering products US$545.30 million.

Export earnings from top twelve countries in FY25 are: United States of America (USA) US$8.69 billion, Germany US$5.29 billion, United Kingdom (UK) US$4.62 billion, Spain US$3.55

billion, France US$2.42 billion, Netherlands US$2.35 billion, Poland US$1.82 billion, India US$1.76 billion, Italy US$1.66 billion, Canada US$1.46 billion, Japan US$1.41 billion, and Denmark US$1.08 billion. All these twelve countries grew year-on-year in FY25.

Export



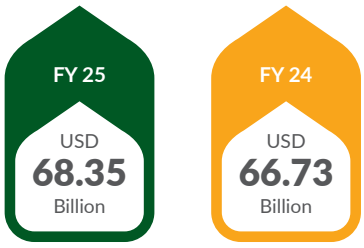
IMPORTS:

According to Bangladesh Bank data, total value of custom-based imports in FY25 increased by 2.44 per cent to US$68.35 billion from US$66.73 billion in FY24. This growth could mostly be attributed to the stability in the foreign exchange market coupled with improvements in the political situation which resulted in significant rise in intermediate goods import, especially goods related to readymade garments (RMG) and rise in food grains import.

During FY25, the composition of custom-based imports was notably skewed towards intermediate goods, which constituted 60.57 per cent of the total import and grew year-on-year by 2.73 per cent. Capital goods followed with a 13.97 per cent share but year-on-year witnessed a sharp decline of 10.21 per cent. Consumer goods, indicative of direct household consumption, accounted for 8.31 per cent and year-on-year rose by 15.29 per cent. While food grains represented the smallest segment at 3.37 per cent, emphasizing minimal dependency on imported staples during this timeframe but increased by 12.06 per cent year-on-year in FY25.

The settlement of import Letters of Credit (LCs) in FY25 increased year-on-year by 4.18 per cent to US$69.46 billion from US$66.67 billion. On the other hand, fresh opening of import LCs in FY25 increased year-on-year by 0.18 per cent and stood at US$69.01 billion against US$68.89 billion.

Import



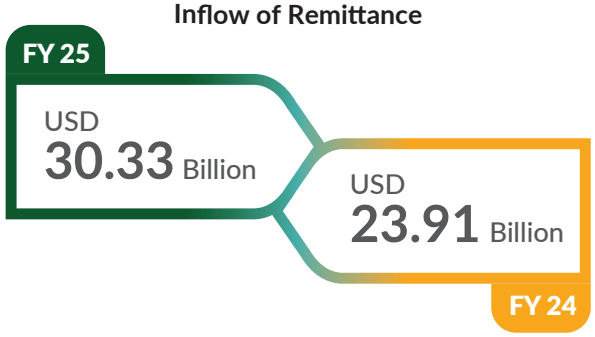
REMITTANCES:

According to the Bangladesh Bank (BB) data, the inflow of remittance in FY25 increased by 26.83 per cent to US$30.33 billion from US$23.91 billion in the previous fiscal year (FY24). This surge in remittances was due to some government measures including higher cash incentives, streamlined regulations, and efforts to boost formal transfer channels.

On the other hand, workers' remittances inflow in June 2025, the last month of the fiscal year, registered US$2.82 billion, which was 11.13 per cent higher compared to the same month of the previous fiscal year (US$2.54 billion). Moreover, the inflow of remittances could be attributed to gradual easing of political situations and stability in the foreign exchange market. However, the inward remittances were US$2.97 billion in the previous month (May 2025).

Among the remittances sending countries, USA holds the top position (US$4,732.68 million) of 15.61 per cent while KSA becomes the second (US$4,264.19 million) of 14.06 per cent and UAE holds the third (US$4,167.50 million) of 13.74 per cent share of the total remittances in FY25. The Gulf Cooperation Council (GCC) countries (KSA, UAE, Kuwait, Qatar, Oman, Bahrain) contributed 45.03 per cent, while among the European countries, the UK and Italy combined contributed 15.90 per cent of total remittances received in FY25

Inflow of Remittance



BALANCE OF PAYMENTS:

Country's current account balance shifted to a surplus of US$149 million in FY25 from a substantial deficit of US$6.60 billion in FY24. Deficit narrowed significantly in FY25 mainly due to a strong rise in remittance inflows. It marked a positive shift in the country's financial dealings with the rest of the world and came as a relief amid ongoing concerns about foreign currency reserves and overall economic stability. Remittances rose to US$30.33 billion in FY25, up by 26.83 per cent from US$23.91 billion in the previous fiscal year. Experts said that this increase was due to sending money through formal banking channels more, helped by government incentives and a rise in the number of Bangladeshi workers going abroad. Despite the high remittances, Bangladesh still posted a deficit in its primary income account, which includes payments like interest, dividends, and wages to foreign investors and workers. This deficit widened to US$5.04 billion from US$4.33 billion.

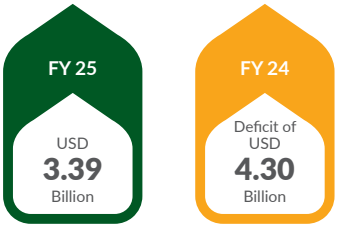
The trade deficit also shrank slightly to US$20.39 billion in FY25, down from US$22.43 billion a year earlier. Export earnings rose by 7.72 per cent to US$43.96 billion from US$40.81 billion, while import payments also increased by 1.76 per cent to US$64.35 billion from US$63.24 billion. However, the trade of services deficit increased to US$5.41 billion, compared with US$4.24 billion due to more spending on

international travel, transport, and business services.

Financial account, which records foreign investments and borrowing, showed a surplus of US$3.98 billion in FY25, down by 11.36 per cent from US$4.49 billion in FY24. Foreign investment disbursements fell to US$9.01 billion from US$9.92 billion, while repayments rose to US$2.55 billion from US$2.02 billion, reflecting more cautious borrowing due to rising global interest rates.

Bangladesh relishes some relief in external finances as its overall balance of payments (BoP) situation improved notably to US$3.39 billion in FY25 from deficit of US$4.30 billion in FY24, signaling improved external stability and healthier foreign exchange reserves. The foreign exchange reserves of June 2025 were sufficient to pay import cost of goods and services for 5.0 months which was higher than that of June 2024.

BALANCE OF PAYMENTS



OVERVIEW OF ISLAMIC BANKING SECTOR IN BANGLADESH:

INDUSTRY LANDSCAPE

Islamic banking remained a significant pillar of Bangladesh's financial system in 2025, operating under Shari'ah principles that emphasize ethical investment, asset-backed financing, and risk-sharing mechanisms. The sector comprises full-fledged Islamic banks alongside Islamic banking windows of conventional banks.

As of 2025, Islamic banking accounted for **approximately 22–23% of total banking deposits** and a substantial share of total banking assets in the country, reflecting sustained demand for Shari'ah-compliant financial services.

SECTOR CONSOLIDATION AND STRUCTURAL REFORM:

The year 2025 marked a transformative phase for the Islamic banking sector. In response to liquidity pressures, asset quality deterioration, and governance concerns in certain institutions, Bangladesh Bank undertook a major consolidation initiative to enhance financial stability and depositor protection.

Five Islamic banks named First Security Islami Bank PLC, Global Islami Bank PLC, Social Islami Bank PLC, Union Bank PLC, Export Import Bank of Bangladesh PLC. were merged to form a new state-supported entity: Sammilito Islami Bank PLC

The merger aimed to:

- Strengthen capital adequacy and solvency
- Protect depositor interests
- Restore market confidence
- Enhance regulatory oversight and governance standards

This consolidation reduced the number of standalone Islamic banks and marked one of the most significant restructuring initiatives in the country's banking history.

PERFORMANCE TRENDS IN 2025:

DEPOSIT GROWTH:

Islamic banks recorded moderate growth in deposits during the year. While growth remained positive, it was comparatively lower than that of conventional banks, leading to a marginal decline in overall market share.

INVESTMENT EXPANSION:

Investment portfolios continued to expand, supported by:

- Increased remittance inflows
- Growth in SME and retail financing
- Strong demand for trade and import financing
- Continued preference for Shari'ah-compliant products

LIQUIDITY AND ASSET QUALITY:

Sector-wide liquidity management improved toward the latter part of the year following regulatory intervention. However, asset quality challenges persisted in certain institutions undergoing restructuring.

REGULATORY DEVELOPMENTS

Bangladesh Bank intensified supervisory measures in 2025, focusing on:

- Strengthening Shari'ah governance frameworks
- Enhancing risk-based supervision
- Improving transparency and financial disclosures
- Tightening capital and liquidity monitoring

These initiatives are expected to strengthen institutional resilience and align Islamic banking operations more closely with international best practices.

OUTLOOK

Looking ahead, the Islamic banking sector is expected to gradually regain growth momentum supported by:

- Benefits of consolidation and recapitalization
- Strong demographic demand for Shari'ah-compliant finance
- Expansion in digital Islamic banking services
- Continued regulatory reform

With enhanced governance structures and strengthened balance sheets, Islamic banking remains well-positioned to contribute meaningfully to Bangladesh's financial inclusion, economic growth, and long-term financial stability.

BANKING SECTOR OUTLOOK 2025:

In 2025, Bangladesh's banking sector operated within a challenging yet gradually stabilizing macroeconomic environment. Economic growth moderated compared to previous years amid persistent global uncertainty, external sector pressures, and domestic structural adjustments. Inflation remained elevated during much of the year, although signs of easing emerged toward the later quarters. Exchange rate adjustments, higher import costs, and tightening liquidity conditions shaped the operating landscape for financial institutions.

Bangladesh Bank maintained a cautious and disciplined monetary stance throughout the year, prioritizing inflation control, exchange rate stability, and financial system resilience. The transition to a more market-based interest rate mechanism significantly influenced deposit and lending pricing dynamics, leading to increased competition for deposits and higher overall funding costs. Regulatory oversight was further strengthened through enhanced risk-based supervision, tighter capital monitoring, and governance reforms, reflecting the central bank's commitment to safeguarding systemic stability.

Asset quality remained a key concern for the sector. Elevated borrowing costs, slower business expansion, and pressures on certain trade- and import-dependent sectors contributed to stress in investment portfolios. As a result, non-performing investments remained under upward pressure in parts of the system. Banks responded by strengthening provisioning buffers and reinforcing credit risk management practices. While several well-capitalized institutions maintained capital adequacy ratios above regulatory thresholds, weaker institutions required restructuring and recapitalization measures.

Liquidity conditions tightened during the year due to relatively slower deposit growth and increased competition from government savings instruments. The rising cost of funds compressed net interest margins across the industry, affecting profitability. Additionally, higher provisioning requirements weighed on earnings performance. Nevertheless, institutions with diversified income streams, prudent asset-liability management, and strong governance frameworks were able to maintain operational stability and sustain reasonable profitability.

Digital transformation continued to reshape the banking landscape in 2025. Financial institutions accelerated investment in mobile banking, agent banking, and technology-driven service delivery channels to enhance customer experience and operational efficiency. Expansion of digital financial services supported financial inclusion, particularly in rural and underserved segments, while also contributing to cost optimization and improved service accessibility.

The Islamic banking segment remained a significant contributor to the overall banking system. During the year, sector consolidation marked a major structural development, including the formation of Sammilito Islami Bank PLC. through the merger of five Islamic banks. This initiative aimed to strengthen capital adequacy, restore depositor confidence, and enhance governance standards within the segment. The restructuring signaled regulatory commitment to maintaining stability and sustainability across the banking industry.

Looking ahead, the outlook for the banking sector remains cautiously optimistic. Gradual macroeconomic stabilization, strengthened regulatory oversight, and continued governance reforms are expected to support recovery momentum. However, sustained focus on asset quality management, capital strengthening, liquidity discipline, and technological innovation will remain critical to ensuring long-term resilience and sustainable growth.

BANKING SECTOR PROSPECTS IN 2026:

The prospects of Bangladesh's banking sector in 2025 remain cautiously optimistic despite prevailing macroeconomic and structural challenges. Following a period marked by inflationary pressure, exchange rate adjustments, and tighter liquidity conditions, the sector is gradually transitioning toward stabilization under strengthened regulatory oversight and monetary discipline.

Economic recovery momentum, supported by resilient remittance inflows, export performance, and continued infrastructure development, is expected to stimulate private sector credit demand. As business confidence improves, gradual recovery in industrial activity, trade financing, and SME expansion may contribute to renewed credit growth across the banking system.

Monetary policy reforms introduced by Bangladesh Bank, particularly the move toward a more market-based interest rate framework, are expected to improve transmission mechanisms and enhance financial discipline within the sector. Although higher funding costs may continue to exert pressure on margins in the short term, improved pricing transparency is likely to strengthen long-term sustainability and risk-based lending practices.

Asset quality remains a key focus area. While non-performing investment pressures persist in certain segments, enhanced supervision, stricter provisioning standards, and stronger governance frameworks are expected to gradually improve portfolio quality. Banks with robust risk management practices, diversified credit exposure, and prudent underwriting standards are well positioned to navigate this transition phase.

Digital transformation continues to create growth opportunities within the industry. Expansion of mobile financial services, agent banking networks, and technology-driven customer engagement platforms is deepening financial inclusion while improving operational efficiency. Investments in digital infrastructure are expected to reduce cost-to-income ratios and enhance service delivery in both urban and rural markets.

The Islamic banking segment also holds promising prospects, supported by sustained demand for Shari'ah-compliant financial solutions. Following sector consolidation, including the formation of Sammilito Islami Bank PLC, improved capitalization and governance reforms are anticipated to restore confidence and strengthen long-term resilience within the segment.

Looking ahead, the banking sector's prospects in 2026 will largely depend on sustained macroeconomic stability, continued regulatory vigilance, and strengthened corporate governance practices. Institutions that prioritize capital strength, liquidity discipline, technological advancement, and customer-centric innovation are expected to outperform and contribute meaningfully to Bangladesh's economic growth trajectory.

ANTI-MONEY LAUNDERING & COMBATING FINANCING OF TERRORISM

Money Laundering (ML) and Terrorist Financing (TF) are considered vital issues and threats all over the world as well as our country. To strengthen AML/CFT activities, the Government of Bangladesh enacted Money laundering Prevention Act, 2012 (Amended in 2015) and Anti-Terrorism Act-2009 (Amended in 2012 & 2013). In view of prevailing ML & TF scenario of the country, Bangladesh Financial Intelligence Unit (BFIU) has been issuing circulars/guidelines from time to time to strengthen AML & CFT compliance to protect the interest of banks as well as the country as a whole. The Bank also undertakes a series of activities for compliance of Anti-money Laundering (AML) and Combating Financing of Terrorism (CFT) in light of the above guidelines.

Anti-Money Laundering & Combating Financing of Terrorism compliance activities of the Bank are run by a separate AML & CFT Division at Head Office. In line with Bangladesh Financial Intelligence Unit (BFIU) directives, the Bank has formed Central Compliance Committee (CCC) comprising Heads from core business units to set out AML & CFT strategies and follow up the progress of implementation. Additional Managing Director (AMD) is assigned as Chief Anti Money Laundering Compliance Officer (CAMLCO) to supervise overall AML & CFT compliance initiatives. Deputy CAMLCO and Head of AML & CFT Division look after the day- to-day AML functions of Division and assists the CAMLCO in devising AML goals, policies and programs. As many as 138 BAMLCOs at Branches are deployed to carry out AML & CFT compliance programs of the Bank. The BAMLCOs are mainly responsible for ensuring KYC of customers, risk categorization of business, transaction monitoring, screening of sanctions lists, arranging AML training for all Branch personnel, record keeping as well as identifying and reporting of suspicious transaction/activity (STR/SAR). The Central Compliance Committee seeks decision and kind guidance from the Managing Director and CEO and the Board of Directors regarding ML & TF issues as and when required. The CCC also provides AML update/progress report to Senior Management/Board on a periodic basis.

As part of maintaining control and monitor the activities, Standard Islami Bank PLC. has reviewed, updated and implemented AML and CFT Risk Management Guidelines to widen its horizon and make it more representative to better handle AML and CFT issues.

ACTIVITIES ON AML & CFT DIVISION DURING THE YEAR 2025 INCLUDE

- A message was circulated from the desk of the Managing Director & Chief Executive Officer to all employees of the Bank emphasizing compliance of AML & CFT issues;
- Organized quarterly meeting by Central Compliance Committee (CCC) on AML issues and activities;
- Reviewed and updated KYC profile and Transaction Profile on periodical basis;
- Reporting of Cash Transaction Report (CTR) and Suspicious Transactions/Activity Report (STR/ SAR) to BFIU;
- Collection and review of the Self-Assessment and independent testing procedure reports from all of the Branches and took corrective measures as and when required;
- AML & CFT Division continuously communicate with branches for improving their AML & CFT compliance culture through identifying needs and directing branches as and when required and responding to queries of branches.
- AML & CFT Division through Standard Islami Bank Learning Centre has arranged several Training Programs Online (Hybrid System) & physically where total 564 participants received day long training on Prevention of Money Laundering and Combating Financing of Terrorism.
- As per requirement of AML & CFT Division, Standard Islami Bank Learning Centre has been regularly arranging training programs on AML/CFT for newly recruited Officers at the time of foundation program.
- Conducting refresher sessions round the year for updating knowledge of the Money Laundering Prevention and Anti-Terrorism with special focus on recent various Circulars of BFIU and current topics of country and world in this regard.
- Internal Audit & Inspection teams have conducted AML Inspection on our Branches to find out lapses in AML/ CFT issues.
- Surprise visits have also been done by AML & CFT Division to detect & rectify weakness in AML/CFT activities as well as conducted discussion meeting at branch premises to build up awareness among the employees.
- Follow up and monitoring of Audit reports (related to Anti-Money Laundering) as and when received from the Bank's Audit & Inspection Division and external auditors of the Bank.
- Sanction screening system E-AML Solution developed by ERA InfoTech Ltd. is in place for checking out the on-board of new customer. The day-to-day transactions are also monitored through sanction screening system and report to Bangladesh Bank as per regulations. Moreover to ensure strict compliance of Trade Based Money Laundering and combating terrorist financing. Bank has implemented fully automated SWIFT owned Sanction Screening system at our SWIFT Server to screen all incoming and outgoing transactions related to foreign trade. This screening solution has been procured from SWIFT, Belgium and the solution is considered as the most robust sanctions screening system. The solution will scrutinize all the SWIFT messages as per sanctioned list of OFAC, UN, EU, UK-HMT, HKMA and AUSTRAC.
- Distribute leaflets among customers to make them aware about money laundering and terrorist financing and also arrange to stick posters in every branch at a visible place.

TRAINING, RESEARCH & DEVELOPMENT

Training is the most vibrant part of the series of the talent hunt mechanism for sustainable development of any financial organization to outshine all of its peers. For development of employees' skill and professionalism, Standard Islami Bank has a well-equipped learning center at Head Office to ensure the sustainable banking business for the flourishing business and development of technology are the motto beneath the training.

Throughout the year- 2025 SBPLC arranges required training that includes Banking Foundation, Investment Risk Management, Foreign Exchange Operation & Risk Management, ICT/Technical skills development, core banking software, customer services, product and services, marketing & sales, relationship management, audit & compliance, AML & CFT, team building, Managerial and leadership, Ethics, Gender equality awareness, ESRM etc. The bank also arranges external training in order to develop employees with required banking and organizational skills.

SL.	Training Title	No. of Participants
1	Yearly Budget-2025 of SBPLC Review Meeting/ Workshop	40
2	Shari'ah Awareness Program	26
3	Workshop on "Standard Portal" Operating Procedure	528
4	Review Meeting/Workshop with Dhaka Based 40 Branches	37
5	Online Import & Export Monitoring System	37
6	AML & CFT Compliance Batch # 01	163
7	MTOs Day One in Banking Operations	39
8	Orientation Program of 11th Batch MTO	50
9	Shari'ah Awareness Programm	30
10	AML & CFT Compliance Batch # 02	286
11	New Website,Interface and Refund Module of A-Challan System	414
12	Foundation Training Course for 11th Batch MTOs	34
13	Foundation Training Course for TAO-2025 Batch # 01	30
14	Foundation Training Course for TAO-2025 Batch # 02	31
15	Shari'ah Compliance In Banking Operations	30
16	Live Streaming of Knowledge Sharing on SBPLC Deposit & Investment Products (8 Sessions)	2213
17	BACH(BACPS & BEFTN) & RTGS Operations	275
	Total	4263

SBPLC PLACED SPECIAL EMPHASIS ON:

- Developing leadership and managerial capabilities
- Enhancing Shari'ah-based banking knowledge and ethical practices
- Strengthening compliance and governance awareness
- Promoting digital banking competencies
- Improving service quality and customer relationship management

SBPLC will continue to serve as a cornerstone in building a competent, Shari'ah-compliant, and future-ready workforce capable of driving the Bank toward excellence.

EXTERNAL TRAINING PROGRAM CONDUCTED

SL.	Institutions	No. of Participants
1	Bangladesh Bank	31
2	Bangladesh Institute of Bank Management (BIBM)	16
3	Institute of Bankers, Bangladesh (IBB)	7
4	Central Shari'ah Board for Islamic Banks of Bangladesh (CSBIB)	7
5	Others (NBR, MOF, FAO, BAFEDA, Banks, BCI, etc.)	68
	Total	**129**

EXTERNAL TRAINING PROGRAM CONDUCTED

SL.	Training Course Title	No. of Participant
1	Gender Responsive Financial Services	2
2	Sustainability & Climate-Related Financial Disclosures	2
3	Duly Sorted Note Deposite in Bangladesh Bank	1
4	Application to Specific Letter Situation in Business Communication of Bank/NBFI	5
5	Cyber Security Awareness and Needs Analysis	1
6	Labor Law,Administration,HR,Occupational Health & Safety Matters	1
7	Unlocking Rural Financing Opportunities with Rural Invest	2
8	Diagnostic Mission on Islamic Banking in Bangladesh	5
9	CIB Business Rules and Online Reporting	1
10	Global Banking Commission Outlook, DSI, Compliance and Trade Finance Risk Management	2
11	Governance, Accounting and Reporting in Islamic Banking Products and Services	1
12	Artificial Intelligence in Banking	1
13	Operational Risk in Banks	1
14	Islamic Finance & CSB Fellow Conference-2025	5
15	Automated Challan System	7
16	Identifying Problems and Determining Solutions of E-Return System	2
17	Risk Management of Islamic Banks: Domestic and International Standads Practice	1
18	Automated Challan System	6
19	SWIFT Community Session	1
20	Financing for Agriculture	1

SL.	Training Course Title	No. of Participant
21	CIB Business Rules and Online Reporting System	1
22	Web-Based Reporting System	2
23	Foreign Direct Investment Promotion Project(FDIPP)Two Step Investment (TSL)	1
24	Leveraging ISO 20022 and the latest SWIFT Solutions	3
25	Harnessing Fx and Fixed Income for Dynamic Treasury Management	1
26	Financing Agro-Based Business	1
27	Secure the Future, Connecting the World	1
28	Ethics In Banking	1
29	Export Operation,Back to Back L/C Mechanism and Challenges of Export Finance	2
30	Prevention of Money Laundering & Combating the Financing of Terrorism	1
31	Prevention of Money Laundering & Combating the Financing of Terrorism	1
32	Internal Control & Compliance of Bank	3
33	Money and Banking (SBS-1,SBS-2,SBS-3) Data Reporting	1
34	Financing Inclusion and Central Banking: Bridging Gaps in the SAARC Region	1
35	Collecting Excise Duty through online Challan System	2
36	Prevention of Money Laundering & Combating the Financing of Terrorism	1
37	Prevention of Money Laundering & Combating the Financing of Terrorism	1
38	Role of Banks in Financing Social Business in Bangladesh	2
39	Prevention of Money Laundering & Combating the Financing of Terrorism	2
40	Collecting Excise Duty through online Challan System	1
41	Prevention of Money Laundering & Combating the Financing of Terrorism	1
42	International Trade Finance & Offshore Banking	1
43	Implementation of Customs & Vat Related Policy	1
44	SWIFT Awareness Programme	2
45	Online Foreign Exchange Transaction Reporting	1
46	IT Security and Awareness	1
47	Adaptation of AAOIFI standards and the draft SSC circular prepared by Bangladesh Bank	2
48	Prevention of Money Laundering & Combating the Financing of Terrorism	2
49	Cashless Bangladesh Udyog	4
50	Sustainable Finance in Banking	2
51	Islamic Banking Operations in Bangladesh	3
52	Implementation of Customs & VAT related Policy & law	1
53	Prevention of Money Laundering & Combating the Financing of Terrorism	1
54	Prevention of Money Laundering & Combating the Financing of Terrorism	1
55	SWIFT Awareness Program	3
56	From Policy to Impact: ESG as a catalyst for achieving SDGs	2
57	Cashless Bangladesh Initiatives	3
58	Prevention of Money Laundering & Combating the Financing of Terrorism	2
59	CIB Business Rules and Online Reporting System	1
60	Prevention of Money Laundering & Combating the Financing of Terrorism	1
61	Remittance Leadership Landscape: Opportunities of Bangladesh	1
62	Prevention of Money Laundering & Combating the Financing of Terrorism	1
63	Risk Based Shari'ah Audit nd Compliance in Islamic Banking & Finance	1
64	Implementation of ECL-Based Investment Classification and Provisioning under IFRS 9	2
65	Adopting of AI in Cyber Security Management of Banks:BD perspective	2
66	Sustainability Reporting and ClimateDisclosure in Bangladesh	2
67	Prevention of Money Laundering & Combating the Financing of Terrorism	2
68	Bangladesh Islamic Finance Summit & AAOIFI Capacity Building Week-2025	4
69	SBS-1 Reporting (DBU & OBU)	2
	Total	**129**

TOTAL PARTICIPANTS

SL.	Institutions	No. of Participants
1	In-house Training Program	4263
2	External Training Program	129
	Total	**4392**

NO. OF TRAINING RECEIVED (JOB GRADE WISE)

Institutions	No. of Participants
Up to Officer	3839
SO	166
EO	86
SEO	115
FAVP	67
AVP	42
SAVP	28
VP	30
SVP	6
EVP	11
SEVP	2
Total	**4392**

TOTAL TRAINING PROGRAM

Institutions	No. of Program
Inhouse	17
External	69
Total	**86**

TOTAL PARTICIPANTS

	Virtual	Physical
Inhouse	8	9
External	2	67
Total	**10**	**76**

TOTAL PARTICIPANTS

SL.	Institutions	No. of Participants
1	Foundation Training Course for 11th Batch MTOs	34
2	Foundation Training Course for TAO-2025 Batch # 01	30
3	Foundation Training Course for TAO-2025 Batch # 02	31
Total		**95**

INFORMATION & COMMUNICATION TECHNOLOGY

The integration of information technology in the banking industry has significantly enhanced operational efficiency, reduced transaction times, and lowered operating costs related to data collection, storage, and processing. Committed to customer satisfaction, the bank leverages technological advancements to deliver seamless and efficient services.

The bank's continuous technological development has greatly improved customer service and strengthened stakeholder trust. ICT now plays a crucial role in fostering customer-bank relationships, enhancing satisfaction levels, maintaining a competitive edge, and promoting innovative banking products through various established payment channels. Customers benefit from multiple banking options, allowing them to conduct transactions conveniently through different delivery channels.

Business clients also gain advantages, such as faster realization of receivables and the ability to make secure and instant payments to suppliers. The bank remains committed to leveraging technology to enhance customer experience. Its ICT Division is not only equipped with state-of-the-art technology but also supported by a highly skilled professional workforce. Additionally, to maintain a competitive edge, the bank pioneers multidimensional banking products and services that meet international standards and incorporate the latest technological advancements.

ICT INFRASTRUCTURE

The bank has thoroughly reviewed its existing ICT infrastructure and has taken strategic steps to acquire state-of-the-art IT equipment and solutions at an optimal cost, ensuring no compromise on quality or security. The bank's IT infrastructure has been designed to enhance data security, network protection, and the efficient utilization of hardware and software while addressing key aspects of IT security.

To effectively minimize and manage potential risks, the bank has reinforced its ICT security framework by implementing a centralized firewall and real-time security system (EDP). Additionally, it has strengthened service support agreements and optimized human resource allocation by ensuring clear segregation of duties for various ICT functions.

The core objectives of the bank's ICT infrastructure include:

- Establishing a secure and stable ICT platform
- Safeguarding against information security risks
- Mitigating risks associated with electronic banking infrastructure, including ATMs, POS machines, and mobile banking applications.

CORE BANKING SOLUTION

The bank consistently adopts cutting-edge technology in software selection, ensuring robust risk mitigation against system malfunctions, network failures, user knowledge gaps, cyber threats, and hacking attempts. By staying ahead in technological advancements, the bank enhances operational efficiency and customer confidence.

To provide seamless banking services, it utilizes the state-of-the-art Core Banking Solution (CBS), "Hikmah20," supporting both regular Islamic banking and foreign trade transactions. The CBS has been further upgraded to its latest version, introducing enhanced features, improved functionalities, and reinforced security measures to ensure safe and efficient online banking experiences for its customers.

CENTRALIZED CALL CENTER OPERATIONS & CUSTOMER SUPPORT SERVICES

During the reporting year, the ICT Division successfully established a modern Call Center facility to enhance customer engagement and service delivery. This newly introduced platform is equipped with advanced telephony systems, call management software, and real-time monitoring tools to ensure efficient handling of customer inquiries, complaints, and service requests. The Call Center operates with trained personnel and structured service protocols to maintain quality assurance and timely response. This initiative has significantly improved communication channels, strengthened customer satisfaction, and reinforced the Bank's commitment to technology-driven service excellence.

ANTI-VIRUS/MALWARE AND RANSOMWARE SOLUTION

To strengthen cybersecurity measures, an advanced Anti-virus, Malware, and Ransom ware protection solution with built-in AI and ML capabilities has been deployed across all end-user desktops. This implementation follows the successful upgrade of ESET AV software, ensuring enhanced threat detection, real-time monitoring, and proactive defense against evolving cyber threats. With this robust security framework, end users benefit from a safer digital environment, reduced vulnerability to hacking attempts, and a more resilient IT infrastructure.

AUTOMATED REMITTANCE CAPABILITY

The bank has significantly enhanced its automated remittance capabilities by integrating additional exchange houses, now

connecting with over 19 exchange partners. This expansion allows customers to remit money seamlessly and securely, whether directly to beneficiary bank accounts, to other banks via BEFTN and NPSB channels, or instantly to bKash and NAGAD wallets.

To further strengthen security and efficiency, the remittance solution has been upgraded with advanced encryption and compliance measures, ensuring seamless and fraud-resistant transactions. With a focus on customer convenience, the bank continues to innovate its digital remittance services, providing faster processing times, improved reliability, and an overall enhanced banking experience.

E-BILL PAYMENT SOLUTION

The bank has rolled out a comprehensive solution to streamline the collection of various utility bills, such as those from BGDCL, BREB, DNCC, NESCO, BRTA, WASA, TITAS, DPDC, DESCO, and more. By integrating certain systems directly with the billing systems of the respective organizations, manual input of usage units and bill amounts is no longer necessary. This automated process significantly reduces the likelihood of errors and enhances the efficiency of transactions.

Customers can now pay utility bills, taxes, and fees in a faster, more accurate manner, ensuring a seamless and hassle-free experience. The bank's commitment to leveraging technology also ensures that the process remains secure, convenient, and accessible, ultimately providing users with greater control and satisfaction when managing their payments.

DISASTER RECOVERY SITE

Maintaining a concurrent backup and ensuring its proper restoration is essential for effective disaster recovery. "Disaster Recovery" involves the process of bringing an integrated system back to full functionality after a service disruption. This includes repairing or replacing equipment, recovering and restoring files, and quickly resuming services for users. The efficiency and speed of disaster recovery are crucial for ensuring business continuity, as the ability to recover swiftly can significantly minimize operational downtime and data loss.

In a proactive move, the bank has relocated all disaster recovery (DR) infrastructure-such as servers, storage devices, routers, firewalls, and other IT assets-from the previous DR site (BD Peer Ltd., Uttara) to a newly approved site at Square Informatix Ltd., Kashimpur, Gazipur, situated over 35 km from the primary data center in Islam Chamber, Motijheel. This new DR site offers more advanced facilities and enhanced security protocols to safeguard the bank's critical data and transactions. In the event of any disruption at the primary data center, the bank is now better equipped to ensure continuity of services, protecting both its operations and customer trust.

NIKASH-BEFTN SOFTWARE

Electronic fund transfers will now be conducted through the Nikash-BEFTN software, developed by the Bangladesh Automated Clearing House (BACH). Bangladesh Bank has officially rolled out this electronic fund transfer program using Nikash-BEFTN, a solution developed in-house to streamline and enhance the efficiency of financial transactions.

Previously, government payments, including salaries and pensions for government officials, were settled in two BEFTN sessions. With the introduction of Nikash-BEFTN, settlements will now occur in three daily sessions, improving the speed and frequency of transactions. It's important to note that credit and debit transactions should be submitted in separate files, ensuring no overlap between the two types of transactions. For transactions involving both debits and credits, the return process must be completed within two sessions after the EFT settlement, ensuring faster reconciliation and reducing delays.

This shift represents a significant step forward in modernizing payment systems, offering increased efficiency, security, and the ability to process a larger volume of transactions daily, ultimately benefiting government employees and all participants in the financial ecosystem.

ATM NETWORK

The bank has successfully set up more than 120 ATMs across the country and issued a significant number of debit cards to its customers, enhancing access to banking services. To further expand its reach and provide greater convenience to clients, the bank is actively working on the rapid growth of its ATM network, targeting key locations that will best serve potential customers nationwide.

In addition to this, the bank has integrated its ATM network with the National Payment Switch of Bangladesh (NPSB), a collaborative initiative led by Bangladesh Bank. This integration brings all commercial banks onto a unified platform, enabling seamless interoperability of ATMs and debit cards for both issuing and acquiring. As a result, customers can now access an extensive network of over 6,500 ATMs, offering increased convenience, wider coverage, and a smoother banking experience. The bank's ongoing investment in expanding and modernizing its ATM infrastructure reflects its commitment to providing reliable and accessible financial services to a broader customer base across the country.

ICT RISK MANAGEMENT

The adoption of advanced technology in the banking sector necessitates that the bank not only identifies ICT-related risks but also actively manages and mitigates them through a well-defined and prudent risk management strategy.

Over time, the bank has implemented several key measures to address identified vulnerabilities and enhance overall security. In line with this, the bank continues to deploy a range of ICT security solutions, ensuring robust protection against emerging threats, such as those affecting networks, email systems, ATM operations, and other critical infrastructures. Recognizing that ICT risk management is a dynamic and evolving process, the bank regularly reviews and updates its risk management framework to stay ahead of potential risks. By analyzing threats and vulnerabilities continuously, the bank takes timely and appropriate action to mitigate risks, striving to maintain an optimal balance between security and operational efficiency. This proactive approach ensures the bank's resilience against cyber threats while safeguarding customer data and ensuring seamless banking operations.

TREASURY MANAGEMENT

During the year, the Treasury Division of the Bank continued to play a strategic role in maintaining financial stability, ensuring adequate liquidity, and optimizing returns within the approved risk appetite. In a challenging macroeconomic environment marked by liquidity pressures, Profit rate volatility, and regulatory tightening, the Division demonstrated resilience through prudent fund management and disciplined risk oversight.

The primary focus of Treasury remained on maintaining optimum liquidity while enhancing profitability through efficient deployment of funds. The Division tried to ensure compliance with all regulatory requirements of Bangladesh Bank including maintenance of CRR, SLR, and other statutory obligations.

LIQUIDITY & FUNDING MANAGEMENT

Throughout the year, the Treasury Division successfully managed short-term and long-term liquidity positions through active participation in market operations, interbank placements, and investment in government securities. Continuous monitoring of cash flows and funding gaps enabled the Bank to meet its obligations smoothly and efficiently.

ASSET-LIABILITY MANAGEMENT (ALM)

The Division strengthened its Asset-Liability Management framework by closely monitoring maturity gaps, Profit rate sensitivity, balance sheet structure, analyzing financial data and markets. Regular ALCO reviews supported strategic decision-making in pricing deposits and investments, thereby maintaining a balanced risk-return profile.

INVESTMENT & MARKET OPERATIONS

Treasury actively managed the investment portfolio in government securities and other approved instruments to ensure regulatory requirements, liquidity and stable income generation. Foreign exchange operations were conducted prudently to manage exchange rate exposure and support Foreign Exchange business of the Bank.

RISK GOVERNANCE & INTERNAL CONTROL

To ensure strong governance and transparency, treasury operations remained segregated into Front Office, Mid Office, and Back Office functions. This structure enhanced accountability, strengthened internal controls, and ensured compliance.

Through prudent liquidity management, disciplined investment strategies, and proactive risk monitoring, the Treasury Division contributed significantly to the Bank's financial performance and operational resilience during the year. The Division remains committed to strengthening its risk management practices and supporting the Bank's sustainable growth objectives in the coming year.

CARD DIVISION

PERFORMANCE FOR THE YEAR 2025 AND STRATEGIC PLANNING-2026

Since transitioning to a full-fledged Shari'ah-based model in January 2021, Standard Islami Bank PLC. (SBPLC) has focused on aligning its retail products with Islamic principles. Card Division has set ambitious targets for 2026 to achieve its strategic objective of becoming one of the prominent card issuers in Bangladesh.

2025 PERFORMANCE

In 2025, the division experienced success across key indicators.

- **Customer Acquisition:** Acquired 633 new Tijarah Card customers and 809 Prepaid Card customers achieving sustainable growth in card issuance compared to the previous year.
- **Investment Growth:** Total investment reached 91.27 crore Taka, an 1.15% increase from 2025.
- **Income Growth**: Total income from investment increased by 18.0% to 2.70 crore Taka, reflecting increased consumer engagement and usage.
- Reducing NPL through enhanced and closed monitoring.

2026 STRATEGIC PLANNING

The 2026 plan focuses on continued modest growth and operational efficiency.

Particulars	Target (Volume/ Amount)
Total Number of Credit Cards	17,000
Total Investment	95 crore
Total Income from Investment	4.0 crore

STRATEGIC INITIATIVES

- **Product Development:** Leverage new card products tailored towards millennials and small businesses, while enhancing existing features based on feedback.
- **Card Campaigns:** Conduct year-round promotional campaigns (Ramadan Card Sales Campaign, discounts, EMI, cashback) during major festivals to encourage card acquisition and increased transactions.
- **Intensive Recovery:** Form a dedicated, skilled recovery team to vigorously pursue bad investments and prevent existing ones from becoming NPL. By reducing the NPL amount, the division aims to improve its asset quality at a time when the industry faces challenges like debt-servicing costs and high financing conditions.
- **Branding and Communication:** Implement effective advertising through social, print, and electronic media to reach the mass audience with Islamic card offerings.
- **Branch Collaboration:** Encourage branches to identify cross-selling opportunities using personalized offers to meet strategic sales goals.

The positive performance indicators of 2025 demonstrate a sustainable growth. Building on this momentum, the 2026 strategic plan emphasizes disciplined expansion, enhanced product innovation, stronger recovery initiatives, and effective branding and branch collaboration. Through these focused efforts, the Card Division is well-positioned to achieve its targets, improve asset quality, and move closer to its goal of becoming one of the leading Islamic card issuers in Bangladesh.

ALTERNATE DELIVERY CHANNELS DEPARTMENT

Alternate Delivery Channel provides banking services directly to the customers where they can perform banking transactions through ATM, branch POS, Debit Card, NPSB, DigiBanking, Internet Banking, SMS Banking and Agent Banking. These channels have enabled the bank to reach a wide consumer-base across geographies. ADCs ensure the smooth flow of regular transactions and provide the bank with higher profits with lower operational expenses and transaction costs. Overview and financial highlights of the ADC services are mentioned below:

(I) BANKING THROUGH ATM

Standard Islami Bank has a well distributed ATM network across Bangladesh. SBPLC has already installed 123 ATMs at different locations of Bangladesh. SBPLC ATMs feature the latest in security technology and anti-fraud mechanisms for client's complete peace of mind and provides a quick and convenient way to withdrawal funds from any owned and NPSB ATMs at 24/7.

The below statistics provide the transactions occurred in ATMs during the year 2024 and 2025:

Particulars	2024	2025
Total No. of Transactions at SIB ATMs	9,39,323	9,49,959
Total Cash Withdrawal Amount at SIB ATMs	TK. 902,27,45,500.00	TK. 9,00,55,81,954.00
Total No. of Transactions (SBL Card at SIB ATMs)	5,01,309	5,28,840
Total Cash Withdrawal Amount (SBL Card at SIB ATMs)	TK. 476,66,99,500.00	TK. 5,10,39,87,954.00
Total No. of Transactions (NPSB Cards at SB ATMs)	4,38,014	4,21,119
Total Cash Withdrawal Amount (NPSB Cards at SIB ATMs)	TK. 425,60,46,000.00	TK. 3,90,15,94,000.00

(II) DEBIT CARD

SBPLC current/SND/savings account holders can enjoy the benefit of SBPLC Debit Card. It is a proprietary Debit card which can be used at SIB own ATM/POS Network & National Payment Switch of Bangladesh (NPSB) Network.

Particulars	As on 31st December 2024	As on 31st December 2025
Total No. of Debit Card	1,86,419	1,10,814
Income from Debit Card	TK. 25,602,704.00	TK. 25,448,950.00

(III) NATIONAL PAYMENT SWITCH BANGLADESH (NPSB)

Standard Islami Bank is successfully connected with National Payment Switch Bangladesh (NPSB). Now our customers have access over 10000+ ATM networks as well as 30000+ POS networks allowing ATM transactions (Cash Withdrawal, Mini Statement & Balance Inquiry) and POS retail purchase service.

NPSB Transaction Report (ATM & Retail Purchase)			
	Particulars	2024	2025
SIB Card at NPSB ATMs	No. of Transactions	5,06,743	4,65,593
	Amount of Transactions	TK. 358,47,45,600	TK. 3,31,68,40,600
NPSB Retail Purchase	No. of Transaction	1,28,921	73,992
	Amount of Transaction	TK. 463,55,48,261.16	TK. 24,67,27,918.53
Revenue growth rate	Income from NPSB Card	TK. 164,19,700.00	TK. 85,67,745.00
	NPSB Retail Purchase Income	TK. 8,39,940.35	TK. 3,30,623.79

(IV) BRANCH POS

SBPLC already deployed 138 units of Branch POS in different branch. POS terminals help customers carry out chequeless transactions at branch by swiping debit cards on the POS machine and this is advantageous when ATMs are not nearby. Below is the statistics of the transactions occurred in our branch POS during the year 2024 and 2025:

Particulars	2024	2025
No. of Transactions	1,28,921	1,55,087
Amount of Transactions	TK. 463,55,48,261.16	TK. 5,54,85,56,736.65

(V) SMS BANKING:

SMS Banking service provides instant notifications about all transactions as and when it happens. It helps SBPLC clients to keep a watch on their account round the clock. Below is the statistics of No of SMS transaction and earned revenue of 2024 & 2025:

Year	Total No. of Customer	Income from Service Charge (excluding VAT)
2024	7,55,650	Tk. 5,84,87,199.53
2025	8,14,721	Tk. 5,37,44,125.00

(VI) INTERNET BANKING:

We already started technology based innovative banking services like Internet Banking. By using our secured Internet Banking service anyone can check their account balance, print statement and fund transfer to any SBPLC accounts.

Particulars	2024	2025
Total No. of Accounts	13,249	12,611
No. of Transactions	289	238
Amount of Transactions	TK. 72,71,801.00	TK. 76,45,939.00
Income from Internet banking	Tk. 4,28,040.00	Tk. 3,96,875.00

(VII) DIGIBANKING MOBILE APPS

SBL DigiBanking is latest product of ADC Department. With this SBL DigiBanking App, customer can do banking at anytime from anywhere in the globe. By DigiBanking, our customer can perform fund transfer to any SBL account, other bank account, pay credit card bill, WASA bill, MFS transfer and can perform mobile recharge. Apart from this, anyone can identify the contact details of our branch, locate any branch, ATM, agent locations etc.

Digibanking Stats	2023	2024	2025
Total No. of Customers	18,782	34,457	49,912
No. of Transactions	2,75,718	4,41,435	6,99,139
Amount of Transactions	TK. 397,00,15,123.00	TK.709,07,89,289.89	TK.11,622,806,222.5
Income from Service Charge	TK. 19,27,400.00	TK. 23,97,737.19	TK. 5,255,266.32

(VIII) NPSB IBFT TRANSACTION:

IBFT (Interbank Fund Transfer) is an electronic service that allows users to instantly transfer money from their bank account to an account in a different bank. It enables secure, real-time, or near-real-time transactions via internet banking, mobile apps, and bank accounts. Similarly, customers of other participating banks can instantly funds transfer to SBPLC accounts through the NPSB IBFT network.

Particulars	2025
No. of Transactions	53,822
Amount of Transactions	TK. 2,648,370,040.33
Income from IBFT	TK. 1,44,750.60

(IX) AGENT BANKING

We are providing Agent banking services through our 11 outlets for the underserved & unbanked population in different remote locations. We have around 15,000 customers and total deposit amounting around 26.5 crore. Some good amount of utility bills are collected and remittance are disbursed through agent outlets.

(X) CALL CENTER

Recently we have established our 24/7 call center for better customer service for our customers. Customers can activate or block his card, enquire about his account or banking, place any banking requirement or submit a dispute or complain etc. anytime outside banking hour and from anywhere.

CONCLUSION

Now a days banks are investing in technology based services that is in Alternative Delivery Channels. Teenagers and young people (our future clients) prefer using digital services rather than branch banking. In the modern age of digitalization we need to cope with the trend. We also need to highlight our Alternative Delivery Channels and we are working on it.

GENERAL SERVICES DIVISION (GSD)

INTRODUCTION

General Services Division (GSD) is one of the vital divisions of Standard Islami Bank PLC. The responsibility of this Division is to ensure smooth banking operations through minimizing cost and maximizing services. After all, GSD is entrusted with the responsibility of providing continuous and seamless logistic support services to the Bank and ensuring high quality routine maintenance in all aspect to all the branches, ATM Booths and divisions of Head Office by introducing an effective procurement and delivery system.

ROLE OF GSD

1. Formulating different policies and guidelines related to GSD.
2. Procuring all kind of machineries, equipment, supplies and materials for the bank as per requirement following the procurement policy.
3. Planning for all types of interiors, exteriors and renovation works in a cost effective way keeping the branding in mind.
4. On-boarding outsourced service-providers & making contracts following the procurement policy.
5. Keeping the bank workable 24/7 through proper servicing and maintenance of machineries, equipment and building management.
6. Providing security to the assets of the bank through security management department.
7. Keeping the supply chain active for urgent supplies, security, printing and office stationeries.
8. Maintaining and providing transportation service.

GSD is comprised of five departments/Sections as follows:

1. Procurement Department.
2. Property Management/Estate Department.
3. General Services and Maintenance Department.
4. Security Management Department.
5. Transport Management Section.

ACTIVITIES OF GSD IN 2025

In order to reduce overall operational cost of the Bank, major achievements accomplished by GSD in the year 2025 are appended below:

1. **Cost Reduction Initiatives:** GSD had taken an all-out efforts to reduce the overhead cost of the bank through different measures. Some of those as under:
    a. **Negotiation with suppliers:** GSD has negotiated with different suppliers vigorously during each and every purchase throughout the year 2025 to reduce the cost.
    b. **Negotiation with Service Providers:** GSD has negotiated with different service providers during renewal of contracts in 2025 and able to keep the rates and conditions unchanged.
    c. **Negotiation with Landlords:** GSD has negotiated with the landlords during the renewal of the agreements to renew without enhancement of rent or keep the enhancement nominal. Mentionable that we have executed renewal agreements with the landlords of 22 branches in 2025. These are: 1) Gulshan, 2) Jubilee Road, 3) Panthapath, 4) Gulshan-1, 5) CEPZ, 6) Bahaddarhat, 7) Faridpur, 8) New Eskaton, 9) Sonargaon Janapath, 10) Sunamgonj, 11) Alamdanga, 12) Banti Bazar, 13) Kawran Bazar, 14) Kholamora, 15) Sheikh Mujib Road, 16) Principal, 17) Dhanmondi, 18) Takerhat Bazar, 19) Bhairab SME/Krishi, 20) Patherhat, 21) Panchlaish and 22) Kumira.
2. **Contribution in business growth:**
    a. **By Shifting Branch:** A well thoughtful plan has been applied to increase business by shifting branches to better location. In 2025, Bishwanath SME/Krishi, Chashara, Mohakhali and Rajshahi Branches are shifted.
    b. **By Renewing Rental Agreements:** Where the achievements are within the desired level, GSD has renewed the rental agreements of those branches to keep the business momentum.
3. **Major Purchases:** Receiving the requisition from the user end, GSD has surveyed the market, selected the eligible/enlisted vendors, negotiated through purchase committee and purchased following machineries and equipment for the bank following the approval of the Management and the honorable Board of Directors:
    a. **Generators:** GSD has purchased 04 units of 10 KVA Petrol Generator @Tk.3,36,000/- for 1) Shafipur, 2) Karnaphuli, 3) North Brook Hall Road, and 4) Basurhat Branch.
    b. **Air-conditioners:** GSD has purchased 46 units of Air-conditioners amounting total Tk.47.77 Lac for 25 Branches and Head Office.
    c. **IT equipment:** 10 units Online UPS, 01 unit NAS, 01 unit Vulnerability Assessment and Penetration Testing (VAPT), 30 units Switch and 15 units Router for IT Division and 20,000 units PIN Mailer for ADC Department, HO.
    d. **Renovation:** 04 branches, i.e. 1) Bishwanath SME/Krishi, 2) Chashara, 3) Mohakhali, and 4) Rajshahi are renovated in 2025.
    e. **Note Counting Machine:** Purchased 15 units of Note Counting Machines for 15 branches.
    f. **Wall Calendar, Desk Calendar & Dairy:** Purchased 60,000 pcs of Wall Calendar, 10,000 pcs Desk calendar and 5,000 pcs Dairy for the year 2026 for Head Office and Branches.
    g. **Guns & Ammunition:** Purchased 03 units Tomahawk Guns with (10X3)=30 cartridges for 02 branches i.e. 1) Khan Jahan Ali, and 2) Ashkona in 2025.
4. **Construction of Corporate Head Office Building Located at Gulshan:** The construction work of Corporate Head Office Building of Standard Islami Bank PLC. is in full swing under direct supervision by the management of the bank. A project implementation team from Bank is working on site being assisted by assigned Consultants. Currently numbers of contractors are working simultaneously in the Project. However, most of the contractors of the project have completed major portion of their works, excepting the interior contractor. Civil works have been almost done. Installation of HVAC system is 70%, work of Façade system is 95%, Fire safety works 50%, work of sub-station is 70%, and installation works of lift is 65% completed. Currently interior work is in progress in co-ordination with other works of the project.
5. **Team Work:** We have taken fruitful initiatives to keep the bank workable 24/7 through proper maintenance and servicing of all sorts of machineries & equipment, building management and continuous supervision and monitoring of Cleanliness and overall Security of Head Office, Branches and ATM Booths by working in groups and with the spirit of team work.
6. **Contribution in CSR:** GSD has purchased 500 pieces Blanket at the cost of Tk.1,22,500/- only in the year 2025 and handed over to TMSS through our Bogura Branch for distribution among the poor community of North Bengal.
7. **Conclusion:** GSD believe only in excellence in assigned job and that is possible with the whole hearted co-operation of all the members of this organization. We intent to leave no stone unturned to provide the best support to all stakeholders of the Bank.

INVESTMENT ADMINISTRATION DIVISION

Investment Administration and Documentation in Banks

1. INTRODUCTION

Investment administration in banks refers to the systematic process of managing, monitoring, and controlling investment activities to ensure compliance with regulatory guidelines, internal policies, and risk management standards. Proper documentation is a critical component of this process, as it provides legal validity, transparency, and accountability in all investment transactions.

Investment documentation refers to the collection of legal, financial, and administrative documents that formalize and support an investment transaction. It ensures that investments are properly recorded, authorized, executed, and monitored in accordance with regulatory requirements and institutional policies. Effective administration and documentation ensure that these investments are secure, profitable, and compliant with central bank regulations (e.g., Bangladesh Bank guidelines).

2. OBJECTIVES OF INVESTMENT ADMINISTRATION

The main objectives of investment administration is to handle the investment with regulatory process with the following objectives;

1. Ensuring compliance with regulatory requirements.
2. Minimizing investment risk.
3. Maintaining proper records of investment transactions.
4. Safeguarding bank assets.
5. Ensuring timely income realization (interest/dividend).
6. Monitoring portfolio performance.

3. REGULATORY FRAMEWORK

Investment administration in Bangladesh is primarily governed by:

- Bank Company Act, 1991 (amended)
- Bangladesh Bank Prudential Regulations
- BRPD (Banking Regulation and Policy Department) Circulars
- Guidelines on Investment Risk Management (IRM)
- Guidelines on Internal Control & Compliance (ICC)
- Risk-Based Capital Adequacy (Basel III) Guidelines
- Investment Classification and Provisioning Guidelines

4. INVESTMENT ADMINISTRATION PROCESS

a. **Investment Proposal Evaluation (Pre approval):**
   - Assessment of investment type and risk profile.
   - Analysis of return, liquidity, and maturity.
   - Approval from competent authority (Board/ Investment Committee).

b. **Approval and Sanction**
   - Investment decision based on risk-return analysis.
   - Compliance with investment policy and exposure limits.

c. **Execution of Investment documentation**
   - Documentation formalities to be completed as per sanction and guideline of controlling authority.
   - All to be preserved in safe custody as per norms of the bank.

d. **Record Keeping and Monitoring**
   - Recording investment details in the investment register/system.
   - Monitoring maturity dates, Profit payments, and market value.
   - Ensuring compliance with statutory liquidity ratio (SLR) requirements.

e. **Review and Reporting**
   - Periodic portfolio review.
   - Reporting to management and regulatory authorities.
   - Mark-to-market valuation where applicable.

5. IMPORTANCE OF PROPER DOCUMENTATION

a. **Legal Protection**

Proper documentation provides legal evidence of ownership and terms of investment. In case of disputes, documents serve as enforceable proof in court.

b. **Regulatory Compliance**

Financial institutions must comply with central bank regulations, securities laws, and accounting standards. Documentation ensures adherence to these requirements.

c. **Risk Management**

Documentation helps identify and control financial, operational, and legal risks. Clear terms reduce ambiguity and prevent future conflicts.

d. **Transparency and Accountability**

Accurate documentation promotes transparency in decision-making and ensures accountability among management and staff.

e. **Audit and Inspection Support**

Internal and external auditors rely on documentation to verify transactions. Proper records facilitate smooth audits.

f. **Financial Reporting Accuracy**

Well-maintained documents ensure accurate recording in financial statements, which is essential for stakeholders and regulators.

g. **Operational Efficiency**

Standardized documentation improves processing time and reduces errors in investment transactions. Also;

1. Provides legal protection in disputes.
2. Ensures regulatory compliance.

3. Facilitates audit and inspection.
4. Reduces operational risk.
5. Enhances transparency and accountability.

We may assume that—

- Good Appraisal + Bad Documentation = Bad Assets.
- Bad Appraisal + Good Documentation = Bad Assets.
- Good Appraisal + Good Documentation = Good or Strong Assets.

6. CONCLUSION

Investment administration and documentations are essential components of banking operations. They ensure that investment activities are conducted prudently, legally, and profitably. Strong documentation practices, regular monitoring, and adherence to regulatory guidelines are safeguard for the bank's investments and maintain financial stability.

INVESTMENT RISK MANAGEMENT (IRM)

1. INVESTMENT RISK MANAGEMENT DIVISION

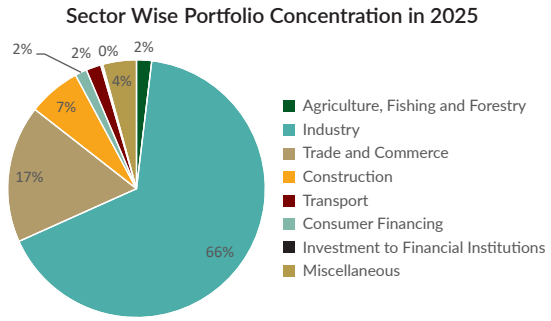
Investment Risk Management Division of SBPLC has been playing a very important role to protect the bank's assets through assessment and mitigation of investment risks ensuring compliance of regulatory requirement while supporting business growth. After mitigating different investment risks, investment proposals are placed before competent authority of the Bank for approval and finally formal sanctions are issued in favor of the Branch for execution of proper documentation before disbursement. The investment portfolio position of the Bank stands at the end of the year 2025 is described below.

1.1 Sector-Wise Investment Portfolio of the Bank as on 31.12.2025

(in BDT Crore)

SL No.	Name of Sector	Investment	Percentage (%)
1	Agriculture, Fishing and Forestry	390.00	1.90 %
2	Industry	13,595.21	66.39 %
3	Trade and Commerce	3,532.77	17.25 %
4	Construction	1,354.86	6.62 %
5	Transport	301.70	1.47 %
6	Consumer Financing	381.96	1.87 %
7	Investment to Financial Institutions	54.21	0.26 %
8	Miscellaneous	866.94	4.23 %
	Total	**20,477.65**	**100.00 %**

SBPLC Sector-Wise Investment Portfolio as on 31.12.2025 in Pie Chart:

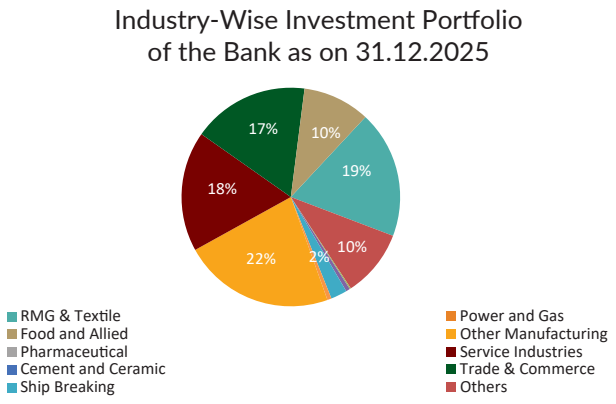


1.2 Industry-Wise Investment Portfolio of the Bank as on 31.12.2025

(in BDT Crore)

SL No.	Sector	Investment	Percentage (%)
1	RMG & Textile	3,857.07	18.84%
2	Food and Allied	2,042.89	9.98%
3	Pharmaceutical	35.05	0.17%
4	Cement and Ceramic	123.96	0.61%
5	Ship Breaking	494.26	2.41%
6	Power and Gas	125.95	0.62%
7	Other Manufacturing	4,586.69	22.40%
8	Service Indurties	3,644.00	17.80%
9	Trade & Commerce	3,532.77	17.25%
10	Others	2,035.01	9.94%
11	TOTAL	20,477.65	100.00%

SBPLC Industry--Wise Investment Portfolio as on 31.12.2025 in Pie Chart:

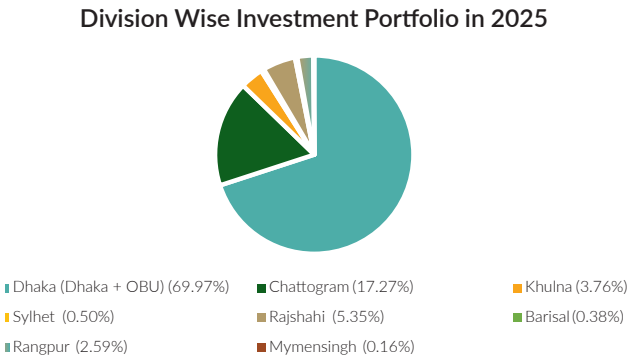


1.3 Geographical distribution of investment portfolio of the Bank as on 31.12.2025

Division-Wise (in BDT Crore)

SL No.	Name of Division	Investment (in BDT Crore)	Percentage (%)
1	Dhaka (Dhaka + OBU)	14,328.98	69.97%
2	Chattogram	3,537.28	17.27%
3	Khulna	769.62	3.76%
4	Sylhet	102.86	0.50%
5	Rajshahi	1,096.08	5.35%
6	Barisal	78.80	0.38%
7	Rangpur	530.63	2.59%
8	Mymensingh	33.40	0.16%
	TOTAL	**20,477.65**	**100.00%**

SBPLC Division-Wise investment portfolio as on 31.12.2025 in Pie Chart:

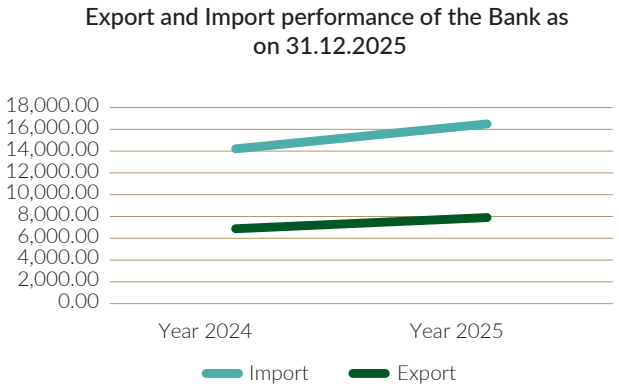


1.4 Export and Import performance of the Bank as on 31.12.2025

(In BDT Crore)

Particulars	Year 2024	Year 2025	Growth %
Import	14,247.34	16,547.00	16.14%
Export	6,894.93	7,909.93	14.72%

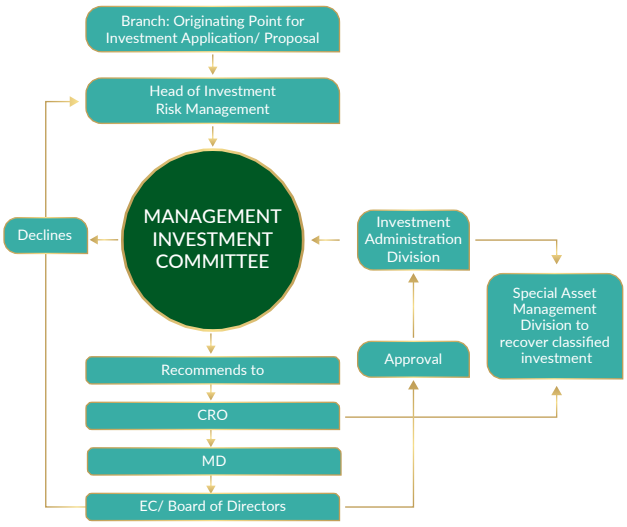
SBPLC Division-Wise investment portfolio as on 31.12.2025 in Pie Chart



2. INVESTMENT APPROVAL PROCESS

Being a 3rd generation private commercial bank, Standard Islami Bank PLC. deals with diversified investment portfolio across the country with diversified products under its policies & guidelines complying regulatory requirements. Certainly, the Board of Directors of the Bank is the supreme approval authority of any investment amount. However, the BOD has conferred delegation of its business power/authority in different extents to the Executive Committee (EC) of the Board of Directors of the Bank and different tiers of Management of the Bank for smooth operations of businesses.

Investment Management Process



3. INVESTMENT RISKS MITIGATION:

One of the most significant challenging areas of banking businesses is investment risk management (IRM). Standard Islami Bank PLC. has a vigilant concentration on mitigation of investment risks. The Investment Risk Management Division (IRMD) has been performing the following major activities to ensure mitigation of investment risks:

a. **Establishing Risk Management Environment:** Through proper and effective functioning of Management Investment Committee (MIC) of the bank, the Bank has established a sound risk management environment. All potential investment proposals are channeled through the committee. In 2025, a total of 54 nos. of MIC meeting took place where submitted investment proposals were precisely discussed, reviewed, reorganized and finally recommended with required revisions or declined. The committee recommended total 1317 nos. of investment proposals valuing Tk 32,883.61 Crore covering both funded & non-funded limits over the year. The committee declined & deferred total 42 nos. investment proposals valuing of Tk 2273 Crore during the year. The team of IRMD actively works in identification of investment risks based on expertise and experiences under the purview of Board's approved policies, guidelines and risk appetite statement and regulatory guidelines.

b. Establishing Compliance Culture: IRMD of the Bank has been persistently trying to enable best practices at all strata of investment from initiation to disbursement & timely adjustment through concerned stakeholders i.e. customers, branches, branch officials, Head Office Divisions & Departments and concerned officials.

c. **Operating under a Sound Investment Granting Process:** The IRMD defines investment requirements through assessing manufacturing capacity, credit worthiness, business transactions, collateral securities, Bangladesh Bank CIB reports, Internal Investment Risk Rating (IIRR), group liability, business performances, financial statements, External Credit Assessment Institution (ECAI) Rating, investment based money laundering issues etc. and evaluate whether the customers are under sound and well-defined investment-granting criteria. All investments are considered on an arm's length basis. In particular, investment already allowed to any sister/allied concerns or related companies and individuals is also analyzed with particular care.

d. **Maintaining an Appropriate Investment Administration:** Reviewing, measuring, observing and monitoring processes by IRMD are also in place. IRMD officials will keep control on existing investment customers of the Bank through the mentioned tasks to keep asset quality at standard level.

e. **Adequate controls:** To ensure adequate controls over investment risks, it is required to report the exceptions to policies, procedures and limits to the appropriate level of management timely.

f. **Ensuring compliance:** To ensure compliance, IRMD has satisfactorily complied with the Bangladesh Bank's audit findings, observations and related guidelines in 2025.

With strict determination of the SBPLC management, it is believed that there would be no exception to compliance with the policies, guidelines, rules and regulations of internal and external authorities in the days to come. Furthermore, IRMD will proactively act to uphold the position of the Bank with excellent services protecting the interest of the Bank, its customers and ensure sustainable return to SBPLC's sponsors & shareholders.

AGRICULTURE & RURAL INVESTMENT:

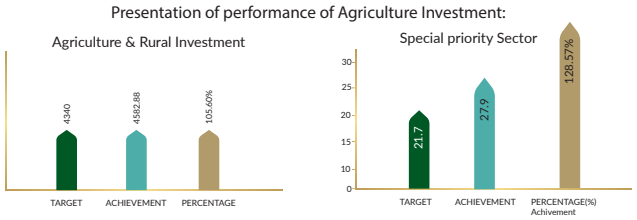
DRIVING RURAL DEVELOPMENT AND IMPROVING LIVING STANDARDS.

In Bangladesh, the agriculture sector is the main economic driving force. Agriculture holds immense importance in Bangladesh, serving as the backbone of the economy by providing substantial employment, ensuring food security for the majority of the population and contributing significantly to the nation's GDP, despite facing challenges like natural disasters and limited arable land. In alignment with the broader goals of the development agenda of the government of Bangladesh, the Bangladesh Bank (BB) formulates. **"The Agricultural and Rural Credit Policy and Program".** This initiatives is designed to ensure the smooth, timely and hassle free flow of funds into agricultural and rural economies, thereby directly benefiting the grass roots level farmers. To face the challenges of global needs and ensure food and nutrition security, Standard Islami Bank PLC. has taken many steps to make easy access of the marginal farmers in main stream lending system. The main sector of agriculture are as follows-

Performance at a glance against the agriculture & rural investment target set by Bangladesh Bank for the FY: July'2024-June'2025:

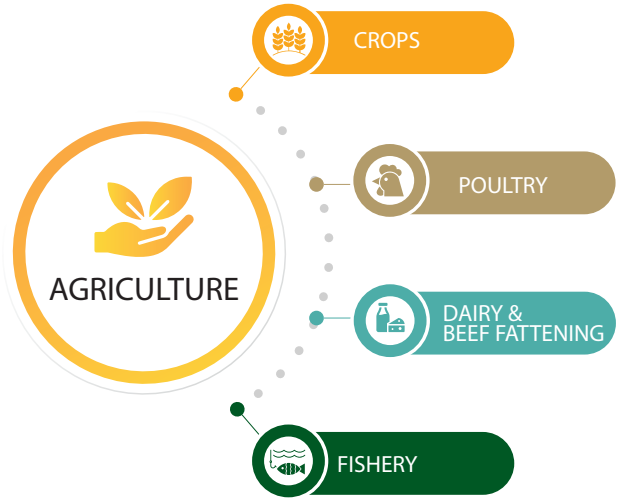
[Fig. in million]

Sl.	Particulars	Target & Achievement		Percentage (%) of Achievement
		Target	Achievement	
01.	Agriculture & Rural Investment	Tk.4340.00	Tk.4582.88	105.60%
02.	Special Priority Sector	Tk.21.70	Tk.27.90	128.57%



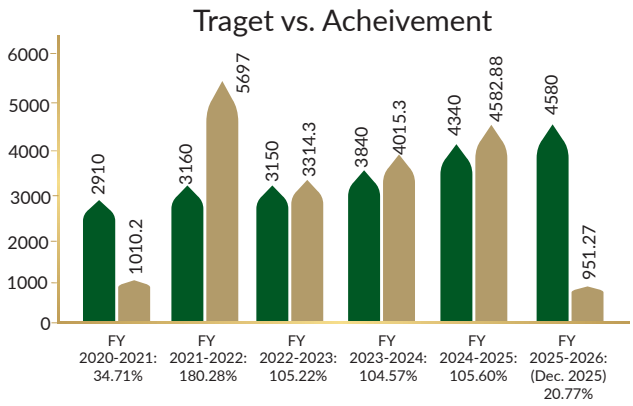
PRODUCTS UNDER AGRICULTURE & RURAL INVESTMENT ARE AS FOLLOWS:

Crops cultivation.	Beef Fattening farming.
Fish Farming.	Tools of Irrigation & Agriculture Equipment.
Poultry Farming.	Special Priority Sector: Oil seeds, pulse, spices & maize.
Dairy Farming.	Production of seed, Crops storage & Marketing.
Vegetable & Fruit cultivation.	Poverty Alleviation & Income generating activities.
Other sectors has mentioned in the Agriculture & Rural Credit Policy & Program published by Bangladesh Bank.	



FIVE YEARS HIGHLIGHTS: TARGET VS . ACHIEVEMENT

[Fig. in million]

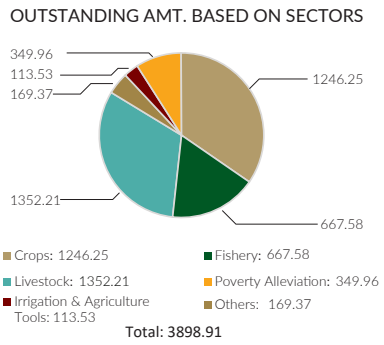


Note: Less achievement in the FY: 2020-2021 due to pandemic situation of COVID-19.

IMPORTANCE OF AGRICULTURE AND RURAL INVESTMENT IS BANK:

- The Honorable Board of Directors and the Management of Standard Islami Bank PLC. has been showing notable eagerness in any issue related to Agriculture and Rural Investment to ensure agricultural productivity.
- Standard Islami Bank PLC. has dedicated team under Agriculture & Rural Investment in Head Office level to ensure best service for agriculture financing.
- The bank has emphasized to disburse Agriculture & Rural Investment through own network instead of MFI/NGOs Linkage to ensure fund for the marginal farmer in lower rate of profit.
- Almost every fiscal year Standard Islami Bank PLC. has been achieving the target fixed-up by Bangladesh Bank.

OUTSTANDING POSITION OF AGRICULTURE INVESTMENT AS ON 31.12.2025:



MFIs/NGOs LINKAGE:

Following the independence of Bangladesh, numerous Micro Finance Institutions (MFIs)/Non-Government Organization (NGO) developed to actively participate in the nation's reconstruction through various social initiatives. The role of NGOs in the rural development of Bangladesh is undeniably beautiful and impactful. These organizations have emerged as beacons of hope, and working tirelessly to uplift & transform the lives of rural communities across the nation. The NGOs plays a significant role in association with Banks for the alleviation of poverty in rural areas of Bangladesh. Standard Islami Bank PLC. has financed a substantial amount to some renowned Microfinance Institutions (MFIs) under NGO linkage investment program to reach the clients in remote territory due to the limited area coverage of Branch network. Standard Islami Bank PLC. has business relationship with 13 nos. of MFIs among the top 20th MFIs in Bangladesh. The major focused area of NGOs in the society of Bangladesh are as follows-

Focused area of NGOs

INITIATIVES FOR THE YEAR 2025-2026:

- Marketing & publicity for financing under agriculture investment to be increased by hanging banner, poster in Branch's vicinity in easily visible site and attractive eye catching brochures/leaflets to be developed to draw the attention of the customers.
- Dependency on MFI/NGO linkage financing to be reduced gradually as per direction of Management & the Honorable Board of Directors of the Bank.
- Follow up & monitoring to be increased for timely recovery of Agriculture investment.
- Establish specialized teams at branches with expertise in agricultural investment.
- Branch Outreach: Deployment of extra workforce to reach remote farming communities.

RETAIL INVESTMENT

POWERING PROSPERITY THROUGH DEEPENING ENGAGEMENT

DISCIPLEND GROWTH THROUGH STRENGTHENING CLIENT PARTNERSHIP

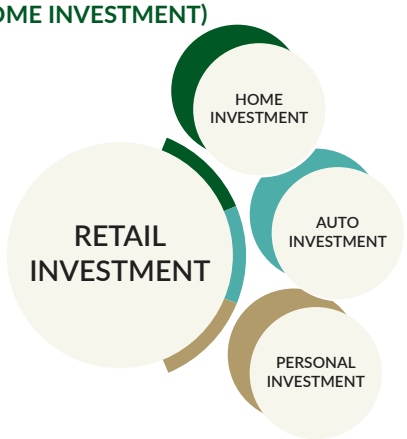
Building upon the solid foundation established in previous years, the 2025 fiscal year marked a significant step forward in our retail investment journey. Our commitment to providing Shari'ah-compliant, ethical, and transparent financial solutions remains the cornerstone of our operations, enabling us to empower individuals and families across Bangladesh to achieve their cherished life goals.

Our focus has evolved beyond simply acquiring new customers to nurturing long-term, multi-faceted relationships with them. This customer-centric approach has reinforced our vision to be a provider of well-structured Islamic consumer financing bank. This performance is a direct outcome of our disciplined client selection criteria, robust risk management frameworks, and the unwavering commitment of our branch network and head office teams to uphold the highest standards of Islamic banking.

MODES OF RETAIL INVESTMENT: SOLUTIONS FOR DIFFERENT STAGES OF LIFE

Standard Islami Bank PLC. continues to offer a comprehensive range of Shari'ah-compliant retail financing solutions, designed to cater to the distinct financial aspirations of our customers. Each product is structured ensuring a partnership-based approach that is fair, transparent, and free from interest (Riba). We are not just financiers; we are partners in our customers' journeys toward homeownership, mobility, and personal fulfillment.

FOUNDATIONS OF SECURITY AND FAMILY WELL-BEING (HPSM HOME INVESTMENT)



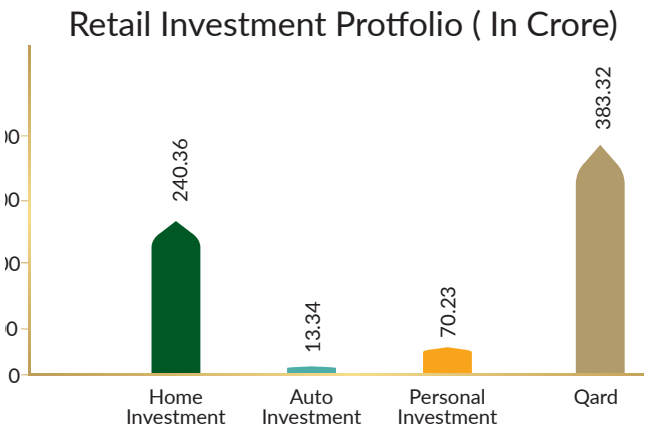
Our Home Investment portfolio remained a key driver of growth. We enhanced our offerings to make the dream of homeownership more accessible than ever. By providing competitive rental rates, we have helped numerous families lay the foundation for their future. Our focus on this segment has contributed to the socio-economic fabric of the communities we serve.

MOBILITY FOR MODERN LIFESTYLES (HPSM AUTO INVESTMENT)

In today's fast-paced world, reliable personal mobility is no longer a luxury but a necessity. Our HPSM Auto Investment product, based on the Shari'ah principle, provides a seamless and ethical pathway to vehicle ownership. In 2025, we witnessed professionals and businessmen seeking convenient and Shari'ah-compliant financing options. We practice streamlined application and approval process for auto investment, reducing turnaround time for eligible customers, thereby setting a new Standard for convenience and efficiency.

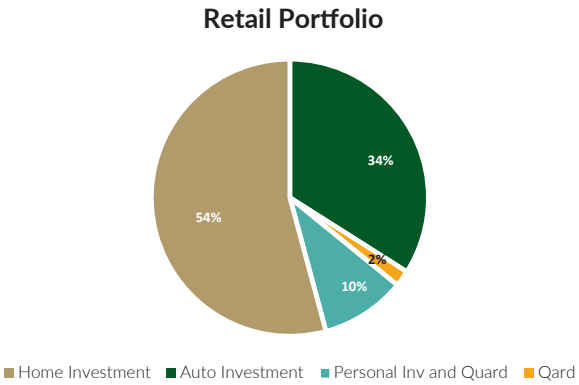
FULFILLING ASPIRATIONS WITH RESPONSIBILITY (HPSM PERSONAL INVESTMENT)

Our HPSM CIS Personal investment product is designed to provide for immediate, genuine needs, enabling individuals to finance their personal purposes. In line with our commitment to responsible financing, we maintain a strict and detailed client selection process, focusing on individuals, including government employee, teachers, medical professionals, private service holders and people with reputable source of income. Investment product is seen not as a debt, but as a trusted financial tool that empowers our customers to navigate life's important milestones.



PORTFOLIO OF RETAIL INVESTMENT

As on 31 December 2025, Total Retail investment portfolio is 707.25 crore. It comprises of Home investment 240.36 crore, Auto Investment 13.34 crore, Personal Investment of 70.23 crore and Qard facilities 383.32 crore. To grow our retail investment portfolio, we will maximize cross sell opportunities within our existing customer base and leveraging customer referrals to reach out to more customers. This will drive rapid growth while maintaining service excellence. Looking forward our strategy is to strengthen our presence in the home and auto finance segments. We will achieve this by diversifying our product offerings, utilizing technology to simplify processes and building stronger relationships through personal service



COMMITMENT TO SUSTAINABLE GROWTH AND EXCELLENCE

As we look ahead, Standard Islami Bank PLC. aims to prosper greatly in the landscape of Islamic retail investment in Bangladesh. Our performance reaffirms the strength of our strategy and the dedication of our team. We will continue to embrace innovation to enhance customer experience, deepen our relationships through personalized service, and expand our market presence while unwaveringly upholding the highest principles of Shari'ah. We are confident that by staying true to our core values of trust, integrity, and mutual growth, we will continue to deliver sustainable value to our stakeholders and set new benchmarks for excellence in Shari'ah-compliant consumer financing.

CMSME INVESTMENT

CMSME IN BANGLADESH: EMPOWERING ENTREPRENEURSHIP, STRENGTHENING NATIONAL PROSPERITY

Cottage, Micro, Small and Medium Enterprises (CMSME) remain the backbone of economic transformation in Bangladesh. The sector contributes significantly in employment generation, inclusive industrialization, grassroots entrepreneurship, and poverty reduction. With increasing urbanization, digitalization, and supply-chain expansion, CMSMEs are no longer peripheral economic actors — they are central drivers of sustainable growth.

Recognizing this, the Government of Bangladesh and the central bank, Bangladesh Bank, continue to prioritize CMSME development through policy incentives, refinance facilities, and financial inclusion programs.

CMSME DEVELOPMENT: ROLE OF STANDARD ISLAMI BANK PLC

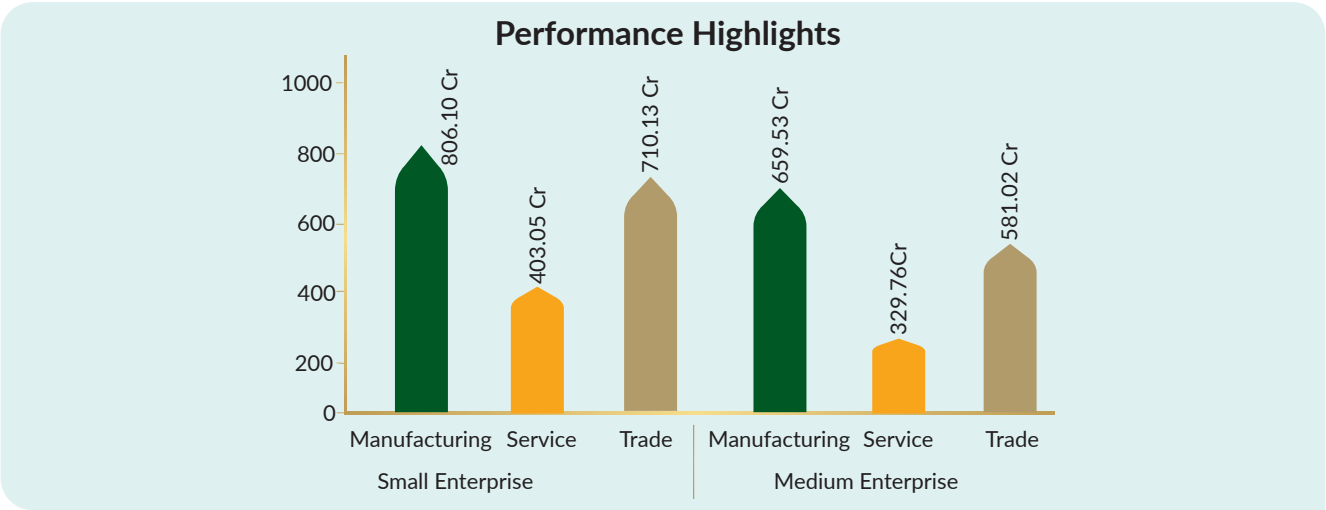
Since its inception, Standard Islami Bank PLC. has treated CMSME financing not merely as a regulatory obligation, but as a strategic growth pillar. The Bank's nationwide branch network enables it to support entrepreneurs across both urban and semi-urban regions, contributing to balance regional economic development.

The SME IRM Division plays critical role by ensuring:

- Quality assessment and prudent risk management of CMSME investments
- Portfolio diversification to reduce sectorial concentration risk
- Compliance with regulatory guidelines and sustainable financing practices
- Timely credit decisions to support business continuity of clients

Through disciplined underwriting and close monitoring, the bank continues to maintain a balanced CMSME portfolio aligned with both growth and asset-quality objectives.

PERFORMANCE HIGHLIGHTS



The performance reflects a balanced approach pursuing growth while maintaining prudent risk.

- CMSME Portfolio Size as on 31.12.2025: Tk.3489.58 Crore which is more than 17% of the Bank's Total Investment Exposure
- Continued expansion of all segment of CMSMEs with a focus on productive sectors
- Active participation in refinance and guarantee schemes supported by Bangladesh Bank
- Strengthened monitoring and early-warning systems to safeguard asset quality
- Enhanced coordination between Branches and Head Office to expedite CMSME processing

KEY CHALLENGES IN CMSME FINANCING

Despite strong prospects, CMSME financing in Bangladesh continues to face structural constraints:

- Informal financial records and weak documentation culture among small entrepreneurs
- Volatility in input costs and supply chains affecting repayment capacity
- Limited collateral coverage in micro and small segments
- Rising cost of funds and pressure on lending spreads
- Need for stronger financial literacy among first-generation entrepreneurs

These realities require banks to adopt smarter risk models rather than simply tightening credit access.

STRATEGIC PLAN AND WAY FORWARD

To strengthen CMSME financing while safeguarding portfolio quality, the Division will focus on:

1. **Portfolio Expansion:** The bank is committed for expanding CMSME investments up to 30% of the Bank's total portfolio by 2030 with a strategic focus on productive and sustainable growth.
2. **Products & Policy:** Introducing need-based CMSME diversified products and periodically reviewing

investment policies to align with regulatory guidance evolving, market dynamics, and sector-specific risks.

3. **Process Automation & Digital File Management:** Gradually integrating automation in investment file processing, documentation tracking, and monitoring systems to reduce turnaround time, improve accuracy, and enhance transparency.
4. **Strengthening Branch Synergy & Capability Development:** Enhancing collaboration with branches alongside continuous training of branch and investment officials to improve pipeline quality, appraisal capability, sector understanding, processing efficiency, and proactive monitoring.
5. **Leveraging Refinance/Pre-Finance, and Inclusion Programs:** Expanding use of Central Bank and development partner refinance/guarantee schemes to reduce risk exposure, improve pricing competitiveness, and enhance financing access for priority segments including women entrepreneurs, micro industries, and emerging service-sector CMSME.
6. **Strengthening Sharia'h Compliance Framework:** Ensuring all CMSME investment structures, documentation, and monitoring mechanisms remain fully aligned with Shari'ah principles through closer coordination with the Shari'ah Supervisory Committee.
7. **Conclusion:** CMSMEs are catalysts of national prosperity. By combining disciplined risk management with responsible financing, Standard Islami Bank PLC. remains committed to supporting CMSMEs, entrepreneurial ecosystem and ensuring sustainable portfolio growth for the Bank.

FINANCIAL LITERACY WING

Financial Literacy means having basic knowledge and understanding about money management such as savings, budgeting, borrowing, investing and using banking services properly. It helps people make informed and responsible financial decisions in their daily lives. In Bangladesh, Financial literacy is very important for increasing financial inclusion and ensuring that people can safely use formal banking and digital financial services. It helps individuals especially women, youth, rural people and small entrepreneurs to manage their income wisely, avoid over-indebtedness and improve their economic condition. Under the guidance of Bangladesh Bank, banks and financial institutions are implementing various financial literacy programs across the country. These include awareness programs, school banking activities, workshop and community outreach initiatives. Our Bank is committed to promoting financial literacy as part of its responsibility towards sustainable development.

Bangladesh Bank issued a directive on financial literacy guidelines for banks and financial institutions (FIs) to help build a financially literate society in line with the **Sustainable Development Goals (SDGs).** According to **BB, FID Circular No.01, dated March 27, 2022,** all banks and financial institutions were instructed to establish a **Financial Literacy Wing (FLW)** in their respective head offices. The management of the bank has formed the Financial Literacy Wing (FLW) and instructed them to comply **relevant instructions, guidelines and circulars issued by Bangladesh Bank from time to time.** Standard Islami Bank is fully committed to promoting financial literacy as per Bangladesh Bank's guidelines. The bank has already taken several initiatives including celebrating Financial Literacy Day since the piloting year 2023, conducting financial literacy programs at divisional & district levels and running awareness campaigns through the Bank's website and social media platforms. Dedicated notice boards on financial literacy have also been established in almost all branches. Financial Literacy contents and related documents have been uploaded to the Bank's 'Financial Literacy' section on its website.

CELEBRATING FINANCIAL LITERACY DAY & WEEK 2025:

As per the Financial Literacy Guidelines of Bangladesh Bank and subsequent BB instruction Standard Islami Bank PLC. observed "Financial Literacy Day" on March 03, 2025 through online initiatives due to holly Ramadan. The Bank conducted awareness campaigns on women entrepreneurship , financial planning & consumer protection in its Official Facebook page and displayed a financial literacy day banner on its website to enhance public awareness. Standard Islami Bank PLC. Observed Financial Literacy Week from March 17, 2025 to March 23, 2025. Our Mymensing, Bogura and Dinajpur Branches arranged financial Literacy programs for young customers under the theme "Think before you follow, wise money Tomorrow," highlighting the importance of careful financial decisions and creating awareness about finfluencers, herd mentality, biased advice and peers or and social media pressure. The bank also supported the initiative through branch-level programs, campaign on its official Facebook page and displayed a dedicated banner for financial literacy week on its website.

CELEBRATION OF FINANCIAL LITERACY PROGRAM FOR YOUTH DURING CUSTOMER SERVICE FORTNIGHT:

Standard Islami Bank PLC. Organized Financial Literacy Programs for youth during the Customer Service Fortnight from September 01 to September 15, 2025 at 43(forty three) branches in the 43 districts. The sessions covered Financial Sector Services(banking products), digital financial services, personal finance management and planning, cyber security and counterfeit note recognition, investments and entrepreneurship development and sustainable development.

STANDARD ISLAMI BANK PLC. INITIATIVES

1. **Conducting Financial Literacy Programs:**

Standard Islami Bank PLC. Successfully conducted 64 (sixty four) financial literacy programs during the year 2025 at its branch premises in accordance with the Financial Literacy Guidelines. The participants actively took part in discussions on the theme of the year 2025 **'আর্থিক খাতে অংশগ্রহণ, নারীর অধিকার'**. A quiz competition on Financial Literacy was also arranged to encourage participant in the FL programs. A leaflets on the theme as well as financial literacy materials were distributed among the attendees during the program.

2. **Financial Literacy Notice Board:**

According to FLG, Standard Islami Bank PLC. promoted various financial literacy contents by installing an affordable, dedicated notice board at all agent banking outlets and bank's branches.

3. **Financial Literacy contents in the website:**

Financial Literacy contents and related documents have been uploaded to the Bank's 'Financial Literacy' section on its official website to ensure easy access for customers and general public.

4. **Financial Literacy Program in the year 2026:**

The bank has planned to conduct 16 (Sixteen) financial literacy programs in the year 2026 through its branches. The schedule of the FLPs has been duly approved by the management and circulated to all branches for implementation. The theme of the first half of the year 2026, 'আর্থিক সাক্ষরতায় সূচিত হোক নিরাপদ ক্যাশলেস লেনদেন' will be discussed in the FL programs.

The Management of Standard Islami Bank PLC. has been showing notable eagerness for any issue related to financial inclusion. The Bank remains fully committed to promoting financial literacy as per the Financial Literacy Guidelines.

LIABILITY MANAGEMENT DEPARTMENT

Liability Management is the process of managing company's assets and cash flow to reduce the risk of inability of paying liabilities on time or on demand. It's a strategic financial practice which helps a company's balance its books & ensure financial stability.

In financial institution like bank, Liability Management is a set of strategies and techniques that banks use to operate its activities by accepting deposits from the depositors and provide banking and other financial services to others. Deposit is a most important financial resource for commercial bank to meet the financial need of their customers. But present Economical condition of the country will be a great challenge to achieve financial goal where banks are facing optimum position of liquidity condition. Although, at first we are supposed to collect deposit from different sources and it is called the heart or blood of the bank. Liability Management Department provides a strategic approach to operate a bank's financial structure safely and mitigate risks of deposit cost in the banking sector as follows :

- **What is Liability Management :** The aim of Liability Management Department is find the optimum capital structure for Bank and determine the appropriate deposit mix like no cost, low cost and high cost deposit.
- **Managing liquidity :** Ensure adequate cash flow to meet-up fund operations.
- **Optimize Capital Structure:** Bank determine the right mix of liabilities such as deposits, short-term borrowings and long-term debt.
- **Monitoring & Managing Liquidity Risks:** Reduce expenses against profit on deposits by optimizing capital structures. To manage risk like profit rate risk, liquidity risk and operational risk is key responsibilities.
- **Marketing strategies:** It can through physically, direct mail, print media, video, website and social media. Now a day social media is a good platform to flourish & focus any news with cost-less.
- **Branch and digital delivery channels:** Delivery channels may be at branch level and digital banking both by making sure online portal is easy to use and makes alternate delivery Chanel is used potentiality for getting new account easily.
- **Pricing & Product Development:** Setting competitive profit rates on deposit products to attract new customers & retain existing ones.
- **Forecasting Cash flows:** Predicting future inflows & outflows of funds to anticipate potential liquidity requirements and make informed decisions about liability management strategies.
- **Brand building:** To building in customers trust, branding is most important.
- **Market Analysis:** Monitoring economic trends and market conditions to adjust liability strategies accordingly. Analyzing the financial marketing, it is important for deposit product which may be review time to time as well as offer progressive rates depending on the amount in an account and minimum charge for transfer of amount
- **Incentive schemes:** Frequently offer incentive schemes.
- **Relationship with clients:** We should try our level best to negotiate with our existing & new potential customers to associate with the platform of our Islami Banking umbrella.
- **Regulatory Compliance:** Ensure adherence to relevant banking regulations related to liability & capital adequacy.

The Head/Team member is/are responsible for overseeing and managing deposit operations within the bank. They are expected to provide strategic direction, ensure efficient and effective process and drive the growth of the deposit portfolio.

In this challenging year 2026 our vision may be, given more emphasize on retail business than corporate business and subsequently provide one stop service at branch level to our existing & new customers by inaugurating new platform through IT division under Islamic Banking umbrella for sustaining the profitable position of the bank.

SPECIAL ASSET MANAGEMENT DIVISION

NON-PERFORMING INVESTMENT, ITS CHALLENGES AND SOLUTIONS

The rise in classified investments in banking sector of the country is a growing concern, threatening the stability and sustainability of financial institutions. If not addressed urgently, the increasing volume of classified/stressed investments could severely damage investor's confidence and hamper economic growth. It is high time for banking industry including our Bank to take decisive action in managing distress investments for sustainable stability in the economy.

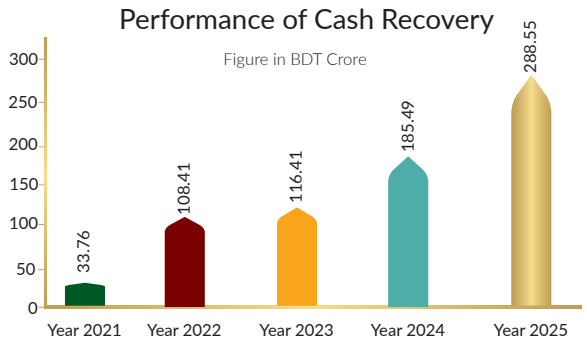
In this industry scenario, Standard Islami Bank PLC. has focused with top priority for minimization of non-performing investments. Distress Investment (classified, reschedule and restructured investments, special mentioned accounts, unclassified investments due to court writs, and written-off investments) portfolio of a bank negatively affect its financial stability by reducing profitability, increasing cost of funds, reducing new investment capacity, impairing capital adequacy, losing client confidence, impacting regulatory compliances as they often require higher provisions and higher capital charge. It also damages the bank's reputation, affecting investor confidence and limiting future growth opportunities.

Alhamdulillah, by our continuous efforts and cautious effective strategies has been taken by our Head Office and Branches enabled our Bank to achieve a significant growth in 2025 for cash recovery against Non-performing investment. In this regard, the Special Asset Management (SAM) Division of the Bank and Branch jointly has taken several initiatives including frequent visit to the customers, social pressures and legal measures to regularize/realize/reschedule/restructure the distress accounts by close monitoring and effective recovery strategies implementation.

Cash Recovary in last 05 years (2021-2025)

Figure in BDT Crore

Year	2021	2022	2023	2024	2025
From Classified Investment	30.73	75.21	110.97	172.17	276.44
From Written-off Investment	3.03	33.20	5.44	13.32	12.11
Total	**33.76**	**108.41**	**116.41**	**185.49**	**288.55**



From the above, it reveals that in 2025, Standard Islami Bank PLC. has performed better in cash recovery against distress investment compared with last couple of years. In 2026 we have taken a target which will set a significant milestone for recovery/regularization for the Bank.

CHALLENGES TO REDUCE THE DISTRESS INVESTMENTS:

Several global and local factors hinders in regularizing the stressed and classified investment portfolio of a bank. The Year 2025 was very sensitive and crucial when we have faced diverse types of obstacles and difficulties for different unexpected circumstances. We have to work in the year 2026 considering the said factors also-

- Increase of profit rate in investment accounts
- Need to comply the recent circular regarding Investment Classification and Provisioning
- Unfavorable impacts on domestic economy for the political unrest situation
- Financial ill-transaction of few Banks
- Limitations of logistic support and prolong legal process.

DISTRESS INVESTMENT PORTFOLIO MANAGEMENT:

The following strategies and culture we have adapted for involving all respective officials of branches and head office levels to reduce distress investment portfolio which will help us to achieve our target in 2026.

- **Enhanced Risk Assessment:** Implemented more robust investment evaluation processes can help us to identify high-risk investments early. Utilizing advanced data analysis and credit scoring models have improved decision-making.
- **Diversification of Investment Portfolio:** By diversifying investment offerings and not concentrating too heavily on high-risk sectors, we are reducing overall risk exposure.
- **Proactive Identification:** Identifying vulnerable customers early is crucial. The ideal scenario is to detect signs of financial distress before they default.
- **Financial Literacy Programs:** Educating customers about responsible investment taker, financial management, and investment repayment are reducing the likelihood of distress. We are promoting financial literacy.

- **Social Pressure and Community Engagement:** We have leveraged social dynamics by fostering community support for responsible client. Discussing with close relatives, family members and encouraging community leaders to advocate for financial responsibility that creating a cultural shift toward better repayment practices.
- **Proactive Investment Account Restructuring:** We are engaging customers in discussions about restructuring their investments before they become classified. Offering flexible repayment plans following BB circulars helping clients to manage their obligations more effectively.
- **Monitoring and Early Intervention:** We have established a system to monitor investment account performance regularly which are helping identify SMAs and classified accounts early, allowing for timely intervention. We are practicing this monitoring and early identify techniques on regular basis.
- **Support Services:** Offering additional services, such as financial counseling or access to resources for business improvement are assisting clients in managing their investments more effectively.
- **Legal Steps:** We are ensuring clear legal recourse to recover dues. This involves maintaining transparency in investment agreements and being prepared to take legal action when necessary. After taking legal action we have ensured proper follow-up till the end of the process by assigning dedicated officer.
- **Staff Training and Accountability:** Well-trained recovery officials are engaged to recover and impacted positively on stress portfolio, and establishing accountability for the officials of the Division for reducing the portfolio on a target basis.
- **Data Management and Handling:** In all circumstances, meticulous data management is of utmost importance in management of distress portfolio. We have managed accurate and up-to-date information pertaining to payments, collateral, real property records, contracts, contact details, and addresses. By focusing on proactive identification, swift response, and robust data management, Bank is effectively managing the portfolio, increasing the likelihood of successful recovery while safeguarding the financial well-being of the customers as well.

Ultimately, development of negotiation skills of respective investment recovery officer (RO) in line with existing banks policy and regulation is very important for the solutions of distress investment.

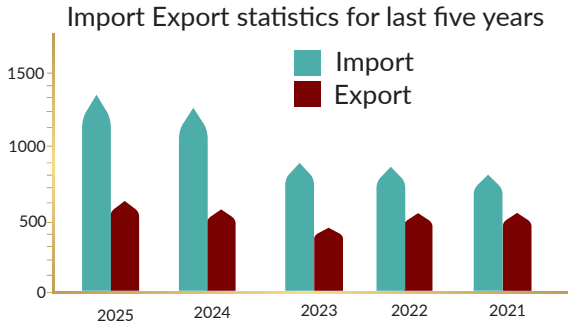
Distress investment is bearing significant challenges for our bank, affecting financial stability and the broader economy. By the implementation of proactive strategies and initiatives, we can reduce distress investment account exposure and support customers in overcoming financial difficulties. We believe we shall be able to keep the distress investment at minimum level in coming days and will achieve the recovery target set for the year 2026 and promoting sustainable growth of the Bank.

INTERNATIONAL TRADE:

The International Division of Standard Islami Bank PLC. has played a crucial role in ensuring smooth and efficient execution of the bank's international transactions while adhering to regulatory compliance in all aspects. Trade financing has remained a cornerstone of Standard Islami Bank's foreign exchange portfolio since the inception of the bank in 1999. The bank continues to play a pivotal role in the national economy by effectively managing foreign trade transactions, offering a comprehensive range of Trade Finance products through its 19 Authorized Dealer (AD) Branches and Offshore Banking Unit (OBU). Furthermore, the Central Trade Services Division, along with its CTG Hub, extends a wide array of foreign trade services to our 119 Non-AD branches.

Import Business: In 2025, the bank successfully facilitated import transactions amounting to USD 1,352.99 million, equivalent to BDT 165,469.95 million amid different challenges in our country. This reflects a notable growth of 9.79% compared to the previous year, where import business totaled USD 1,232.35 million, or BDT 142,473.47 million. Against the country's total import volume of USD 68.35 billion (Source: Bangladesh Bank), Standard Islami Bank PLC. secured a market share of approximately 1.98%, reflecting its solid position in Bangladesh's trade finance landscape.

Export Business: For the year 2025, Standard Islami Bank PLC. achieved an export volume of USD 651.31 million, equivalent to BDT 79,099.35 million. This represents an increase of 9.17% compared to the 2024 export volume of USD 596.60 million, or BDT 68,949.31 million. Against the national export earnings of USD 43.98 billion (Source: Bangladesh Bank), Standard Islami Bank handled USD 0.65 Billion, capturing 1.48% market share in 2025.



The continued growth in both the import and export sectors following five years emphasizes our unwavering commitment to facilitating international trade and strengthening our role in driving economic development.

FOREIGN CORRESPONDENTS

The scope of our foreign exchange business is significantly driven by the establishment of robust correspondent banking

relationships with reputed financial institutions globally, complemented by sufficient credit limits. Expanding our foreign exchange business remains a key objective and we are continuously enhancing our correspondent banking network to meet the growing demands of international trade.

Currently, we have established a strong global correspondent banking network, featuring 306 Relationship Management Applications (RMAs) with 179 renowned banks across 54 countries. Our commitment to excellence and our reputation have allowed us to secure a significant amount of credit lines from leading overseas banks. This credit support, combined with the facilities provided by our confirming banks, such as discounting services against our acceptance under the UPAS (Usance Payable at Sight) arrangement, plays a pivotal role in supporting our foreign trade business and fulfilling international payment obligations.

As we continue to strengthen our global presence, we are committed to fostering strategic banking relationships that facilitate the growth and expansion of our foreign exchange services, further positioning Standard Islami Bank PLC. as a reliable partner in international trade.

NOSTRO ACCOUNTS AND FOREIGN CURRENCY MANAGEMENT

At present, Standard Islami Bank PLC. maintains 21 nostro accounts in major international currencies, including US Dollar, Pound Sterling, Japanese Yen, Euro, Chinese RMB, and Dollar accounts under the Asian Clearing Union, with renowned international banks. These accounts play a crucial role in ensuring efficient foreign currency management and the timely settlement of our foreign currency obligations.

Our relationship with the regulatory body remains a cornerstone of our commitment to transparency, compliance and financial stability. As a leading institution in the industry, we recognize the crucial role that regulatory oversight plays in ensuring the resilience and integrity of the banking sector.

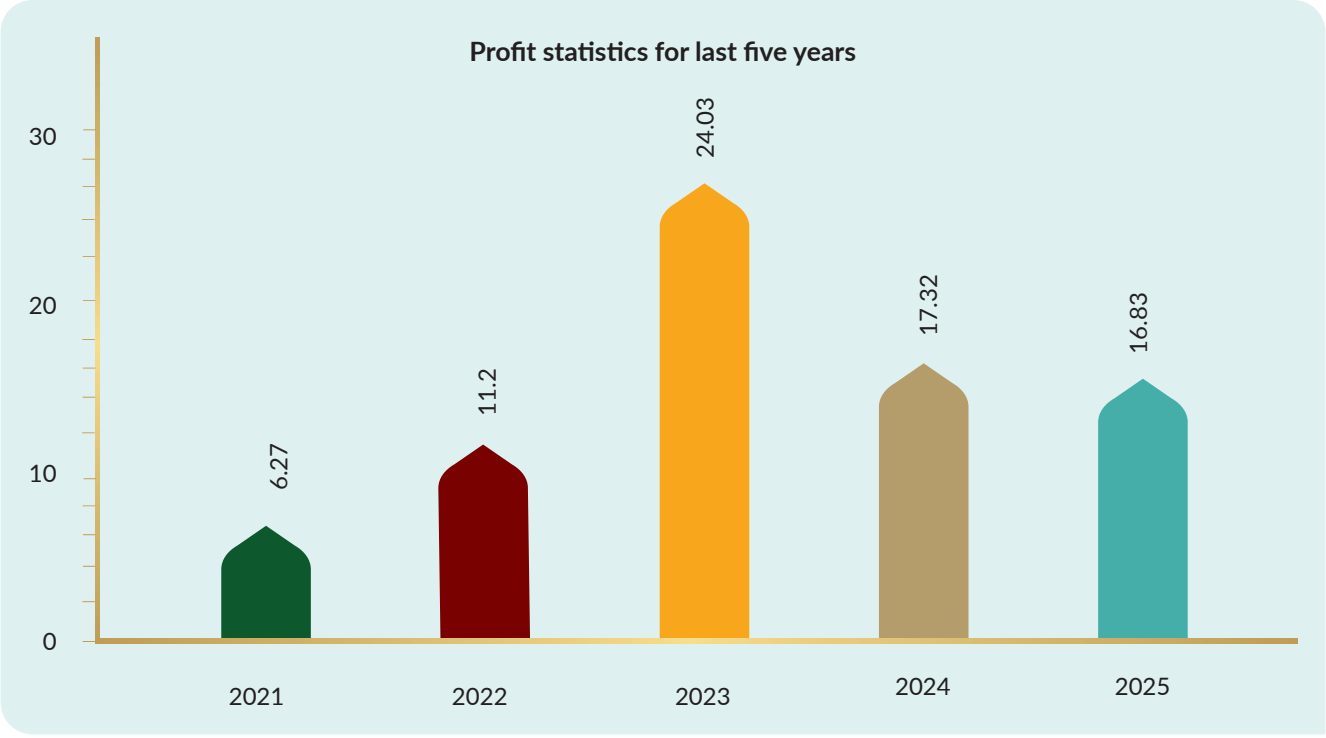
OFF-SHORE BANKING UNIT (OBU):

Offshore banking operations in Bangladesh Bank were first introduced in 1985 through an official circular. To broaden our trade finance services, we established our Offshore Banking Unit (OBU) in 2015. The OBU mainly conducts its activities by negotiating foreign bills under the Mudarabah UPAS arrangement, handling local bills under the Musharaka UPAS structure and extending term financing under the HPSM mode.

In 2025, the OBU purchased 749 bills with a total value of USD 77.42 million. By comparison, in 2024, it acquired 177 bills amounting to USD 38.28 million. The OBU's funding sources include SBPLC Head Office (HO), ID and several international banks such as Standard Chartered Bank, RAK Bank (UAE), ICICI Bank (India), United Bank Limited (UAE), Mashreq Bank PSC (UAE), and Bank Muscat (Oman), among others.

For 2025, the Offshore Banking Unit generated a total operating profit of USD 1.38 million, equivalent to BDT 16.83 crore.

The accompanying chart illustrates the OBU's profit performance over the past five years, reflecting steady and robust growth throughout the period.



REMITTANCE

INTRODUCTION:

Remittance plays a pivotal role in Bangladesh's economic development and remains one of the country's most important sources of foreign exchange earnings. It contributes significantly to economic growth, strengthens the balance of payments, enhances foreign exchange reserves, and supports national savings. For decades, wage earners' remittances have served as a vital source of external financing and capital accumulation for developing economies such as Bangladesh.

To maximize remittance inflows, transfers should be routed through formal channels, including authorized banks, exchange houses, and money transfer operators, while discouraging informal methods such as hundi and hawala. To encourage the use of formal channels, Bangladesh Bank introduced a remittance incentive scheme, which was later increased from 2% to 2.5% for beneficiaries.

Supported by these policy measures, remittance inflows have shown a strong upward trend, increasing from USD 21.28 billion in 2022 and USD 21.92 billion in 2023 to USD 28.89 billion in 2024. In 2025, Bangladesh received a record USD 32.81 billion in remittances, representing a 10.03% increase over the previous year. This growth reflects the continued contribution of expatriate Bangladeshis and the effectiveness of initiatives promoting formal remittance channels.

IMPORTANCE OF FOREIGN REMITTANCE IN BANGLADESH

Remittance is the second-highest source of foreign currency earnings for Bangladesh, second only to the ready-made garments industry. However, in terms of net earnings, remittance can be considered the highest, since a large portion of RMG earnings need to be spent on raw materials import.

IMPORT & EXPORT GAP:

USD in million

Items	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26*
Trade balance	-23778	-23778	-27384	-22432	**-20399**	-11554
Export f.o.b. (including EPZ)	36903	32071	43364	40807	43965	22124
Import f.o.b (including EPZ)	60681	54377	70748	63240	64364	33678

*Data from July 2025 – December 2025; Source: Bangladesh Bank

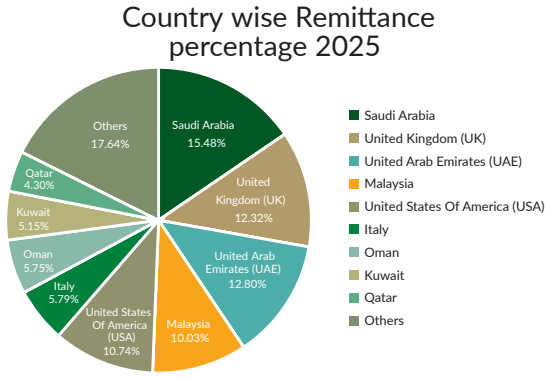
It is evident from the above chart that there is a big trade gap between import & export. As such, there is no way to underestimate the importance of remittance earnings in the growth of the Bangladesh economy to cover up the international trade gap.

HIGHLIGHTS OF REMITTANCE SECTOR IN RECENT YEARS:

- Government has increased cash incentive for foreign remittance receipts.
- Ease of documentation for availing cash incentives.
- Inclusion of mobile financial services for sending and receiving foreign remittance by expatriates.
- Automation of IT platform for payment of remittance by the Bank on real time basis. (NPSB)

COUNTRY-WISE REMITTANCE INFLOWS:

In 2025, Bangladesh received USD 5,081.38 million remittances from Saudi Arabia which was 15.48% of total remittances received at this period. The second and third highest remittance provider countries in this time period were UAE and UK with USD 4,199.28 million (12.80%) and USD 4,043.79 million (12.32%) respectively. Remittance inflows from Malaysia, USA, Italy, Oman, Kuwait, Qatar & other countries are 10.03%, 10.74%, 5.79%, 5.75%, 5.15%, 4.30% & 17.64% respectively in 2025.



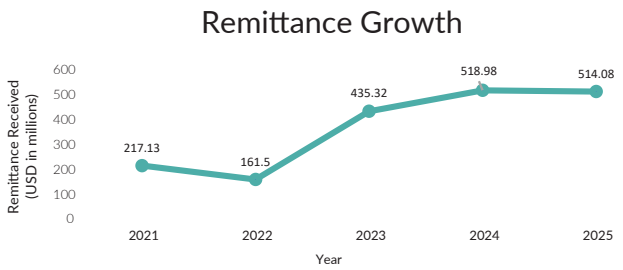
POSITION OF REMITTANCE INFLOW OF SBPLC:

Bank's Own Exchange Company:

SBPLC has the following two Money Transfer Companies in UK and USA, 100% owned subsidiary of Standard Islami Bank PLC.

1) Standard Exchange Co (UK) Ltd.: The Company started its operation at 101 Whitechapel Road, London E1 1DT, UK. in the month of August 2009.
2) Standard Co. (USA) Inc.: The Company started its operation on 1st March 2011 by opening its 1st branch (Main Branch) at 37-22 73rd Street – Suite # 2B, Jackson Heights, NY 11372, U.S.A. Now it has 7 branches in New York & California state.

In recent years, Standard Islami Bank PLC. has put an emphasis on increasing foreign remittance inflow which reflects on overall remittance growth over the years. The bar chart shows year by year growth of remittance inflow of SBPLC:



In 2025, Standard Islami Bank PLC. has received total foreign remittance of USD 514.08 million of which USD 121.85 million & USD 9.81 million came from it's subsidiaries – Standard Co. USA Inc. & Standard Exchange Co. UK Ltd. respectively, which are 23.7% and 1.91% of bank's total remittance inflow respectively.

TOP 5 BRANCHES IN TERMS OF HIGHEST REMITTANCE AMOUNT RECEIVED IN 2025

In Crore BDT

Branch	Banani	Green Road	Uttara Model Town	Khulna	Panthapath
Target	150.00	295.00	150.00	15.00	120.00
Target Achieved	178.71	124.28	113.37	92.45	66.81
Achievement (%)	119.14%	42.13%	75.58%	616.36%	55.67%

POSITION OF MARKET SHARE OF STANDARD ISLAMI BANK PLC

In 2025, Standard Islami Bank PLC. (SBPLC) facilitated foreign remittance inflows amounting to USD 514.08 million, representing 1.57% of Bangladesh's total inward remittance receipts. With this performance, the Bank ranked 22nd among all remittance-receiving banks in the country. While this achievement reflects the Bank's continued contribution to the national remittance landscape, it also highlights significant potential for future growth. By strengthening its remittance business and expanding its market share, SBPLC can further enhance its financial performance while contributing more substantially to Bangladesh's economic development through increased foreign currency inflows.

SBPLC'S SHARE OF REMITTANCE INFLOW IN BANGLADESH

Figure in Million USD

Year	Total in Bangladesh	SBPLC Earned	Share (%)
2021	22,076.83	217.13	0.67%
2022	21,286.66	161.50	0.61%
2023	21,925.64	435.32	1.72%
2024	26,891.47	518.98	1.52%
2025	32,814.09	514.08	1.57%

BRANCH BASED AWARENESS AND PROMOTIONAL ACTIVITIES

Branches shall undertake targeted awareness and promotional activities to enhance foreign remittance business, improve customer service, and strengthen relationships with expatriate customers and remittance beneficiaries

- One or more dedicated officials may be assigned for payment of remittance to the beneficiaries instantly.
- Separate & dedicated desk may be introduced in the branch level in the name of Expatriate Customer Service Desk with displayable hanging/Table plate.
- Quick & cordial services to be provided to the expatriate customers & their beneficiaries with smiling face & good behavior.
- Manager & remittance officer may regularly visit remittance intensive areas within their service region, meet with remittance beneficiaries and invite them to visit branch to open accounts and take remittance payment.
- Leaflet/Poster about remittance services should be distributed among mass people in remittance hub areas.
- Manager/remittance officer can take part in various community program and uphold the services of bank in front of mass people.
- Open NRB account for expatriate customer which will enable bank to receive foreign remittances directly into SBPLC's account.

FUTURE PLAN TO INCREASE FOREIGN REMITTANCE:

To enhance foreign remittance inflows, the Bank will focus on expanding remittance corridors, strengthening partnerships with global money transfer operators and exchange houses, leveraging digital payment channels, and ensuring faster, cost-effective, and customer-friendly remittance services.

1. **Explore new sending countries** – For instances Brunei, Japan, Korea, South Africa, Mauritius and European countries like Sweden, Greece, Germany, Spain, Belgium, Cyprus etc. would be new remittance earning hubs for Bangladesh.
2. **Increase of Cash Pick-up transactions:** At branch level cash pick-up transactions of Western Union, Money Gram, Ria Money, Instant Cash and others should be increased.
3. **API integration with other Exchange Houses for bKash Transactions:** It will help to process bKash transaction on real time basis even on bank holidays and weekends.
4. **Remittance Disbursement through NPSB** - This will enable real time transaction automatically.
5. **Tie-up with companies who are bringing money for e-commerce based business.**
6. Direct tie-up with global renowned MTOs like WU, MG, RIA, Merchantrade etc. It will give the bank world-wide reach.
7. Establish strategic partnership with selective send agents where market is too competitive-
   - Two way tie-up (A/C credit & C2C both)
   - Waive the receive commission/charge from the sender

- Deploy Bank officials at send agent locations in potential send countries like KSA, UAE, Oman, Malaysia, Singapore and South Africa etc.
- Carry out send & receive level promotion with strategic partners.

8. Process the remittance payment through NPSB: It will help to credit the account on real time basis.
9. Offering competitive exchange rate and responsive & high quality customer support are key to increase remittance volume now a days.

We are confident that if the above mentioned recommendations and suggestions are introduced and implemented in a phased and systematic manner, the remittance business of Standard Islami Bank PLC. will experience significant growth and achieve the desired target. Based on our assessment, the estimated annual inword remittance volume could potentially reach between USD 600 million to USD 800 million, In Sha Allah.

BRANCH MANAGEMENT & OPERATIONS DIVISION (BMOD)

"Branch Management & Operations: Better Coordination for better Synergy"

Branch Management and Operations Division (BMOD) was formed to cater the smooth Operation and customer services of the branches. We believe that rendering better Customer Service to client will increase the Business as well as the Reputation of the bank.

Also it is imperative to maintain the operation in Compliance with Bangladesh Bank directives and our banking policies and guidelines. Operational Efficiency also reduces the service (delivery) time and involvement of workforce.

Bank may face any operational disaster due to not following proper operation guidelines, which may result in Customer Complaints, penalty from regulators and even capital charge.

To ensure flawless and smooth services of the Bank, BMOD performs the below mentioned activities round the year:

A. **Branch Operations relating to General Banking:**
   a. Settlement of the Deceased Account.
   b. Bank's Lockers Management.
   c. Approval for issuance of Duplicate of all type of lost Instruments – MTDR, PO, DD etc.
   d. Reduction or Waive of Fees & Charges.
   e. Unclaimed Deposit Accounts Reporting.
   f. Post facto approval for Profit of Deposit Products (MRDP, MTDR and others).
   g. Correction of the Account Name requested by the Branch with justification.
   h. Dealing with Fake bank notes awareness as per BB Guideline.
   i. LIEN Confirmation of our Deposit Instruments i.e. MTDR & Other Deposit and Savings instruments to other Banks and FI's as per instruction of Bangladesh Bank.
   j. Circulate General/emergency Circulars of Bangladesh Bank and other regulatory bodies to our branches and provide feed-back of the same.

B. **Business Development:**
   a. Feasibility study of premises selection for new Branch, Sub-Branch, collection booth,
   b. Shifting of existing branch and closing of Branch,
   c. Permission for Opening Bank Accounts with Other Banks/Bangladesh Bank,
   d. Fixation of Bank's Schedule of Charges,
   e. Introduction of New Deposit Products.

C. **Cash Management & Other activities:**
   a. Vault Key and Branch Key Maintenance,
   b. Fixation of Vault, counter & transit Limits of all Branches.
   c. Maintenance of Insurance Coverage,
   d. Dealing of Sanchayapatra/Prize Bond,
   e. Weekly Cash Position (VSS) reporting to BB,
   f. Mutilated and Dirty Notes Statement duly collecting from Branches,
   g. Metal Coins Statement duly collecting from Branches and Reporting to Bangladesh Bank.

D. **Compliance of Regulatory Authorities :**
   a. National Board of Revenue (NBR)
   b. Customs & VAT
   c. Police/ CID.
   d. Other Govt. regulatory Agencies.

E. **Customer Services & Compliant Management Cell :**
   a. Receiving and solving complaint from FICSD, Bangladesh Bank (BB) and Customers
   b. Perform survey of Customer satisfaction on bank's services.
   c. Running customer awareness time to time.

F. **Vision-2026:**

Branches are the engine of growth in generating profit and they perform towards achieving the Annual Budget set by the Management. Our vision is to enhance the business development by providing unparalleled service and operational excellence to our customers through branches. With this objective in mind, we will expand our scope of work for 2026 as follows:

   a. Business Budget Monitoring & Support:
      i. The unit monitors the business budget distributed among the branches by the board.
      ii. One Point service center for Branches.
      iii. Steps to be taken for automation of reports and other banking service for smooth operation with the help of ICT.
      iv. The Unit assist the branches to get their problem solved by communicating other Division/Department of head office.
      v. Guide the branches to achieve their target with the cooperation from the competent authority.
      vi. Take initiative to reduce the lead time of operation by process reengineering and simplification.
   b. Digitalization and Automation: We will leverage cutting-edge technology to enhance our operational efficiency.

c. Customer-Centric Service Delivery: We will implement tools that enable branch staff with deeper insights into customer needs, preferences, and financial behaviors.

d. Innovation in Service and Product Delivery: We will expand our products and services to meet the growing needs of our diverse customer base.

e. Risk Management and Compliance: In an era of increasing regulatory complexity, we will continue to prioritize compliance and risk management.

If we can make an effective combination of all these activities, our bank will achieve a remarkable development which will be continued in the long run.

We hope the year 2026 will be a year of consolidation and operational efficiency.

INTERNAL CONTROL AND COMPLIANCE DIVISION

Internal control is a process, effected by an entity's Board of Directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

The Committee of Sponsoring Organizations (COSO) introduced Internal Control Framework consisting of the following components to help improving confidence in all types of data and information to create significant relationship between the risk and business landscapes:

- Control Environment – The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
- Risk Assessment–is the identification and analysis of risks to achievement of entity's objectives, forming a basis for determining how the risks should be managed.
- Control Activities–Control activities are the policies and procedures that help ensure management directives are carried out.
- Information and Communication–Pertinent information must be identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities.
- Monitoring – Monitoring internal control systems is a process that assesses the quality of the system's performance over time.

As per the instruction of Bangladesh bank, the bank has set Internal Control & Compliance (ICC) Division at head office to ensure the internal control process are in place as per bank's ICC policy guideline-2016. The Audit Committee of the Board of Directors of the Bank reviews the internal & external audit reports and guide the management to take effective measures in case of any deficiencies/lapses are found in the reports of internal control system. The senior management team (SMT) of the bank monitors the effectiveness of internal control system time to time.

As per the policy there are 03 (Three) lines of defense regarding internal control mechanism which are: 1) business lines (branches and concerned divisions) -first line of defense, 2) risk management and compliance (concerned divisions) -2nd line of defense and 3) internal audit-3rd line of defense.

Internal Control and Compliance (ICC) Division promotes operational efficiency and encourages compliance with policies and procedures, laws and regulations and supervisory requirement. The ICC Division comprises the following three Departments:

i) Audit and Inspection Department

ii) Monitoring Department

iii) Compliance Department

The Audit Committee of the Board of Directors approved 'Internal Audit Charter' in its 106th meeting held on 26.07.2022 to ensure independence, objectivity, authority, responsibility and accountability of Internal Audit activity aligned with International Professional Practice Framework, IIA (Institute of Internal Auditors in USA). ACB and Board also approved audit Checklist.

The Bank adopted Risk Based Internal Audit (RBIA) to assess its business risk, control risk and determine the frequency of Internal Audit of each auditable units.

During the year 2025, Comprehensive Audit and Inspection on branches with AML & CFT Compliance, divisions/ departments/units with subsidiaries and agent banking outlets, 2nd time Comprehensive audit of all high risk branches, Surprise Inspection on Cash & Cash equivalent items of branches, Audit on Cash Incentives on AD branches, and Online Reporting of Foreign Trade & Foreign Exchange Transactions of all AD branches and concerned divisions, ICT Audit on branches and different Divisions/Departments of Head Office with subsidiaries, Special investigation on different issues have been conducted.

The following table shows the position of Audit & Inspection completed during 2025 at a glance.

Year	Comprehensive Audit & Inspection		Surprise Inspection on Cash & Cash Equivalent Items	Special Audit & Investigation	Online Reporting of Foreign Exchange Transactions	Examination of Cash Incentive Payments	ICT Audit	AML & CFT Compliance	Agent Banking
	Branch	Div/Dept./ Subsidiary	Branch						
Achievement in 2025	138 (1st time) 06 (2nd Time)	18 Divisions	24 Branches	Compliance	19 AD Br. and 4 Divisions	9 AD Branches	60 Branches & 6 Div./Dept. /Subsidiaries.	138 Branches	11 outlets

In order to prevent fraud-forgery in all areas of banking operations, establish transparency and good governance, Fraud-Forgery Prevention & Management Policy 2025 for Standard Islami Bank PLC. maintaining international standard was prepared and presented before the Board after comprehensive review of the same by the Management and Audit Committee of Board. The Board in its 419th meeting held on 30.10.2025 approved the said policy with a view to mitigating the risks arising from fraud-forgery.

Audit Committee of Board conducted 06 (six) meetings in the year 2025 where all the significant risk areas as revealed in audit and investigation findings were presented and addressed and effective steps were taken as per directives of Audit Committee of Board to mitigate risks for protecting the interest of stakeholders and risk of the bank.

Compliance Department of ICCD has complied different inspection reports of Bangladesh Bank in 2025 such as: 7s (Seven) Special Inspection on Core risks, 20 (Twenty) Comprehensive inspection, 5 (Five) Inspection on Foreign Exchange Transactions, 04 (Four) comprehensive inspection on SME, and 09 (Nine) surprise inspection. And also ensured compliance of all Internal Audit Reports of 138 Branches and the rest other divisions are under compliance process.

Monitoring Department of ICCD ensures proper monitoring of operations of all branches and divisions/department/ units of Head Office through Quarterly Operations Report, Departmental Control Function Checklist, Online Transaction Monitoring, and preparation of Self-assessment on Anti-fraud Internal Control and Health Report of the Bank. An updated Departmental Control Function Checklist (DCFCL) in the context of Shari'ah Terminology and in alignment with the ICC guidelines of Bangladesh Bank was prepared and approved by the Board in its 419th meeting held on 30.10.2025.

The Department also presents memos on various issues of audit findings, departmental control function checklist and quarterly operations report before the Audit Committee of the Board of Directors (ACB) of the bank for their kind information and guidance. The Department communicated the directives of ACB to various divisions/departments/units and presented implementation status of advices/directives before them regularly to ensure compliance for smooth operation and mitigation risks of the bank.

Last but not the least, Standard Islami Bank PLC. is determined to exert all out efforts to develop strong control and compliance environment of the Bank.

SBL CAPITAL MANAGEMENT LIMITED

(A Subsidiary of Standard Islami Bank PLC)

After obtaining a full-fledged Merchant Banker license from the Bangladesh Securities and Exchange Commission (BSEC), Merchant Banking operations of the Standard Islami Bank PLC. (SBPLC) was initially launched through the Merc vtvvhant Banking Wing (MBW) in the year 2009. Later on, as per Directive of Bangladesh Bank, the Board of Directors of Standard Islami Bank PLC. formed a separate Subsidiary Company with authorized and paid-up capital of Tk. 500.00 crore and Tk. 150.00 crore respectively under Standard Islami Bank PLC. Limited named SBL Capital Management Limited (SCML). Thereafter the Registrar of Joint Stock Companies and Firms issued the Certificate of Incorporation and also the Certificate of Commencement of business in favor of the said company. The Bangladesh Securities and Exchange Commission (BSEC) then issued a full-fledged Merchant Banker license in the name of SBL Capital Management Limited. The operation of SBL Capital Management Limited was launched from January 2011 through taking over all activities of the erstwhile Merchant Banking Wing (MBW) of the Bank to this subsidiary. SCML, a subsidiary of Standard Islami Bank PLC. (owned 99.99%), has its Business Office at Miah Amanulla Bhaban, 63 Dilkusha C/A, Dhaka-1000.

PRODUCT & SERVICES:

The main objectives of the company for which it has been established are to carry out Merchant Banking activities including:

- Portfolio management
- Underwriting public issue of companies
- Issue management
- Corporate advisory services
- Investment Banking Services

BUSINESS POSITION OF SCML:

Sl.	Particulars	As on December 31, 2023	As on December 31, 2024	As on December 31, 2025
1	No. of Accounts	2293	2306	2311
3	Total Clients Portfolio value at cost price	Tk.417.17 crore	Tk. 356.17crore	Tk. 331.45crore
4	Total Clients Portfolio value at Market price	Tk.323.05 crore	Tk. 162.63crore	Tk. 142.46crore
5	Total Own Portfolio value at cost price	Tk.178.19 crore	Tk. 176.86 crore	Tk. 169.81 crore
6	Total Own Portfolio value at Market price	Tk.131.68 crore	Tk. 91.08 crore	Tk. 78.81 crore

FINANCIAL RESULTS OF PREVIOUS YEARS:

Figure in BDT crore

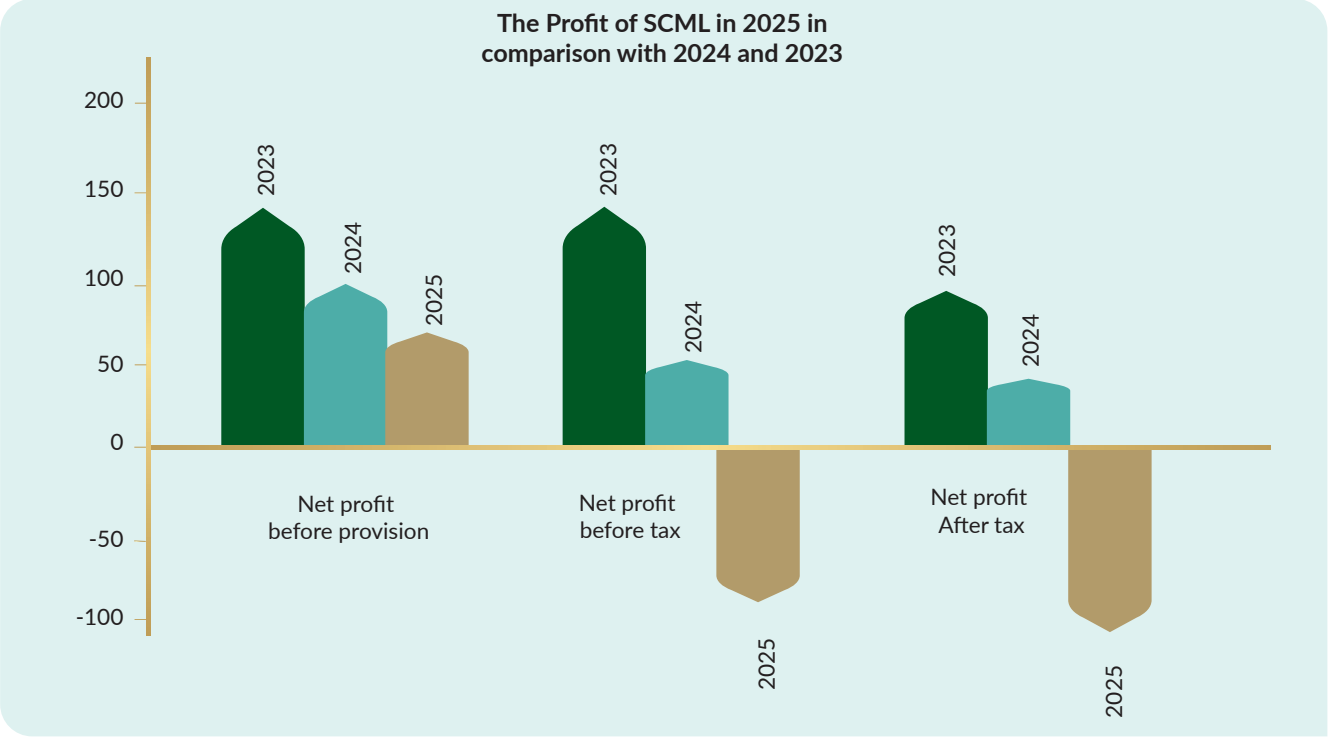
Particulars	As on December 31, 2023	As on December 31, 2024	As on December 31, 2025
Total Income	39.57	38.75	35.28
Total Expenditure	30.49	30.42	29.72
Profit Before Provision	9.08	8.34	5.56
Profit Before Tax	6.99	4.24	-7.19
Profit After Tax	5.09	2.25	-8.38

Particulars	As on December 31, 2023	As on December 31, 2024	As on December 31, 2025
Total Asset	678.18	719.18	744.20
Shareholders' Equity	150.22	150.19	141.81
Total Liabilities	527.95	568.99	602.39
Retain Earnings	0.22	0.19	-8.19
Earnings per share (Tk.)	3.40	1.50	-5.58
NAV per Share (Per Share Value Tk.100/-)	100.15	100.12	94.54

FINANCIAL RESULTS OF SBL CAPITAL MANAGEMENT LTD.:

Sl. No.	Particulars	2025	2024	Increase/ (Decrease)	%
1	Income	35.28	38.75	-3.47	-9.84%
2	Expense	29.72	30.42	-0.7	-2.36%
3	Operating Profit	5.56	8.34	-2.78	-50.00%
4	Net profit before tax	-7.19	4.24	-11.43	-158.97%
5	Net profit after tax	-8.38	2.25	-10.63	-126.85%
6	Retained earnings	-8.19	0.19	-8.37	-102.32%
7	EPS (Tk.)	-5.58	1.50	-7.08	-126.88%
8	NAV (Tk.)	94.54	100.12	-5.58	-5.90%

THE BELOW STATED BAR CHART SHOWS THE PROFIT OF SCML IN 2025 IN COMPARISON WITH 2024 AND 2023:



STANDARD BANK SECURITIES LIMITED

(A Subsidiary Company of Standard Islami Bank PLC.)

Standard Bank Securities Limited a wholly owned subsidiary of Standard Islami Bank PLC., was incorporated as a Public Limited Company under the Companies Act, 1994 vide certi¬ficate of C-105752/12 for commencement of business dated 26 November 2012. Standard Bank Securities Limited is corporate TREC holder of Dhaka Stock Exchange PLC. The company started its commercial operation in the month of June 2013. The principal place of business is newly located at 63 Dilkusha C/A, 3rd Floor, Motijheel, Dhaka-1000. The principal objectives of the company for which it was established are to carry on the business as stock broker and stock dealer in relation to shares and securities transactions, other services related to the Capital Market and other activities as mentioned in the Memorandum and Articles of Association of the company.

Standard Bank Securities Limited is dedicated to providing a high level of professional and personalized services to its all clients. The company intends to offer high level of quality product and services at a competitive rate to all clients. It has proven reputation in serving customers by maintaining strong compliance practices and extreme ethical standard.

Now the number of clients of SBSL is more than three thousand (approx.) and it comprises of local individual & institutional investors. SBSL also acts as Panel Broker of SBL Capital Management Limited. During the year 2025 the company earned operating profit of taka 2.47 Crore as against taka 4.84 Crore in 2024.

SBSL PRODUCTS:

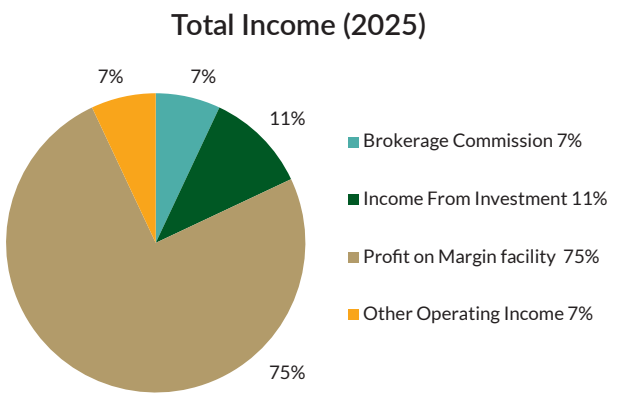
- Beneficiary Owners (BO) Account as Cash Account
- Beneficiary Owners (BO) Account as Margin Account.

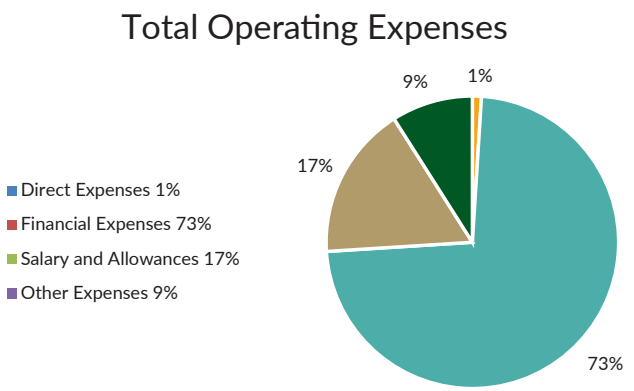
SBSL SERVICES:

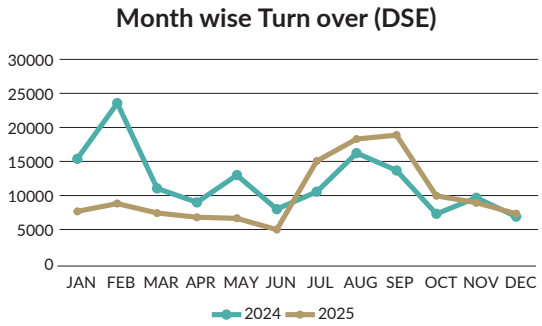
- Trade Execution through Dhaka Stock Exchange PLC.
- Full Service Depository participant
- IPO Application Services
- Margin Facility Service
- Online Trading Facility
- Daily Portfolio Services through e-mail
- Online banking facility at all SBPLC & AIBPLC branches

KEY FINANCIALS 2025:

Total Operating Income: SBSL shows its operating income among four basic segments. During the year 2025 the company earned Profit Tk. 7.19 Crore against Margin facility where as the same entity was 7.63 Crore Taka in 2024 After that the Income from Investment in Shares was 1.06 Crore Taka and Brokerage Commission 0.63 Crore Taka only, finally there was some amount of 0.70 Crore Taka only heading Other Operating Income and profit earned on Bank Deposit for the year of 2025.







Total Operating Expenses: In the year 2025 heighest expenses was Financial expenses Tk. 5.21 Crore only for Profit Expenses on Bai Muajjal General facility increased by 21% in 2025. After these the expense for Salary & Allowance was 1.22 Crore Taka and Other Administrative Expenses was an amount of Tk. 0.60 Crore and Direct Expenses was 0.08 Crore Taka. In the year 2025 the total operating expenses Tk. 7.11 crore where as the same entity was 6.40 Crore Taka in 2024 and Increased by 11% in 2025.

Monthwise Turnover: In the year 2025 faced a mixed trend traded value throughout the year and trading took place on 240 days which was 235 days in 2024. During the year 2025 the total trade value of DSE stood at Tk. 1,25,143 crore which marking a decreaseed by 16% than that of the previous year 2024. The monthwise trade volume with Dhaka Stock Exchange Limited for 2024 & 2025 is shown by drawing a graph. The Heighest level of average daily traded value was BDT 19,228 Cr in Sept 2025 and the lowest level was BDT 7017 Cr in May 2025.

Financial Growth: The year 2025 was a very challenging year for SBSL Due to unstablity of national economy and poor trade volume of DSE. But SBSL handle every situation over the year 2025 and generate an operating profit before tax and provisions of 2.47 Crore Taka, that was 4.84 Crore Taka for 2024, Last Five years performance are given below for better understanding.

Particulars/Year	2025	2024	2023	2022	2021
No. of new Clients	22	60	169	160	343
Margin facility to Clients (crore)	58.63	56.92	50.65	44.63	46.37
Operating Profit (crore)	2.47	4.84	6.28	6.93	6.32
Total Turnover–Trade (crore)	231.11	425.80	659.23	967.86	1615.59

BOARD OF DIRECTORS

The Board of the Bank consists of 16 Directors as on December 31, 2025 of high academic caliber and excellent professional knowledge, experience and skills together with the Managing Director as an Ex-officio member. All of the Directors were elected by the shareholder of the company. 16 (sixteen) Board meetings held during the year 2025.

The Board of Directors is the supreme authority in the Bank's affairs. To ensure the company's prosperity by collectively directing the company's affairs the Board approved different investment proposals, adopted policies and guidelines issued by Bangladesh Bank and gives directions for their due compliance and plans for the smooth growth of the business. The Board provided guidelines for technological development in consideration of the requirement of time and to face the challenges and competition. The Board also reviewed different policies & programs on a monthly basis in order to establish effective risk management in investment and other key areas of operations and provides guidelines to the Management for upholding and protecting the interest of the Bank. In addition to business and financial issues, boards of directors deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

COMMITTEES OF THE BOARD

The Bank has 3 (three) Board committees as set by the Bangladesh Bank namely (i) Executive Committee, (ii) Audit Committee and (iii) Risk Management Committee with an objective to monitor and manage Bank's operations, performance and strategy.

EXECUTIVE COMMITTEE

The Board delegated financial, business and administrative powers to the Executive Committee to decide or act in those cases as instructed by the Board of Directors, who are not specifically assigned to the full board through the Bank Company Act and other laws and regulations. The Committee is used to ensure the implementation of policies and guidelines by the Board and continuous efforts guide the Management to develop uniform and minimum acceptable investment standards for the Bank. During the year 2025 a total number of 4 (four) meetings were held of the Executive Committee.

AUDIT COMMITTEE

The Audit Committee constituted as under by the Board of Directors of the Bank in accordance with the BRPD circular letter no. 2 dated 11 February, 2024 issued by Bangladesh Bank. The Company Secretary of the Bank has been nominated as Secretary of the said Committee as per Bangladesh Bank Circular. During the year 2025, the Audit Committee conducted 6 (six) meetings.

RISK MANAGEMENT COMMITTEE

The risk management committee was formed to play an effective role in mitigating impending risks arising from strategies and policies formulated by the Board and to carry out the responsibilities efficiently. The Committee identified and assessed several risk factors. The committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision are being maintained against the risks identified. The present Risk Management Committee of the Bank is comprised of 3 (three) members. 4 (four) meetings of the Risk Management Committee were held during the year 2025.

During the year 2025 the amount of Tk. 27,20,000/- has been paid to the Directors including Independent Directors' as an honorarium for attending the meeting of Directors. It may be mentioned here that as per Bangladesh Bank's BRPD circular letter no. 2 dated 11 February, 2024 each director is entitled to get a maximum Tk. 10,000 (ten thousand) as an honorarium for attending each meeting.

COMPLIANCE OF SECTION 1.5(XXI) OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION (BSEC) NOTIFICATION NO. BSEC/CMRRCD/2006-158/207/ADMIN/80 DATED 03 JUNE 2018. The pattern of shareholding position as on 31.12.2025

- Parent/Subsidiary/Associated Companies and other related parties: Nil
- Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details): Nil

SHAREHOLDING POSITION OF DIRECTORS

Sl	Name	Position	No Of Shares	(%) of Share Holding
1.	Mr. Mohammed Abdul Aziz	Chairman	22,383,262	2.01%
2.	Mr. A K M Abdul Alim	Vice-Chairman	22,475,387	2.01%
3.	Mr. Kazi Akram Uddin Ahmed	Director*	22,525,077	2.02%
4.	Mr. Kamal Mostafa Chowdhury	Director	25,639,184	2.30%
5.	Mr. Ashok Kumar Saha	Director	24,187,653	2.17%
6.	Mr. Ferozur Rahman	Director	23,120,479	2.07%
7.	Mr. Mohammad Manjur Alam	Director	22,318,203	2.00%
8.	Mr. S.A.MD Hossain	Director	30,385,326	2.72%
9.	Al-haj Mohammed Shamsul Alam	Director	22,634,918	2.03%
10.	Mr. Gulzar Ahmed	Director	22,339,467	2.00%
11.	Mr. Md. Zahedul Hoque	Director	22,340,847	2.00%
12.	Mr. Ferdous Ali Khan	Director	27,277,212	2.44%
13.	Mr. Ashit Kumar Saha	Director	23,619,662	2.12%
14.	Mr. Jhahedul Alam (Nominated by M/s Super Electronics)	Director	22,321,695	2.00%
15.	Mr. Golam Hafiz Ahmed	Independent Director	-	0.00%
16.	Mr. Khondoker Rumy Ehsanul Huq	Independent Director	-	0.00%
17.	Mr. Md. Habibur Rahman	Managing Director	-	0.00%

* He was retired and re-elected in 26th AGM of the Bank held on 14th August 2025, but Bangladesh Bank did not give approval for re-appointment till 31st December 2025.

SHAREHOLDING OF CEO, CFO, COMPANY SECRETARY & HEAD OF INTERNAL AUDIT

Sl	**Name**	Share Holdings
1.	Chief Executive Officer and his spouse & minor children	Nil
2.	Company Secretary and his spouse & minor children	Nil
3.	Chief Financial Officer and his spouse & minor children	Nil
4.	Head of Internal Audit and his spouse & minor children	Nil

SHAREHOLDING OF EXECUTIVES (TOP FIVE SALARIED PERSONS OTHER THAN CEO, CFO, CS AND HIA):

SL	Name	Position	Share Holdings
1	Mr. Md Siddiqur Rahman	AMD	65,389
2	Mr. Sk. Sirajul Kabir	SEVP	Nil
3	Mr. Mohammad Abul Hossain	SEVP	Nil
4	Mr. Muhammad Arifur Rahman	EVP	Nil
5	Mr. Mansoor Ahmed	EVP	Nil

BOARD MEETING AND ATTENDANCE

The board meeting usually holds at least once in every month, but in an emergency the meeting holds more than one. Directors who could not be able to attend the meeting(s) leave of absence were granted by the board as per their prayer. During the year 2025 total 16 meetings were held.

As per compliance of Section 1.5 (XX) of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, the attendance record of Directors in 2025 are as follows:

SI	Name of The Directors	Designation	No. of Meetings Held	Present	Remarks
1	Mr. Mohammed Abdul Aziz	Chairman	16	16	
2	Mr. A K M Abdul Alim	Vice-Chairman	16	16	
3	Mr. Kazi Akram Uddin Ahmed	Director	16	5	He was retired and re-elected in 26th AGM of the Bank held on 14th August 2025, but Bangladesh Bank did not give any response till 31st December 2025.
4	Mr. Kamal Mostafa Chowdhury	Director	16	13	
5	Mr. Ashok Kumar Saha	Director	16	14	
6	Mr. Ferozur Rahman	Director	16	11	
7	Mr. Mohammad Manjur Alam	Director	16	1	
8	Mr. S.A. MD Hossain	Director	16	15	
9	Al-haj Mohammed Shamsul Alam	Director	16	16	
10	Mr. Gulzar Ahmed	Director	16	11	
11	Mr. Md. Zahedul Hoque	Director	16	13	
12	Mr. Ferdous Ali Khan	Director	16	12	
13	Mr. Ashit Kumar Saha	Director	16	11	
14	Mr. Jhahedul Alam (Nominated by M/s Super Electronics)	Director	16	12	
15	Mr. Golam Hafiz Ahmed	Independent Director	16	15	
16	Mr. Khondoker Rumy Ehsanul Huq	Independent Director	16	6	
17	Mr. Md. Abul Hossain	Director	16	2	Mr. Niranjan Chandra Debnath was appointed as MD of ICB in place of Mr. Md. Abul Hossain. But BB did not gave approval.
18	Mr. Md. Habibur Rahman	Managing Director	16	16	

EXECUTIVE COMMITTEE MEETING 2025

Sl	Name of The Directors	Designation	No. of Meetings Held	Present	Remark
1	Mr. Ferdous Ali Khan	Chairman	4	2	
2	Mr. Mohammed Abdul Aziz	Member	4	4	
3	Mr. Ferozur Rahman	Member	4	3	
4	Mr. Al-haj Mohammded Shamsul Alam	Member	4	4	
5	Mr. Md. Zahedul Hoque	Member	4	3	
6	Mr. Gulzar Ahmed	Past Member	4	1	One meeting was held during his tenure.

AUDIT COMMITTEE MEETING 2025

SL	Name of The Directors	Designation	No. of Meetings Held	Present	Remarks
1	Mr. Khondoker Rumy Ehsanul Huq	Chairman	6	4	
2	Mr. Golam Hafiz Ahmed	Member	6	6	
3	Mr. Gulzar Ahmed	Member	6	4	
4	Mr. S.A.MD Hossain	Member	6	6	

RISK MANAGEMENT COMMITTEE MEETING 2025

Sl	Name of the Directors	Designation	No. of Meetings Held	Attended	Remarks
1	Mr. Kazi Akram Uddin Ahmed	Chairman	4	1	Presided over 01 meeting & re-elected as Director in 26th AGM. However Bangladesh Bank did not give approval for reappointment.
2	Mr. S.A. MD Hossain	Member	4	4	Presided over 03 Meetings in absence of Mr. Kazi Akram Uddin Ahmed.
3	Mr. Mohammed Abdul Aziz	Member	4	4	
4	Al-haj Mohammed Shamsul Alam	Member	4	4	

Note: Leave of Absense was granted to the directors who could not attend the meeting due to prior engagement

DIRECTOR'S DECLARATION ON FINANCIAL STATEMENTS

- The Directors are responsible for the governance of the company and as part of preparation and presentation of the financial statements, based on the statutory audit, the directors confirm, to the best of their knowledge and belief that:
- The Financial Statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts as required by law have been maintained.
- 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.
- International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed.
- The system of internal control in the bank is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the bank's ability to continue as a going concern.

BOARD'S CLARIFICATIONS ON EMPHASIS OF MATTERS

Regarding the matter, the exposure was determined by the external auditor based on the historical classified and classifiable investment exposures across different categories from inception up to the reporting date. The exposure primarily arose from gaps between the expected and actual returns generated from certain investments. These gaps occurred due to a combination of regulatory concessions, adverse business conditions faced by clients, and prevailing economic challenges at different periods. Notwithstanding these circumstances, the Bank Management has undertaken comprehensive and proactive measures to regularize the underlying exposures through continuous monitoring, recovery initiatives, restructuring efforts where appropriate, and strengthened relationship management. These efforts are expected to improve asset quality and gradually reduce the associated provision requirement over time. 2) There were reasonable and realistic prospects for the recovery and improvement of the business conditions of the concerned clients. Accordingly, based on such considerations and available supporting grounds, the Bank recognized investment income against the related exposures. However, the Bank Management is giving special attention to maximizing recovery from these clients by undertaking intensified monitoring, regular follow-up, and targeted recovery initiatives. These enhanced recovery efforts are expected to strengthen the repayment position of the clients and improve the overall quality of the Bank's investment portfolio. 3) Based on the prevailing and prolonged volatility in the capital market, there were certain shortfalls between the expected and actual returns generated from the Bank's subsidiaries. As a result, the anticipated level of income from these investments could not be fully achieved. However, the Bank Management remains vigilant and is continuously monitoring the performance of its subsidiaries to ensure optimum returns on the funds deployed. Appropriate business strategies, performance oversight, and corrective measures are being undertaken to enhance profitability and maximize shareholder value.

ACKNOWLEDGEMENT AND VOTE OF THANKS

The Board expresses gratitude to the Almighty Allah for the success of the Bank in 2025. The Board extends thanks to the valued customers, patrons and well-wishers for their continued support and co-operation to the Bank. The Board also appreciates the dedicated services of the Senior Management Team, all executives and other employees of the Bank. The Board offers thanks to the Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), NBR, FRC, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC. and Central Depository Bangladesh Limited (CDBL) for their appreciable support and co-operation to the Bank. The Board also expresses its appreciation to Khan Wahab Shafique Rahman & Co., the Auditor of the Bank, for their efforts for timely completion of Audit. The Board of Directors also thanks both the print and electronic media personnel for giving media coverage to Bank's different activities and events. Finally, the Board thanks the respected Shareholders and assures them that it will continue to add to the Shareholders' wealth through further strengthening and development of the Bank in which they have placed their trust and confidence. We want to continue on doing the best and ensure prolonged development in the economy, society, lifestyle and thus every sphere of our country in line with our vision. Our sustainable banking operation is attributed to our prudent Board of Directors, effective Management, enthusiastic and skillful employees and trust bestowed upon us by our valuable clients and shareholders.

Sincerely

On behalf of the Board of Directors.

Mohammed Abdul Aziz
Chairman

CORPORATE GOVERNANCE

STATEMENT OF CORPORATE GOVERNANCE

Corporate governance is the system by which organizations are directed and controlled. In other words, corporate governance represents the set of processes, customs, policies, laws and institutions affecting the way in which an entity is directed, administered or controlled. Corporate governance serves the needs of shareholders, and other stakeholders, by directing and controlling management activities towards good businesses practices, objectivity and integrity in order to satisfy the objectives of the entity. Corporate governance represents a strategy for companies to ensure a framework of control for its administrative and management practices. This is achieved through procedures that are aligned with recognized standards that respond to the interests of shareholders and other stakeholders. Proper governance ensures fairness, transparency and accountability and safeguards the interests of all stakeholders, especially the minority shareholders. Empirical research also suggests that corporations that adhere to good governance practices are not only more sustainable but also tend to generate higher profitability. The six core areas of Standard Islami Bank PLC. emphasizes its effective corporate governance strategy as demonstrated in the diagram. The company's corporate governance model is rigorously aligned with its well-articulated vision, mission, goals and objectives

CORPORATE GOVERNANCE

The Company's Board of Directors are responsible for proper governance, which includes setting out the Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to shareholders on their stewardship. The Board is collectively accountable to the Company's shareholders for good governance to facilitate efficient and effective management towards delivering long-term shareholder value within appropriately established risk parameters.

Standard Islami Bank PLC. is committed to continually review all its corporate governance policies and guidelines to ensure transparency in its practices and the delivery of the highest ethical standards and quality information to its stakeholders on an ongoing basis.

The sustenance of effective corporate governance remains a key priority of the Board of Standard Islami Bank PLC. To exercise clarity about the Directors' responsibilities towards shareholders, corporate governance must be dynamic and remain focused on the Company's business objectives and create a culture of openness, transparency and accountability. Keeping this in mind, clear structures and ownership supported by well-understood policies and procedures to guide the activities of the Company's management have been instituted and institutionalized.

Standard Islami Bank PLC. considers that its corporate governance practices comply with all the aspects of the revised Corporate Governance Guideline (CGG) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, issued by the Bangladesh Securities and Exchange Commission (BSEC) and all aspects of Bangladesh Bank's BRPD circular no-02, dated 11.02.24 In addition to establishing the highest standards of corporate governance, Standard Islami Bank PLC. also embraces best governance practices across all its activities. The independent role of the Board of Directors, separate and independent role of the Chairman and Chief Executive Officer, distinct roles of the Company Secretary, Chief Financial Officer and Chief Compliance Officer and

different Board Committees enable Standard Islami Bank PLC. to achieve excellence in corporate governance. As a listed Company, Standard Islami Bank PLC. must comply with the BSEC's revised CGG, which require the Company to provide a statement in the Annual Report disclosing the extent to which it has complied with the BSEC Corporate Governance circulars. The status of compliance shall be certified by a practicing Professional Accountant/ Secretary.

The Board duly complies with the guidelines issued by the Bangladesh Bank regarding the responsibility and accountability of the Board, its Chairman and Chief Executive/ Managing Director, vide BRPD Circular No.2 dated February 11, 2024. The Board of Directors is in full control of the Company's affairs and is also fully accountable to shareholders. It firmly believes that the success of the Company hinges on the credible corporate governance practices embraced by it. Taking this into consideration, the Board of Directors set out its strategic focus and supervises the business and the related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the Board carries out, inter alia, the following functions as per the charter of the Board and Bangladesh Bank's BRPD Circular No.2 dated February 11, 2024.

REPORT ON COMPLIANCE WITH BEST PRACTICES ON CORPORATE GOVERNANCE

LEADERSHIP
The role of the board

The Bank is headed by an effective board which is collectively responsible for its long-term success of the company.

The board meets sufficiently regularly to discharge its duties effectively. There is a formal schedule of matters specifically reserved for its decision.

NON-EXECUTIVE DIRECTORS

Non-executive directors scrutinize management performance and the reporting of performance. They satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust.

They are also responsible for determining executive director remuneration and appointing and removing executive directors.

The non-executive directors appraise the chairman's performance at least annually.

DIVISION OF RESPONSIBILITIES

There is a clear division of responsibilities at the head of the Bank between the running of the board and the executive responsibility for the running of the Bank's business. No one individual has unfettered powers of decision. The roles of the chairman and chief executive are not be exercised by the same individual.

EFFECTIVENESS
Composition of the board

The board includes an appropriate combination of executive and non-executive directors such that no individual or small group of individuals can dominate the board's decision taking.

Non-executive directors comprise at least half of the board (excluding the chairman).

The board determines whether non-executive directors are independent.

There is a formal, rigorous and transparent procedure for the appointment of new directors to the board.

THE CHAIRMAN

The chairman is responsible for leadership of the board and ensuring its effectiveness on all aspects of its role. The chairman promotes a culture of openness and ensures constructive relations between executive and non-executive directors.

A chief executive does not go on to be chairman.

As part of their role as members of a unitary board, nonexecutive directors constructively challenges and helps develop proposals on strategy.

BOARD OF DIRECTORS, CHAIRMAN AND MANAGING DIRECTOR

BOARD OF DIRECTORS

The Board of Standard Islami Bank PLC. (SBPLC) considers that its composition should have an appropriate mix of skills, experience and personal qualities that enable the Directors individually and the Board collectively to discharge their duties and responsibilities under the law, so that they can efficiently and effectively understand the business of the Company and assess the performance of management.

The Board of Directors of Standard Islami Bank PLC. comprises members with a wide diversity of knowledge and experience in finance, economics, management, business administration, marketing etc. This is to ensure that together, they can devise the appropriate policy for the Bank's growth while having expertise, the ability to perceive matters in a bigger perspective and adequate independence to review the management in a sensible manner. A man of pleasant personality with strong determination Mr. Mohammed Abdul Aziz is the Chairman of Standard Islami Bank PLC. He is a man with a sterling vision & commitment and a selfless social leader. The Bank's Independent Director, Mr. Golam Hafiz Ahmed has vast knowledge in the Banking sector as a senior Banker with over 42 years of illustrious Banking career, Mr. Khondoker Rumy Ehsanul Huq is a proficient Banking professional with over 43 years of experience in the Banking and non-Banking financial sector. Besides, 02 (two) of the Directors of the Bank namely Mr. Ashok Kumar Saha, Mr. Md. Zahedul Hoque has advanced degrees in Business Administration from the USA and Mr. A K M Abdul Alim has completed his MBA from the University of Bedfordshire, UK and Mr. Jhahedul Alam holds a B.Sc. (Hons) in Economics from Queen Mary, University of London, and an advanced diploma in Commodity Trading Risk Analysis from the Swiss Trading and Shipping Association (STSA).

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The NRC is responsible for composition, balance and expertise of the Board as a whole and appraising the contribution of individual Directors, including a review of their time commitment and attendance records. The Board, as a whole, decides on the nomination of any Board member and composition of the Board and its committees. As per BRPD circular no. 21 by BB dated 12.05.24, NRC responsibilities are vested in the Audit Committee of the Board.

POLICY ON APPOINTMENT OF DIRECTORS

In relation to the selection and appointment of new Directors, the existing Board of Directors possesses the following duties and responsibilities:

Regularly review the size and composition of the Board and the mix of expertise, skills, experience and perspectives that may be desirable to permit the Board to execute its functions;

Identify any competencies not adequately represented and agree to the process necessary to be assured that a candidate nominated by the shareholders with those competencies is selected;

The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by the Board in accordance with the stipulations of the Companies Act, 1994, Bank Companies Act 1991 (amended up to 2023) and the Articles of Standard Islami Bank PLC.

The Managing Director is appointed by the Board subject to the consent of the shareholders in the Annual General Meeting (AGM) and approval of Bangladesh Bank.

Any change in the members of the Board requires intimation to the Bangladesh Bank, all scheduled Banks and Financial Institutions (FIs), Bangladesh Securities and Exchange Commission (BSEC) and the stock exchanges.

BOARD INDUCTION

A formal letter of appointment setting out the director's duties and obligations is provided to every new director. Comprehensive and tailored induction is provided to incoming directors joining the Board. The induction program allows the director to assimilate into his or her new role as soon as possible.

ADEQUATE NUMBER OF INDEPENDENT DIRECTORS IN THE BOARD AND THEIR INDEPENDENCE

As per the revised Corporate Governance Guideline of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors. Thus, in compliance with the guideline, (02) two Directors out of the total (15) Fifteen Directors are independent, having no share or interest in Standard Islami Bank PLC. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure. The appointment of another Independent Director is under process.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board is committed to the Company to achieve superior financial performance and long-term prosperity, while meeting stakeholder expectations of sound corporate governance practices. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive with regards to

corporate governance and puts in place those arrangements that it considers are in the best interest of the Company and its shareholders and consistent with its responsibilities to other stakeholders.

Composition of the Board of Directors – Non- executive Directors and Independent Directors

All the directors of the Board are non-executive directors and almost one-fifth is Independent. Currently, there are two independent directors appointed by the Board and approved by the BSEC, Bangladesh Bank and the shareholders in the AGM.

SELECTION AND APPOINTMENT OF NEW DIRECTORS

With regards to selection and appointment of new directors, the existing Board of Directors has the following obligations and duties:

- Frequently assess the size and structure of the Board and the mix of knowledge, skills, experience and perceptions that may be necessary to allow the Board to perform proficiently.
- Recognize any capabilities not sufficiently represented and approve the procedure necessary to be certain that an applicant designated by the shareholders with those capabilities is nominated.
- Casual posts, if any, are filled up by the Board in accordance with the conditions in the Companies Act and Articles of the Company.

Appointments of the Directors are also endorsed in the AGM by the Shareholders.

RETIREMENT AND RE-ELECTION OF DIRECTORS

As per Companies Act, each year one-third of the Directors retire from office at the AGM and if eligible, may offer themselves for re-election by shareholders at the Annual General meeting. In line with the requirement of Bank Company Act 1991 amended up to 2023, no Director should serve more than 3 years without seeking re-election at shareholders meeting.

CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTOR

As per Bank Companies Act 1991 (Amended upto 2023) at least 2 of the total directors should be Independent when total number of directors in a Bank is less than 20. As per the BSEC guidelines on Corporate Governance at least 1/5 of the total Directors should be Independent Directors. Therefore, in compliance with BCA 1991 and BSEC Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, Board of SBPLC nominated two independent directors (1/5th of total number of Directors) so that the Board contains core skills considered appropriate in the framework of the company.

INDEPENDENT DIRECTOR'S INDEPENDENCE

In order for a Director to be eligible as an Independent Director, the Board establishes that the Director has no substantial relationship with SBPLC either as a partner, shareholder or officer of an organization that has a relationship with SBPLC that would prevent that nominee from becoming an Independent Director. For the purpose of true independence, Board decided that its Independent Director do not hold any share of the Company; not associated with the Company's Promoters or Directors or Shareholders who maintains one percent or more of the total paid up share of the Company; not related with the existing Directors or families; does not have any other relationship, whether monetary or otherwise with the company or its subsidiary/associate companies; not a member, Director or officer of any Stock exchange and who is not a shareholder,

Director or officer of any stock exchange or an intermediary of the capital market. The Independent Director is appointed for a period of three years which may be extended by one term only. A person cannot be appointed Independent Director who has already been appointed such Director of five other listed companies. The Board ensures that all these guidelines are strictly followed by the Independent Directors appointed by them.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Standard Islami Bank PLC. Board is responsible for the periodic review and approval of the overall strategies, business and significant policies of the Bank. The Board also sets the Bank's core values, adopts proper standards to ensure that the Bank operates with integrity, and complies with the relevant rules and regulations.

The Board's responsibilities are, but are not limited to:

- Reviewing and approving the strategies and business plans for the Bank.
- Approving the Bank's annual budget and carrying out periodic review of the achievements by the various operating divisions against their respective business targets.
- Prescribing the minimum standards and establishing policies on the management of investment risks and other key areas of the Bank's operations.
- Ensuring that the operating infrastructure, systems of control, systems for risk identification and management, financial and operational controls, are in place and properly implemented.
- Reviewing the adequacy and integrity of the Bank's internal control systems.
- Overseeing the conduct and performance of the Bank's businesses.
- Reviewing succession planning and talent management plans for the Bank and approving the appointment and compensation of senior management staff.
- Approving changes in the corporate organization structure.
- Approving policies relating to corporate branding, public relations, investor relations and shareholder communication program.

The Board duly complies with the guidelines issued by Bangladesh Bank, BSEC, Bank Company Act and Company Act regarding the responsibility and accountability of the Board, its Chairman and Managing Director.

BOARD OF DIRECTORS' RIGHT TO ACCESS TO RELEVANT INFORMATION AND CONFIDENTIALITY ACCORDING TO CODE OF CONDUCT

The Board of Directors follows a Code of Conduct which was adopted to provide guidance to directors to carry out their duties in an honest, responsible and business-like manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Articles of Association of the Company.

THE CODE OF CONDUCT STATES:

- The Members shall act honestly, in good faith and in the best interests of the shareholders and the company.
- The members shall not make improper use of information acquired as a director.
- The members shall not take improper advantage of the position as a director.
- The members will be obligated to be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of decision taken by the Board of Directors.
- Confidential information acquired by the members in the course of exercise of directorial duties shall remain the property of the company and it will be improper to disclose or allow it to be disclosed, unless that disclosure has been authorized by the company, or the person from whom the information has been received.
- Members shall make every effort to attend all Board and Committee Meetings during their tenure. They will not absent themselves without good reasons or confirming leave of absence.
- To maximize effectiveness of the Board/Committee Meetings, contribution of individual director shall be monitored and appraised on an annual basis.
- Board members having interest of any nature in the agenda of the meeting, shall declare beforehand the nature of their interest and withdraw from the room, unless they have a dispensation to speak.
- Training opportunities/orientation/workshops will be arranged for the members (especially for the newly inducted members) to make them acquainted with the international best practices, their fiduciary obligations, Code of Conduct etc.
- Members shall always maintain 'Fit and Proper Test Criteria', clean CIB status and other obligations declared by the Primary and other Regulators.
- Members shall be judicious about their entitlement of benefit/privileges as per Banking Companies Act -1991 and all circulars issued by Bangladesh Bank and shall be willing to produce supporting documents, if required.
- Members shall comply with the Bank's Memorandum and Articles of Association of the Company while making Sale- Buy of Company's share and shall refrain from making such transaction without formal declaration.

Every Director will assure annually signing a confirmation that they have gone through, have complied with and will continue to comply with the set of codes approved by the Board of Directors.

DIRECTORS' REMUNERATION

Directors are not entitled to any remuneration other than attendance fees for meetings of the Board and its committees. As per BRPD Circular Letter No. 2 dated February 11, 2024, Directors are entitled to a remuneration of Tk 10,000 for attending each meeting, but the number of such meetings is also specified in the said circular, specifying the number with or without remuneration.

CHAIRMAN OF THE BOARD

The Chairman of the Bank is elected by the Board of Directors and the Board considers the Chairman independent.

ROLE AND RESPONSIBILITIES OF THE CHAIRMAN

The role and responsibilities of the Chairman are:

- As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administration or operational and routine affairs of the Bank.
- The Chairman may conduct on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to Bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the Board or the Executive Committee and if deemed necessary, with the approval of the Board, he shall take necessary action thereon in accordance with the set rules through the Managing Director. However, any complaint against the Managing Director shall have to be apprised by the Bangladesh Bank through the Board along with the statement of the Managing Director.

Besides this, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Bank. The Chairman's responsibility is defined by the Board as directed by Bangladesh Bank and BSEC's notification on Corporate Governance Guidelines.

INDEPENDENCE OF THE CHAIRMAN OF ALL BOARD COMMITTEES

As per BRPD Circular No. 02 dated February 11, 2024, the Bank has already constituted 1 (one) Executive Committee, 1 (one) Audit Committee and 1 (one) Risk Management Committee comprising of Directors. However, the Board has not constituted any permanent, temporary or sub-committee other than the above three committees. The chairmen of each of the above 3 (three) committees have complete independence in the discharge of their duties.

CHAIRMAN AND MANAGING DIRECTOR

The Chairman is independent of the Managing Director, and this has been in practice since inception of the Bank. This also complies with Section 1.4 of the BSEC's notification on Corporate Governance Guidelines.

NON-EXECUTIVE DIRECTOR'S INDEPENDENCE

All the Directors except the Managing Director are non-executive Directors in the Board. None of the Directors takes part in the day-to-day affairs of the Company. They attend only the Board/Committee meetings to discuss the agenda reserved for the Board/Committees.

POLICY ON TRAINING OF BOARD OF DIRECTORS

Standard Islami Bank PLC. is fully committed to maintain highest standards of Corporate Governance & professionalism in driving the Bank's progress on the principles of transparency and openness. For this purpose, training at home and abroad especially on the Corporate Governance is encouraged by the Board. As such, whenever opportunities arise, Bank utilizes the same to train and orient its members.

A Code of Conduct has been also adopted by the Board to be followed by its Members and annual compliance of the Code is ensured. Besides, all relevant regulations promulgated/ circulated time to time by the concerned authorities are placed to the Board Meeting on a regular basis to keep the members updated.

APPRAISAL OF THE BOARD'S PERFORMANCE

Standard Islami Bank PLC. doesn't have a scheme for annual appraisal of the Board's performance till date, but the Bank is abiding by the Code of Conduct prescribed by the regulators and formulated by the Board. The Board members have always taken decisions that have benefitted the Bank as a whole and they have always performed their duties accordingly. Another way of appraising the Board's performance is conducted by analyzing the execution of the projects and proposals sanctioned by it. A quarterly evaluation of classified and non-performing investments is continuously made by the Board. In addition, evaluation of the Board also takes place at the AGM by the Shareholders.

REPORT OF THE BOARD OF DIRECTORS REGARDING CONFLICTS OF INTEREST

In Financial Institution like Bank, there exists high possibility of arising conflicts of interest between Board of Directors and the management of the company. To avoid such unwanted situation, Standard Islami Bank PLC. has segregated the responsibility/ authority of these two interest groups of the Bank. To avoid conflict of interest and also to make accountable the Bank has already taken the a number of measures such as (i) Investment to the directors is restricted subject to fulfilling certain terms and conditions of regulatory guidelines. (ii) If there is any related party transaction, the management discloses the matter in the Annual Report and it is also approved by the general shareholders in AGM. (iii) Executive committee of the Board can approve investment to anyone up to a limited portion. (iv) Audit committee regularly reviews the financial and other related statements and gives recommendation to the management regarding any changes in policy and also presents to the Board for further evaluation. Board of directors' approval is needed for investment re-scheduling

RELATED PARTY DISCLOSURE

The Bank has in place policies and procedures governing related party transactions. The Board approves all related party transactions and ensures that these transactions with the Company are undertaken on an arm's length basis. The Audit Committee reviewed all material related party transactions and kept the Board informed of such transactions. During the year, the Company had collected deposits from its Directors and their related parties. No preferential treatment had been extended to the Directors and their related parties for these deposits. Disclosure of related party transactions during the year is shown on notes to the financial statements.

DIRECTORS AND CLOSE RELATIVES ARE NOT INVOLVED IN ANY PURCHASE

The Bank has its standard "Procurement Policy" approved by its Board of Directors. The policy guideline delineates standard procurement procedures in order to protect the interest of the Bank. Therefore, there is no involvement of Directors and Close Relatives in any kind of purchase. However, the Board frames the policies and procedures for Bank's purchase and procurement activities and accordingly approves the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the Managing Director and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of Bank's business, however, be adopted with the approval of the Board.

ANNUAL EVALUATION OF THE MANAGING DIRECTOR BY THE BOARD

There is a five year Strategic Priorities & Capital Adequacy Plan for the evaluation of the CEO/Management on an annual basis and it is revised from time to time by the Board.

The Managing Director is also evaluated on an annual basis and is also given KPI's for the years ahead. The Board has the capability to evaluate the Managing Director whenever it wishes so. All Managing Director's are evaluated after their term, and on the basis of their evaluation, reappointment for another term is considered by the Board.

At the start of each year, the Board participates in extensive discussions with the Managing Director and decides on financial and non-financial objectives. The annual financial budget are considered and decided by the Board at the beginning of the financial year. The business and financial goals are assessed each quarter with actual accomplishments by the Board. The non-financial successes are also evaluated by the Board in each quarter. Furthermore, a yearly appraisal and assessment of the accomplishments of goals are made at the end of the year along with deviations.

A few mentionable KPIs for the Managing Director are to meet the annual budgetary targets of the Bank which was

approved by the Board, maximize shareholders value through desired ROA, ROI, ROE and EPS as per expectation of the Board, sustainable growth on investment and revenue for the Bank, gradually reducing the NPI ratio and improvement in the score for CAMELS rating.

ROLE AND RESPONSIBILITIES OF THE MANAGING DIRECTOR

The responsibilities and authorities of the Managing Director are as follows:

A. In terms of the financial, business and administrative authorities vested upon him by the Board, the Managing Director shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plans, efficient implementation thereof and prudent administrative and financial management.

B. The Managing Director shall ensure compliance of the Bank Companies Act, 1991 and/or other relevant laws and regulations in discharge of routine functions of the Bank.

C. The Managing Director shall include information on violation of any law, rules, regulation including Bank Company Act, 1991 while presenting memos before the Board or the committee formed by the Board.

D. Managing Director will provide all sorts of information to Bangladesh Bank about the violation of Banking Companies Act, 1991 and/ or any violation of Laws, rules and regulations.

E. The recruitment and promotion of all staff of the Bank except those in the two tiers below him shall rest on the Managing Director. He shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and sanctioned strength of employees as approved by the Board. The Board or the Chairman of any committee of the Board or any director shall not get involved or interfere into such affairs.

F. The authority relating to transfer of and disciplinary measures against the staff, except those at one tier below the Managing Director shall rest on him, which he shall apply in accordance with the approved service rules. Besides, under

G. the purview of the human resources policy as approved by the Board, he shall nominate officers for training

H. Besides, the Managing Director shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Bank.

BOARD MEETINGS

The Board meets as required to discuss business strategy, financial performance, matters pertaining to compliance and governance as well as reports on matters deliberated by the respective committees. The Board reviews, amongst others, the financial performance of the Bank and subsidiaries, risk management and compliance reports and approve the quarterly results of the Bank at its meeting. In addition, Special Board meetings are held when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions. A Board meeting is held at the beginning of the year to discuss the Bank's Business plan and budget.

Meeting papers on the proposals and reports are delivered to the Directors prior to the meetings, giving them sufficient time to evaluate the proposals. Paperless meeting has been introduced using in-house developed software. This enables the Board to function and discharge their responsibilities effectively. The minimum information required for the Board to make an informed and effective decision includes background, objective, key issues, rationale, financial and non-financial impact of the proposal. Directors who are unable to attend a meeting due to unavoidable circumstances are encouraged to provide feedback to the Chairman on matters to be deliberated for their views to be given due consideration at the meetings.

ROLE OF THE COMPANY SECRETARY

Company Secretary is responsible for advising the Board on issues relating to compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Bank, as well as best practices of governance. He is also responsible for advising the Directors of their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the Bank, prohibited to deal in securities and restricted to disclose any price-sensitive information.

The responsibilities of the Company Secretary comprises of:

I. Ensuring the compliance of the Bank in relation to financial and legal practices, as well as issues of corporate governance. He acts as a point of communication between the management, Board of directors, company shareholders, reporting in a timely and accurate manner on company procedures and developments.

II. Ensure the Bank complies with its governing document, policies, company law and any other relevant legislation i.e. regulations with Bangladesh Bank, Securities and Exchange Commission (BSEC) and Registrar of Joint Stock Companies etc. Support and advise the Chair by ensuring the smooth functioning of the Board. Work in partnership with the Chief Executive and other Trustees to ensure the activities & operations of the Bank.

III. Support the Chairman in the smooth functioning of the Board. Receive agenda items from other Directors/ staff and ensure appropriate agenda items are tabled at Board meetings. This is done in consultation with the Managing Director and the Chair who is responsible for preparing Board meeting agendas.

IV. In line with Bangladesh Bank guidelines the company secretary has to act as the Secretary to the Audit Committee, Risk Management Committee and Executive Committee of the Board of Directors. In this area of risk mitigation, the Company Secretary has a pivotal role to play in support of the members

of the Audit Committee, Risk Management Division, Audit & Inspection Division and Internal Control & Compliance Division.

V. Act as a custodian of Banks governing documents and policies. Ensure the Bank pursues its objects as defined in its governing document. He acts as a custodian of the interests of the Bank. So it is his primary duty to protect and safeguard such interests of the Bank at all levels: statutory, administrative, and arbitrational and in other policy matters. He should also ensure that Board meeting minutes are signed by the Chair once they have been confirmed and copies filed and kept at the Bank.

VI. Ensure the appointment of Bank's board members, thatthose appointed are not disqualified in law and are eligible to be members under the provisions of the governing documents and policies, and that the appointment procedure laid down in the governing document and policies is followed.

VII. Make sure that the Directors have information to enable them to comply with the decisions and fulfill their responsibilities. This includes organizing the induction of new Directors also.

VIII. Ensure that Board meetings are held in compliance with Bank's governing documents and arrangements for the meetings are made.

IX. Confirms that Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) are run effectively and in accordance with the provisions of Bank's governing document. This includes checking that a quorum is present. Also make sure that agendas and minutes of AGMs and EGMs are circulated timely.

X. File the annual list of members and summary of share capital together with the authenticated Balance Sheet and the Profit and Loss account, Issue Dividend Warrants, bonus share certificates and make arrangement for disposal of fractional shares, if any.

XI. Maintain strict confidentially of information, manage situations like conflict of interest, identify problems and implement or recommend solutions.

XII. Maintain and liaise with various corporate bodies viz. BAB, ABB, BAPLC, CSBIB, Chambers/other bodies, regulators.

DISCLOSURE REGARDING COMPLIANCE OF ICSB SECRETARIAL STANDARD

Institute of Chartered Secretaries of Bangladesh (ICSB) has so far issued 4 (Four) Secretarial Standards in Bangladesh which are

(A) Secretarial Standard on meetings of the Board of Directors,

(B) Secretarial Standard on General Meetings,

(C) Secretarial Standard on Minutes and

(D) Secretarial Standard on Dividend. As a listed Banking organization, Standard Islami Bank PLC. has been meticulously following all of the afore-said standards of ICSB.

VISION, MISSION AND STRATEGY APPROVED BY THE BOARD

VISION/MISSION APPROVED BY DIRECTORS

The Board of Directors has approved the vision and mission statements of Standard Islami Bank PLC. and strictly adheres to it. They strongly believe in the vision and mission set for the Bank and try to apply those in every business context possible. The Vision and Mission statements can be found in this report.

BUSINESS OBJECTIVES AND AREAS OF BUSINESS FOCUS

SBPLC's Board always sets business objectives and areas for focus in consistency with the market. The latest business objectives and areas of business focus can be found in the "Statement Regarding Forward Looking Approach" section of the annual report.

STRATEGIES TO ACHIEVE THE BUSINESS OBJECTIVES

SBPLC always sets up a Strategic Action Plan in the beginning of the year to align with the business objectives and strategies for the year. The Board always gives direction to the management of the Bank on how to steer the Bank forward for the upcoming year. Strategies set to achieve the business objectives can be found in the "Strategic Priority" section of the annual report.

AUDIT COMMITTEE

Chairman is an independent Non-Executive Director The Chairman of the Audit Committee is a BSEC approved independent non-executive director, who is not involved in the day-to-day operations of the Bank. He is an experienced individual and qualified to be the Chairman of the Audit Committee. The Chairman, Mr. Khondoker Rumy Ehsanul Huq is one of the most highly respected Bankers of the country having vast experience in the Banking sector.

INTERNAL AUDIT ACTIVITY CHARTER

The Audit Committee established a terms of reference (TOR) so that it could function effectively and smoothly. The TOR was created to define the roles and responsibilities of the Audit Committee. The committee is also empowered to investigate/question employees and retain external counsel when required.

COMPOSITION OF THE AUDIT COMMITTEE

As per BRPD Circular No. 2 dated February 11, 2024 of Bangladesh Bank; the current Audit Committee consists of 4 members including 2 Independent Directors. All members of the Audit Committee are non-executive directors.

ALL MEMBERS SUITABLY QUALIFIED

All members of the Audit Committee are qualified and have years of experience in Banking and financial sectors reforms. They are also very competent and come from a variety of educational backgrounds, which brings diversity in the committee. A member of the audit committee brings a high level of expertise in the areas of finance and accounting to the committee.

REPORTING OF INTERNAL AUDITOR (ICC & INTERNAL AUDIT) TO THE AUDIT COMMITTEE

The Internal Auditor of the Bank regularly reports to the Audit Committee of the Board in compliance of Bangladesh Bank's BRPD Circular no. 2 dated February 11, 2024 and Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018. The details of the reporting activity have been furnished in separate section namely "Report of the Audit Committee".

HEAD OF INTERNAL AUDIT'S ACCESS IN THE AUDIT COMMITTEE

The Head of Internal Audit always has access to the audit committee and can raise his concerns whenever required.

TERMS OF REFERENCE

To steer the Audit Committee forward, a terms of reference (TOR) has been established. According to the TOR for the Audit Committee, some of the roles and responsibilities are as follows:

1. PURPOSE

To monitor and review the formal arrangements established by the Board in respect of:

i. Oversight of the financial reporting process.
ii. Monitoring choice of accounting policies and principles.
iii. Monitoring Internal Control Risk management process.
iv. Oversight of hiring and performance of external auditors.
v. Review along with the management, the annual financial statements before submission to the board for approval.
vi. Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.
vii. Review the adequacy of internal audit function.
viii. Review statement of significant related party transactions submitted by the management.
ix. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.
x. The financial reporting and narrative reporting of the Bank
xi. The effectiveness of the internal controls and the risk management framework
xii. Whistle blowing
xiii. Internal audit process
xiv. External auditors' appointment/reappointment.

The Committee will act independently to ensure that the interests of shareholders are properly protected in relation to financial reporting and internal control, always within the principle of all directors having a duty to act in the interests of the Bank and all directors remaining equally responsible for the Company's affairs.

2. AUTHORITY

The Audit Committee is an assistive committee of the Board of the Company. The Committee is authorized by the Board to:

i. Investigate any activity within its terms of reference and have such direct access to the resources of the Bank as it may reasonably require
ii. Report on conflicts of interests;
iii. Seek any information that it requires from any employee, and all employees are directed to co-operate with any request made by the Committee iv Report on suspected infringement of laws, including securities related laws, rules and regulations;
iv. Report on suspected or presumed fraud or irregularity or material defect in the internal control system;
v. Report on any other matter which shall be disclosed to the Board of Directors immediately.
vi. Engage outside legal or other independent professional advisers and obtain appropriate funding for the payment of relevant fees and expenses.

Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company it shall report its views to the Board of the Company. In the event of any disagreement between the Committee; members and the rest of the Board, such matters will be resolved at Board level.

3. RESPONSIBILITIES FINANCIAL AFFAIRS OF THE GROUP

i. To monitor the integrity of the financial statements of the Bank (and any discussion or analysis thereof including annual and interim reports), and any formal announcements relating to the Bank's actual and forecast financial performance, reviewing significant financial reporting judgments contained in them.
ii. To review any unusual items or matters brought to its attention requiring the exercise of managerial judgment affecting the preparation of the statements and announcements
iii. To provide a forum for the discussion and resolution of areas of disagreement in relation to the statements and announcements, e.g. between management and the External Auditor.

ACCOUNTING, FINANCIAL REPORTING AND REGULATORY COMPLIANCE

i. To review, and challenge where necessary, the actions, estimates and judgments of management (and any changes in them), in relation to the interim and annual financial statements before submission to the Board, paying particular attention to:

1. Significant accounting policies and practices, and any changes in them
2. Disclosures and estimates requiring a major element of judgment
3. The extent to which the financial statements are affected by any unusual transactions in the year, the methods used to account for any significant or unusual transactions where different approaches are possible, and how such transactions are disclosed

4. The clarity and completeness of disclosures, and the context within which financial statements are made
5. Compliance with accounting standards
6. Compliance with legal and regulatory requirements
7. The going concern assumption
8. The representation letter to the auditors; and
9. All material information presented with the financial statements including the business review, and corporate governance statements relating to the audit and risk management.

ii. To review the controls and procedures established by management for compliance with regulatory and financial reporting requirements and with the requirements of external regulators

iii. To review the content of the annual report and accounts and advise the Board on whether, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy. The review undertaken by the Committee should assess whether the narrative is consistent with the accounting information.

ADVERSE REMARKS OF AUDITORS' REPORT

There is no adverse remark in Auditors' Report regarding any issue whatsoever.

SEPARATE INTERNAL AUDIT DEPARTMENT DISCLOSURE

There is a separate section in annual report namely Report of the Audit Committee where there is detailed disclosure on the activities of the Audit Department during 2025.

WRITTEN POLICY OF INTERNAL AUDITOR

In light of the Guidelines on Internal Control & Compliance in Banks issued by Bangladesh Bank, Standard Islami Bank PLC. has already prepared its own core risk guideline delineating operational aspects of Internal Audit Department. The Bank also has different checklists for compliance of the instructions set out in the said guidelines.

STANDARDS OF INTERNAL CONTROL

- To review the arrangements of the Bank's systems of internal controls in relation to financial management, compliance with laws and regulations and safeguarding of assets, and the procedures for monitoring the effectiveness of such controls
- To monitor any significant deficiencies and material weaknesses in internal controls and disclosure controls and procedures, as reported by Internal Audit and the External Auditor, and the implementation by management of appropriate remedial action
- To review arrangements for the receipt, retention and treatment of complaints including those regarding accounting, internal accounting controls or auditing matters. To review procedures by which employees may, in confidence and with anonymity, raise concerns including those of questionable financial reporting, accounting or auditing matters.
- To monitor and review in broad terms the scope, nature of the work and effectiveness of Internal Audit and to receive and review its reports, findings and recommendations covering key operating risks.
- Review the arrangements made by the management for building a suitable Management Information System (MIS) including computerization system and its application
- Review the existing risk management procedures for ensuring an effective internal check and control system
- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have understanding of their roles and responsibilities
- Review the corrective measures taken by the management as regards the reports relating to fraud-forgery, deficiencies in internal control or other similar issues
- detected by internal and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis.

THE GROUP'S RELATIONSHIP WITH ITS EXTERNAL AUDITORS

- Make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, on the appointment, reappointment and removal of the external auditor. The Audit Committee shall oversee the process for selecting the external auditor
- Oversee the relationship with the external auditor, including:
  a. Approving the terms of engagement (and the engagement letter) of the external auditor, including the remuneration to be paid
  b. Assessing the external auditor's effectiveness, independence and objectivity, ensuring that key partners are rotated at appropriate intervals
  c. Agreeing the policy for, and where required by that policy, approving the provision of non-audit services by the external auditor and the related remuneration
  d. Agreeing with the Board a policy on the employment of former employees of the Bank's auditor, and monitoring the implementation of this policy
- Review and approve the annual audit plan, and ensure that it is consistent with the scope of the audit engagement, and coordinated with the activities of the Internal Audit function
- Discuss with the external auditor, before the audit commences, the nature and scope of the audit and

review the auditor's quality control procedures and steps taken by the auditor to respond to changes in regulatory and other requirements

- Review the findings of the audit with the external auditor, considering the external auditor's management letter and management's responsiveness to the auditor's findings and recommendations
- Review reports prepared by the external auditor as the Audit Committee shall require, considering management's response to any major external audit recommendations
- Review annually and report to the Board on the qualification, expertise and resources, and independence of the external auditors and the effectiveness of the audit process, with a recommendation on whether to propose to the shareholders that the external auditor be re-appointed. The assessment should cover all aspects of the audit service provided by the audit firm, and include obtaining a reporting on the audit firm's own internal quality control procedures and consideration of the audit firm's annual transparency report where available
- Ensure that the Audit Committee section of the annual report should include an explanation of how the Committee has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, including length of term
- Review the audit representation letters before signature, giving particular consideration to any non-standard issues within the representations.

OTHER RESPONSIBILITIES

Place compliance report before the Board on quarterly basis regarding regularization of the errors & omissions, fraud and forgeries and other irregularities as detected by the internal and external auditors and inspectors of regulatory authorities

Perform other oversight functions as requested by the Board and evaluate the committee's own performance on a regular basis

AUDIT COMMITTEE'S REVIEW ON INTERNAL CONTROLS

The Internal Audit Division of the Bank reviews the internal control systems of the Bank and ensures that internal controls are considered properly managed and satisfactorily supervised.

The Internal Audit Division reviews internal controls throughout all divisions/branches of the Bank and then reports to the Audit Committee on their findings. The Audit Committee then reviews the report submitted by the Internal Audit Division, and provides feedback on the lapses found. The Audit Committee also guides the Internal Audit Division on how to properly monitor internal control and ensure that internal controls are being correctly administered throughout the Bank. The Audit Committee is committed that internal controls are well conceived, properly administered and satisfactorily monitored by the Bank in 2025.

AUDIT COMMITTEE'S ROLE IN COMPLIANCE WITH LAWS AND REGULATIONS

SBPLC being a part of the Banking industry in Bangladesh is obliged to act in accordance with applicable laws and regulations. There are several regulatory authorities, primarily Bangladesh Bank, who are associated with the company's operation and performance. The Audit Committee supervises and guarantees the Board, that the company obeys all the applicable laws, rules and regulations of various regulatory authorities. The Audit Committee takes all measures to ensure that SBPLC complies with all laws and regulations and that all statutory dues are being settled timely.

AUDIT COMMITTEE'S CONTRIBUTION IN THE EXTERNAL AUDIT FUNCTION

The Audit Committee analyses the audited financial statements with management and the external auditors to ensure that the Company's financial statements are objectively presented in compliance with the relevant Bangladesh Financial Reporting Standards, International Financial Reporting Standards and Bangladesh Accounting Standards in all substantial aspects, based on its review and consultations with management and the external auditors. External Auditors' are requested to attend the Audit Committee meeting where Financial Statements of SBPLC is placed for review and recommendation. The Committee also implements an annual assessment of the efficiency of the Company's Internal Audit function and certifies that Internal Audit has sufficient resources to accomplish its duties.

The Audit Committee has quite a few roles regarding the external audit functions:

1. ENSURE EFFECTIVE COORDINATION OF EXTERNAL AUDIT FUNCTION

Frequent and open interaction between the Audit Committee and the auditor is necessary to acquire the information it needs to accomplish its responsibilities to administer the company's financial reporting processes. The quality of communications also provides opportunities to assess the auditor's performance. The auditors should correspond with the audit committee as noteworthy issues develop. Such communications will emphasis on the key accounting or auditing issues that, in the auditor's finding, give rise to a greater risk of material misstatement of the financial statements, as well as any questions or concerns of the Audit Committee. Through proper communication, the Audit Committee ensures the effective coordination of the external audit function.

2. ENSURE INDEPENDENCE OF EXTERNAL AUDIT FUNCTION

The auditor must be independent of Standard Islami Bank PLC. Audit committee is familiar with the statutory and regulatory independence requirements for auditors. The technical competency of the auditor alone is not appropriate to ensure a high-quality audit. The auditor also must exercise a high level of objectivity and professional skepticism. The Audit Committee's interactions with the auditor during the audit provide numerous opportunities to evaluate whether the auditor demonstrated integrity, objectivity and professional skepticism.

3. REVIEW THE EXTERNAL AUDITORS' FINDINGS

Review the external auditors' findings in order to be satisfied that appropriate action is being taken. There are many reviews that happen throughout the entire process during the Audit Committee meetings held. The Audit Committee extensively reviews all findings of the external auditors and ensures that management is informed and is taking action for resolving any discrepancies. Before the financial statements are signed, the audit committee reviews all the findings and ensures that they are satisfied with the actions that management has taken.

4. REVIEW AND APPROVE NON-AUDIT

Review and approve non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditor

External auditors should not carry out work that does not relate directly to the discharge of audit functions, if it would impair the auditors' independence, or might give rise to a reasonable perception that their independence could be impaired. The Audit Committee must ensure that external auditors do not undertake any work that might compromise their independence. If any work is being done by the external auditors, the Audit Committee must approve before the work commences. In short, the Audit Committee is responsible that the independence of the external auditors is not comprised under any circumstance.

5. RECOMMEND EXTERNAL AUDITOR FOR APPOINTMENT / REAPPOINTMENT

The Audit Committee does an extensive review on the audit work done by the auditors after the audited financial statements have been signed. The Audit Committee evaluates the auditors on a very detailed level, and ensures that there were no threats to independence or any other issues with the auditors. The Audit Committee scrutinizes the applications of the auditors and recommends for appointment/ reappointment for the next year/AGM as per law.

AUDIT COMMITTEE'S INVOLVEMENT IN SELECTION OF APPROPRIATE ACCOUNTING POLICIES

The Audit Committee shall support the Board of Directors in certifying that the financial statements reflect a true and fair view of the company and is maintaining a good supervising system within the Bank. The Board delegates the duty to the Audit Committee to decide on the appropriate accounting policies that are in line with applicable accounting standards as applicable and adopted by the ICAB, IFRS, IAS , AAOFI and Bangladesh Securities and Exchange Commission. After choosing the appropriate accounting policies, the Audit Committee recommends the Board concerning implementation of the selected accounting guidelines. The Board subsequently accepts the selected accounting policies for implementation.

AUDIT COMMITTEE'S INVOLVEMENT IN THE REVIEW OF ANNUAL AND INTERIM FINANCIAL REPORTS

As per the Corporate Governance guideline of BSEC, the Audit Committee is expected to assess alongside with management, the interim and annual financial statements before proposing to the Board for consent. SBPLC's Audit Committee appraises the interim and annual financial releases whether audited or unaudited and places it before the Board for approval. The Audit Committee always ensures that the financial statements reflect a true and fair view of the company and analyzes the financials for any discrepancies.

RELIABILITY OF MANAGEMENT INFORMATION USED FOR COMPUTATION IN FINANCIALS

The Audit committee ensures that the management information used for computation in the financials is true and fair. In order to ensure reliability of the information, the Audit Committee always has an extensive meeting with management regarding issues of the financial statements. The Audit Committee queries management on issues that they find material to the financial statements and makes sure that management has a proper response to their queries. Through meetings with management, the Audit Committee is able to understand the reliability of the information used for computation in the financials. Management always assures that the information presented is fair and true and that all the information is derived from the system of the Bank.

DIRECTOR'S RESPONSIBILITY TO ESTABLISH APPROPRIATE SYSTEM OF INTERNAL CONTROL

The Board of Directors has always been extremely active in establishing appropriate systems of internal control. The Board of Directors has no sympathy for any type of fraud in the Bank, and always promotes a sound and strong internal control system inside the Bank. The Board of Directors has always appreciated the internal controls that have been set up by management and have also given advice on any matters when required. The Board has always been very responsible and active in establishing an appropriate system of internal control.

KEY FEATURES OF INTERNAL CONTROL SYSTEM AND THE MANNER IN WHICH THE SYSTEM IS MONITORED

Key features of Internal Control System are as follows:

1. Management oversight and the control culture
2. Risk recognition and assessment
3. Control activities and segregation of duties
4. Information and communication
5. Monitoring activities and correcting deficiencies

MANAGEMENT OVERSIGHT AND THE CONTROL CULTURE

The Board of Directors provides governance, guidance and oversight to senior management. It is responsible for approving and reviewing the overall business strategies and significant policies of the organization. The Board of Directors has the ultimate responsibility for ensuring that an adequate and effective system of internal controls is established and maintained.

Senior Management is responsible for carrying out the directives of the Board of Directors, including

the implementation of strategies and policies and the establishment of an effective system of internal control.

An essential element of an effective system of internal control is a strong control culture. It is the responsibility of the Board of Directors and senior management to emphasize the importance of internal control through their actions and words. This includes the ethical values that management displays in their business dealings, both inside and outside the organization.

RISK RECOGNITION AND ASSESSMENT

An effective internal control system requires that the material risks that could adversely affect the achievement of the Bank's goals are being recognized and continually assessed. This assessment should cover all risks facing the Bank (which are investment (credit) risk, country and transfer risk, market risk, profit rate risk, liquidity risk, operational risk, legal risk and reputational risk, Shari'ah violation risk.). Internal controls may need to be revised to appropriately address any new or previously uncontrolled risks.

CONTROL ACTIVITIES AND SEGREGATION OF DUTIES

Control activities should be an integral part of the daily activities of a Bank. An effective internal control system requires that an appropriate control structure is set up, with control activities defined at every business level. These should include: top level reviews; appropriate activity controls for different departments or divisions; physical controls; checking for compliance with exposure limits and follow-up on non-compliance; a system of approvals and authorizations and, a system of verification and reconciliation.

INFORMATION AND COMMUNICATION

An effective internal control system requires there are adequate and comprehensive internal financial, operational and compliance data, as well as external market information about events and conditions that are relevant to decision making. Information should be reliable, timely, accessible, and provided in a consistent format.

MONITORING ACTIVITIES AND CORRECTING DEFICIENCIES

The overall effectiveness of the Bank's internal controls should be monitored on an ongoing basis. Monitoring of key risks should be part of the daily activities of the Bank as well as periodic evaluations by the business lines and internal audit.

The Board of Directors of Standard Islami Bank PLC. performs the following activities to monitor the Internal Control System:

- Periodic discussions with management concerning the of the internal control system.
- Timely review of evaluations of internal controls made by management, internal auditors, and external auditors.
- Periodic efforts to ensure that management has promptly
- followed up on recommendations and concerns expressed by auditors and supervisory authorities on internal control weaknesses.
- Periodic review of the appropriateness of the Bank's strategy and risk limits.

Through the establishment of the Audit Committee, the Board of Directors monitors the effectiveness of internal control system. The Audit Committee evaluates whether management is setting the appropriate compliance culture by communicating the importance of internal control among the employees. They also review the corrective measures taken by the management relating to operational lapses.

Senior management of Standard Islami Bank PLC. develops processes that identify, measure, monitor and control risks incurred by the Bank; maintains an organizational structure that clearly assigns responsibility, authority and reporting relationships; ensures that delegated responsibilities are being carried out effectively; sets appropriate internal control policies; and monitors the adequacy and effectiveness of the internal control system. They ensure proper control through techniques such as top level reviews, activity controls, physical controls, compliance with exposure limit, approvals & authorizations and verification & reconciliation of transactions of the Bank.

REVIEW OF THE ADEQUACY OF THE SYSTEM OF INTERNAL CONTROLS BY DIRECTORS

In almost every Audit Committee meeting, the issue of adequacy of the system of internal controls is a factor that is taken into consideration. The Audit Committee is responsible to the Board of Directors to ensure that the system of internal controls is adequate to protect against any type of fraud. The Committee has reviewed the corrective measures taken by management relating to fraud-forgery and deficiencies in internal control.

The Audit Committee places all the compliance reports before the Board of Directors and regulators on a timely basis and has performed all other oversight functions in relation to Internal Control System of the Bank. In this way, the Directors review the adequacy of the system of internal controls.

IDENTIFICATION OF RISKS TO WHICH SBPLC IS EXPOSED INTERNALLY AND EXTERNALLY

Banking industry is unique in many ways and one of the features that set it apart from other business is the diversity and complexity of the risks it is exposed to. Deregulated regimes along with globalization of business have opened new frontiers that warrant risk management an even greater priority. The failure to adequately manage these risks exposes Banks not only to business losses but also may result in circumstances that they cannot remain in business. Following are the core risk areas of Banking:

1. Shari'ah non-compliance Risk
2. Investment (credit) Risk including Environment Risk
3. Asset and Liability/Balance Sheet Risk
4. Foreign Exchange Risk
5. Internal Control and Compliance risk
6. Money laundering Risk
7. Information and Communication Technology Security Risk

Banking companies in Bangladesh, while conducting day-to-day operations, may face some other risks both internally and externally:

- Investment (credit) risk also includes concentration risk, country risk, transfer risk, and settlement risk
- Market risk (including profit rate risk in the Banking book, foreign exchange risk and equity market risk)
- Liquidity Risk
- Operational Risk
- Strategic Risk
- Reputation Risk

STRATEGIES ADOPTED TO MANAGE AND MITIGATE THE RISKS

Standard Islami Bank PLC. adopted the following strategies to mange and mitigate risks:

- Setting targets for capital ratios and capital composition
- Managing the balance sheet
- Managing the funding structure
- Determining general principles for measuring, managing, and reporting the Bank's risks
- Developing risk policies for business units
- Determining the overall investment strategy
- Identifying, monitoring, and managing the Bank's current and potential operational risk exposures
- Handling "critical risks" (risks that require follow-up and further reporting)
- Following up on reviews by and reports from Bangladesh Bank and informing the Board of issues affecting the Bank's operational risks
- Following up on reports prepared by Internal Audit and informing the Board through Audit Committee of unusual circumstances
- Preparing management information on issues such as IT security, physical security, business continuity, and compliance.

Information regarding Risk management techniques used by management to identify and mitigate risk can be found in the Risk Management Report.

ETHICS AND COMPLIANCE

Standard Islami Bank PLC. is always committed to establishing the highest level of business compliance and ethical standard.

The Bank has an 'Employee Code of Ethics and Business Conduct' – a framework of ethical behavior for all the employees of the organization.

The leaders/managers are required to exemplify the highest standards of conduct and ethical behavior. The leaders/managers are expected to:

- Lead according to Standard Islami Bank PLC. standards of ethical conduct, in both words and actions.
- Create and maintain an environment where employees feel comfortable asking questions or reporting concerns.
- Be diligent in enforcing the Bank's ethical standards and taking appropriate action if violations occur.
- Contact the Human Resources Division when in need of assistance.

The Employee Code of Ethics and Business Compliance also specify the grounds of punishment to refrain employees from any unwanted behavior. For instances, an employee shall be liable to disciplinary actions, if he/she:

- Is convicted of any offence involving moral turpitude;
- Is corrupt or may reasonably be considered to be corrupt;
- Assumes a style of living beyond his/her ostensible means;
- Is engaged or is reasonably suspected of being engaged in subversive activities, or is reasonably suspected of being associated with others engaged in subversive activities, and whose retention in service is therefore considered prejudicial to national security;
- Is in possession of pecuniary resources or property disproportionate to his/her known sources of income etc.

The code of employee ethical behavior gives focus on the followings:

- Protecting Privacy of Customers' and Confidential Company Information,
- Preventing Money Laundering and/or Fraud,
- Avoiding Drug/Substance/Alcohol Abuse in the Workplace
- Protecting Bank's assets
- Avoiding any conflict of interest etc.

Each of the above stated issue is properly explained as separate section in the 'Employee Code of Ethics and Business Conduct'.

INTEGRITY

The 'Employee Code of Ethics and Business Conduct' starts with the phrase "Uncompromising integrity". Employees of Standard Islami Bank PLC. are judged not only in terms of competencies, but also with their integrity. The reputation and continued success of Standard Islami Bank PLC. largely depend on a shared commitment to the core value of integrity. Respecting this value is the responsibility of each and every member of the organization.

CONFLICT OF INTEREST

The Code of Ethics and Business Conduct aware employees to avoid situations where their personal interests conflict, or may appear to conflict, with those of the Bank. Employees are advised to take particular care when they are responsible for dealing with customers, suppliers, agents on behalf of the Bank. Any failure to disclose a conflict of interest leads to a disciplinary action.

COMPLIANCE WITH THE LAWS AND REGULATIONS

Standard Islami Bank PLC. maintains its reputation as a law-abiding organization and a good corporate citizen. It complies with all the prevailing laws and regulations of the country. Employees are trained and guided to conduct business in compliant manner. The policy and procedures regarding Standard Islami Bank PLC.'s business process are prepared in adherence to the laws and regulations.

COMMUNICATION OF THE STATEMENT OF ETHICS & BUSINESS PRACTICES

All employees are properly inducted to comply with Code of Ethics and conform to the relevant laws and regulations. HR Division makes sure that during joining employees read, understand the 'Code of Ethics and Business Conduct' and acknowledge the same by signing. HR continuously raises awareness on regular interval among employees to ensure that business decisions and actions undertaken by employees are completely in compliance with the prevalent rules and regulations. The leaders/managers of the Bank are mandatorily required to communicate and help their employees to understand how ethics apply to their positions and everyday behavior.

The Board of Directors of Standard Islami Bank PLC. has approved the 'Employee Code of Ethics and Business Conduct' with a commitment to setting high ethical standards so that customers' expectations and interests are protected in a compliant manner.

THE BOARD'S COMMITMENT TO ESTABLISHING HIGH LEVEL OF ETHICS AND COMPLIANCE WITHIN THE ORGANIZATION

The Board of Directors has always been committed to establishing a high level of ethics and compliance among all employees of the organization. They have always encouraged management to ensure that everyone maintains a high ethical standard within the Bank. The Board guides management on principles that should be adopted and followed by everyone in the Bank.

WHISTLE BLOWING

Whistle blowing about bad practices can help ensure that problems are identified before it is too late. This helps prevent disasters ranging from customer mistreatment to huge financial loss. Standard Islami Bank PLC.s whistle blowing procedures encourage employees to disclose concerns using appropriate channels before these concerns become a serious problem which might jeopardize Bank's reputation through negative publicity, regulatory investigation, fines and/or compensation.

Whistle blowing is increasingly recognized as an important tool in the prevention and detection of corruption and other malpractice. The clandestine nature of corrupt behavior means that it may never come to light unless cases are reported by people who discover them in the course of their work.

Employees are encouraged to report any wrong-doing within the Bank. The Head of Internal Control and Compliance and Human Resources Divisions are the primary channel to report any incident. The Reporting channels offer the employees the opportunity to report while maintain their identity confidential. However, from experience, Standard Islami Bank PLC. understands that an effective whistle blowing policy demands for a shift in the culture. The Bank has a division named Internal Control and Compliance Division which dedicatedly works to ensure effective controls mechanism in the entire business entity.

INDEPENDENCE OF SHARI'AH SUPERVISORY COMMITTEE

As per Islamic Banking Guidelines issued by Bangladesh Bank, SBPLC formed an independent Shari'ah Supervisory Committee (SSC) consisting of 5 (five) members including experienced and knowledgeable persons in Islamic Jurisprudence. The Board of Directors of SBPLC attaches its highest priority to complete independence of Shari'ah Supervisory Board as enshrined in AAOIFI Governance Standard No.5. The Shari'ah Supervisory Committee of SBPLC gives opinions and guidelines to ensure Shari'ah compliance in all activities of the Bank particularly in the modes of investment. The Committee is governed by a by-laws approved by the Board of Directors. The representatives of the Committee attend different meetings of the Bank like Board of Directors, Audit Committee, and Annual Business Development Meetings and Conferences to give opinions and oversee the activities of the Bank from Shari'ah perspective. The Committee also evaluates performance of the officials in terms of their Shari'ah compliance.

FUNCTIONS OF THE COMMITTEE

- The function of the Shari'ah Supervisory Committee is to offer views on matters related to the Bank from time to time. The Shari'ah Supervisory Committee may require any papers from the Bank and examine the same in order to ensure that all activities of the Bank are being carried out in accordance with the Islamic principles.
- To devote time and effort to devise more Shari'ah-compliant transactional procedures, templates and Banking products that enable the Bank to adapt to market trends while maintaining a highly competitive edge in deposit procedures, investments and Banking services.
- The SSC assists the BOD by way of giving advice on matters relating to Shari'ah. The BOD must respect their recommendations on Shari'ah principles as it is committed to run the Bank strictly in accordance with Shari'ah.
- Analysing contracts and agreements concerning the Bank's transactions as submitted by the Chairman of the Board of Directors or any department/branch within the Bank or requested by the Board itself so that Shari'ah compliance can be evaluated and maintained.
- Ensuring Shari'ah compliance in the implementation of all Banking transactions and correcting any breaches.
- The SSC has a Secretariat with a Member-Secretary who oversees whether the functions of the Bank are being carried out in accordance with the principles of Islamic Shari'ah. The Member-Secretary remains responsible to the Shari'ah Supervisory Committee.
- The status of the SSC is advisory to the BOD and Supervisory in respect of operational activities of the Bank.

- The Committee submits a complete annual report for the Board of Directors summarizing all the issues referred to the Board as well as its opinion on the Bank's transactional procedures.
- The Shari'ah Supervisory Committee certifies the financial statements from time to time.
- The Shari'ah Supervisory Committee provides an annual round up statement on the adequacy of Shari'ah compliance measures carried out in the Bank.

HUMAN CAPITAL

Employees are the key driving force of Standard Islami Bank PLC.'s continuous success

A group of motivated and engaged employees with diverse talents is the key asset of Standard Islami Bank PLC. Standard Islami Bank PLC. is highly reputed in the market as an employer of choice. The Bank has positioned itself with a performance-driven rewarding work culture; where employees are treated with respect and receive widened opportunities to realize their diverse potentials fully as well as benefit the organization by demonstrating value creating behaviors.

To ensure long term sustainability, Standard Islami Bank PLC. has a special focus on skill and merit based recruitment and selection process, highly competitive remuneration package, adequate training and development programs, career growth with succession planning, high-performance culture and pleasant working atmosphere where employees are able to escalate their grievance and receive counseling.

RECRUITMENT AND SELECTION PROCESS WITH 'BEST-FIT' ETHOS FOLLOWED BY CLEARLY DEFINED POLICY AND PROCEDURES

The recruitment and selection in Standard Islami Bank PLC. follows the 'best fit' approach. As per Bank's requirement, Human Resources Division ensures that the potential candidates are properly assessed, selected and placed on-time as per required competencies (KSA – Knowledge, Skill & Attributes) and experience. Standard Islami Bank PLC. has a recruitment policy that clearly states the criteria and procedures to recruit fresh and lateral entrants. The Bank has a Management Trainee Program which is aimed to recruit outstanding fresh graduates and develop them as the future leaders of Standard Islami Bank PLC.

ENSURING ADEQUATE LEARNING & DEVELOPMENT OPPORTUNITIES THROUGH EFFECTIVELY DESIGNED TRAINING PROGRAMS AND ON-THE-JOB EXPERIENCE.

SBPLC continuously thrives to transform Human Resources to Human Capital through appropriate learning and development initiatives in every aspects of work area. HR Division regularly undertakes effectively designed training programs targeting the right group of employees through proper training need assessment. The Bank has a separate HR Training & Development Centre.

WELL-CRAFTED COMPENSATION & BENEFITS PACKAGE TO HAVE A POSITIVE IMPACT ON EMPLOYEES' OVERALL WELL- BEING

SBPLC has a flexible compensation and benefits system that helps ensure pay equity, is linked with performance that is understood by employees, and keeps in touch with employee desires and what's coveted in the market, while maintaining a balance with the business affordability.

All employees are paid competitive remuneration package. The structure and level of remuneration are reviewed time to time based on Bank's performance and affordability.

ENSURING HORIZONTAL AND VERTICAL CAREER GROWTH

SBPLC always plans for employees so that they can advance their career goals. This includes advancement into more responsible positions. The company supports career opportunities internally so that talented employees are placed in upgraded positions and thereby enables them to deliver their greatest value to the organization. In addition to vertical career growth, employees may also grow horizontally. Whenever possible Human Resources Division mobilizes employees across different functions and branches; thus assisting them to progress with varied skills and experience.

SUCCESSION PLANNING FOR THE TALENTS IN DIFFERENT LAYERS OF THE ORGANIZATIONAL HIERARCHY

Besides encouraging individual employee growth and development, SBPLC also gives effort to identify and retain the human resources who can potentially be the successors of mission critical roles. SBPLC acknowledges that Succession Planning & Management is vital to the continued success of the Bank. SBPLC continuously assesses organizational, divisional and team capability gaps to identify, develop and retain the successors in a timely manner to meet the demands of the future.

COMPREHENSIVE PERFORMANCE MANAGEMENT PROGRAM TO REWARD EMPLOYEES AND DRIVE FURTHER DEVELOPMENT

SBPLC has a comprehensive performance management program that evaluates employees' yearly performance against business targets at the year-end. This performance appraisal system is considered as crucial for the Bank as this is a very important tool to identify and distinguish the performers and non-performers. Standard Islami Bank PLC. believes that a well-executed performance appraisal system can help reward the deserving employees, as well as help ensure further development program for the rest.

REWARD & RECOGNITION PROGRAM TO MEET EMPLOYEES' INTRINSIC PSYCHOLOGICAL NEED FOR APPRECIATION

SBPLC has a well-designed Reward & Recognition program that gives special attention to employees' actions, efforts, behavior and performance. It meets the intrinsic psychological need for appreciation of employees' efforts and supports business strategy by reinforcing certain behaviors (e.g., extraordinary accomplishments) that contribute to Bank's success.

GRIEVANCES AND COUNSELING

Since employee's behavior affects work discipline, HR Division always encourages employees to report if they

have any work related grievance. In SBPLC, there is formal procedure to address the employee grievance. Time to time HR Division also counsels employees as part of its job as people's advocate.

ENSURING A DECENT WORKPLACE WHERE EMPLOYEES CAN PARTICIPATE IN WORK WITH RESPECT

Standard Islami Bank PLC. believes that the business can grow favorably if the organization enables employees through creating and maintaining a decent workplace. In SBPLC, there is a decent work environment where employees can work with dignity, have the freedom to express opinions, can participate in the decision making process that affect their lives, and receive equal treatment and opportunity. SBPLC ensures security in the workplace and social protection for employees' families, better prospects for their personal development and social integration.

COMMUNICATION TO SHAREHOLDERS & STAKEHOLDERS

COMPANY'S POLICY/STRATEGY TO FACILITATE EFFECTIVE COMMUNICATION WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

Standard Islami Bank PLC. ensures that all shareholders are notified at least 3 weeks before the AGM so that all shareholders may attend on the day. Also all other types of accounts (Quarterly and Half yearly) or information are updated on the website and notified to all stakeholders on a duly basis. The Bank tries to maintain liaison with all major shareholders as much as possible and ensures that all stakeholders are informed about the Bank's activities on a routine basis. SBPLC also engages with all types of stakeholders as much as possible to ensure that information is effectively communicated.

The Directors appreciate the importance of general shareholders of the Bank and use the Bank's AGM as further opportunities to communicate with them. SBPLC provides copies of the annual report in order that these are made available to them well in advance for detail and constructive discussion. It is the company's policy to give the shareholders the opportunity to ask questions about its activities and prospects at the AGM.

The Board also structures these meetings so that shareholders can vote separately on each matter, by proposing separate resolutions for each item to be considered.

COMPANY'S POLICY ON ENSURING PARTICIPATION OF SHAREHOLDERS IN THE ANNUAL GENERAL MEETING AND PROVIDING REASONABLE OPPORTUNITY FOR THE SHAREHOLDER PARTICIPATION IN THE AGM

SBPLC tries its utmost to ensure that all shareholders can participate in the AGM. Annual Reports are sent at least 14 days before the AGM to ensure all shareholders are notified about the event date, place and time. Also, SBPLC always ensures that link of AGM send to all shareholders to attend easily. Notices to shareholders are made by publication in the daily newspapers and through the digital media as well. To ensure compliance with regulatory bodies, SBPLC ensures that it publishes in two widely circulated newspapers in English and Bangla and sent to the stock exchanges and BSEC.

SBPLC ensures effective communication with the shareholders and encourages shareholder participation at the AGM. SBPLC connects with the investors through AGM, EGM, Annual Report and Company's website. All of the Bank's publications to the market may be retrieved through the Company's website. Shareholders are offered the chance to interrogate the Board regarding the operation of the Bank. They are also presented the ability to query the Company's auditors concerning topics linked to the audit of the Company's financial statements at the AGM.

INVESTORS' RELATION DESK

There is a separate section namely Redressal of Investors' Grievances which clearly sets out detailed information on how an aggrieved investor can sort out any pending issues regarding his/her share in Standard Islami Bank PLC. It also has details on the desks dedicated to addressing such grievances and the persons who will provide the service over the counter.

10% ABOVE SHAREHOLDING NAME DETAILS

As of December 31, 2025, there is no individual shareholder in the shareholding of the Bank having ownership of 10% or more shareholding.

INFORMATION CIRCULATION ON UNCLAIMED DIVIDEND

The share division of the Bank regularly and repeatedly sends letters to the respective owners of unclaimed dividend holders.

EMPLOYEE PARTICIPATION IN THE MANAGEMENT

The Board of Directors of Standard Islami Bank PLC. is involved only in the policy-making functions of the Bank. The day-to-day operations of the Bank are carried out by the Management. Therefore, there are different management level committees in the Bank namely senior Management Committee, Management Investment Committee, Asset Liability Management Committee, Executive Risk Management Committee and so on. Each of these committees has clearly specified terms of references.

VENDOR PAYMENT IN TIME

Standard Islami Bank PLC. believes that it will entail reputation risk for the Bank if it fails to make timely payment to its vendors when the good and services are accepted by the Bank.

GOVERNMENT TAX PENDING

There is no major pending issue with National Board of Revenue (NBR) regarding the tax liability of the Bank.

ENVIRONMENTAL AND SOCIAL OBLIGATION

DESCRIPTION OF THE COMPANY'S POLICIES AND PRACTICES RELATING TO SOCIAL AND ENVIRONMENTAL RESPONSIBILITY OF SBPLC

A natural and fresh environment, efficient use of reserves and appreciation for people's well-being and safety are what SBPLC has always believed in. In harmony with this, SBPLC is constantly working towards decreasing consumption of energy (especially electricity, water and gas) at its branches, removal of use of hazardous substances from its practices and reducing waste generation. The importance is on diminishing paper transactions to the extent that the Credit Committee has already been made paperless, and SBPLC is moving forward and thinking about implementing it more through the branches. Board and its Committee Meetings are also made paperless through using in-house built software. One of the key objectives for financing manufacturing companies is to ensure that they try to lessen their carbon footprint.

Bangladesh Bank has taken steps to inspire green Banking in Bangladesh through the issuance of guidelines on green Banking and Environmental Risk Management (ERM). It is always inspiring Banks in lessening paper communications and fitting solar power system in branches and giving refinance to the solar energy, bio-gas and effluent treatment plant (ETP) sectors at eased profit rates.

SBPLC has always been committed to the environment and also been active in social activities throughout the year 2025, and will remain to do so in the future.

SPECIFIC ACTIVITIES UNDERTAKEN BY THE SBPLC REGARDING ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

SBPLC has always been active regarding its activities for the environment. It is also in the process of issuing a green manual for how to make all branches and divisions more environmental friendly. Also, solar panels have been set up in quite a few branches as well, and the initiative has been taken to install more solar panels in branches in the future. Environmental activities during the year can be found more in details in the Green Banking Report.

SBPLC has always been an active member of society and has tried to enhance people's lives and its employees as well. Standard Islami Bank PLC. Foundation was solely initiated for the purpose of Corporate Social Responsibility. SBPLCs social activities can be found on the Standard Islami Bank PLC. Foundation chapter and its commitment to its employees can be found in the CSR Report.

REPORT OF THE AUDIT COMMITTEE

In compliance with Bangladesh Bank's BRPD Circular No. 02 dated 11 February 2024 and the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Notification dated 03 June 2018, the Audit Committee (AC) of the Board of Directors of Standard Islami Bank PLC. (SBPLC) was constituted by the Board to provide independent oversight of the company's financial reporting, non-financial disclosures, internal control systems, and compliance with applicable laws, rules, and regulations. The major objectives of the Audit Committee include:

- Reviewing the financial reporting process, internal control systems, management of financial risks, audit processes, and the bank's compliance with regulatory requirements, including Bangladesh Bank inspection reports.
- Assisting the Board in fulfilling its oversight responsibilities, including implementation of strategies, objectives, and business plans for the effective functioning of the Bank.

Members of the Audit Committee:

Sl. No	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr. Khondoker Rumy Ehsanul Huq	Independent Director	Chairman	B.Com (Hons) MBA
02	Mr. S.A.MD Hossain	Director	Member	HSC
03	Mr. Gulzar Ahmed	Director	Member	HSC
04	Mr. Golam Hafiz Ahmed	Independent Director	Member	B.S.S (Hons), M.S.S. (Economics)

MEETINGS OF THE AUDIT COMMITTEE

As per Bangladesh Bank guidelines, at least four meetings are to be held annually. In 2025, the Audit Committee of SBPLC held six meetings, engaging in detailed discussions with the Head of Internal Control & Compliance, Head of Audit and Inspection and External Auditors on various findings, observations, and corrective actions. The Committee instructed Management to implement the recommendations and ensure effective monitoring. The meetings were held as follows:

Sl. No	Meeting No.	Date
01	120th Audit Committee	29 January 2025
02	121st Audit Committee	24 April 2025
03	122nd Audit Committee	30 April 2025
04	123rd Audit Committee	28 May 2025
05	124th Audit Committee	24 July 2025
06	125th Audit Committee	20 October 2025

MAJOR AREAS FOCUSED BY THE AUDIT COMMITTEE IN 2025

The Committee reviewed and discussed the following critical issues, among others, during 2025:

1. Proposal for appointment of an Independent Director in the Board of Standard Islami Bank PLC.
2. Recruitment of Deputy Managing Director of the Bank.
3. Proposal for review and approval of the Report on Shari'ah Audit & Inspection for the 4th quarter ending on 31st December, along with the annual report for the year 2024.
4. Proposal for review and approval of the Report of Shari'ah Audit & Inspection for the 1st quarter ended on 31st March, 2025.
5. Information memo on serious irregularities including misappropriation and fraudulent activities detected by investigation Team at our Muksudpur Branch, Gopalgonj.
6. Review of draft audited Financial Statements for the year ended on 31st December, 2024 (both Solo and consolidated) of our Bank.
7. Proposal for Appointment of an External Auditor for the year 2025 of Standard Islami Bank PLC.
8. Proposal for Appointment of an External audit firm (Chartered Accountants) for auditing of cash incentive of the eligible clients of Standard Islami Bank PLC.
9. Proposal for appointment of Auditor for Certificate of compliance on Corporate Governance Code of Standard Islami Bank PLC. for the year 2025.
10. Approval for i) Change of Banks name from Standard Bank PLC. to Standard Islami Bank PLC. & ii) Change of banks logo.
11. Self–Assessment of Anti-Fraud Internal Controls of the Bank for the 1st half of the year 2025 i.e. January 01, 2025 to June 30, 2025 as per Bangladesh Bank DOS Circular letter no.10 dated 09.05.2017.
12. Proposal for the Approval of the On-site and Off-site Shari'ah Audit & Inspection Plan for the Year 2026.
13. Submission of Draft Fraud and Forgery Prevention Management Policy-2025 in line with Bangladesh Bank ICCD Guidelines (2016).
14. Approval of Updated Departmental Control Function Checklist (DCFCL).
15. Information Memo for High-Risk ICT Audit Observations on SWIFT Operations.
16. Annual Report on the Health of Standard Islami Bank PLC., for the year 2024
17. Compliance with the Instructions/Circulars of Bangladesh Bank & other Regulatory Authorities.

The Committee took serious note of internal control lapses, guided management on recovery efforts, and advised on strengthening IT operations to avoid future errors and omissions. The Committee emphasized establishing robust credit administration and stronger monitoring mechanisms.

I) STATEMENT ON REVIEW OF INTERNAL CONTROL

Standard Islami Bank PLC. maintains a defined internal control policy to ensure compliance with operational, financial, and regulatory objectives. The Committee assesses whether:

- Management communicates the importance of internal controls and risk management.
- Employees understand their roles and responsibilities.
- Internal audit and external audit recommendations are recognized and implemented properly.
- Computerization and MIS processes are effectively supported.
- Fraud and control issues identified by regulators and auditors are addressed.

II) STATEMENT ON REVIEW OF FINANCIAL REPORTING

The Committee ensures:

- Financial statements reflect true and fair information, in line with applicable laws and accounting standards.
- Appropriate accounting principles are selected and applied transparently.
- Discussions with management and auditors precede finalization of the statements.
- Issues like accounting complexities, material adjustments, and fraud risks are discussed and investigated as needed.

III) STATEMENT ON REVIEW OF INTERNAL AUDIT FUNCTIONS

The Committee monitors:

- Independence and effectiveness of the Internal Audit Division.
- Whether audit findings are adequately addressed by management.
- That audit coverage, frequency, and staffing are adequate to identify key risks.

IV) STATEMENT ON REVIEW OF EXTERNAL AUDIT FUNCTIONS

The Committee:

- Reviews external audit performance and independence.
- Examines audit scope, planning, and coordination with internal audit.
- Makes recommendations for external auditor appointment.
- Ensures non-audit services do not compromise auditor independence.

V) STATEMENT ON REVIEW AND RECOMMENDATION OF FINANCIAL STATEMENTS

The Audit Committee:

- Reviews both annual and interim financial releases before Board approval.
- Ensures material corrections are reflected properly.
- Engages with management and auditors to validate completeness and fairness.
- Reviews accounting judgments, estimates, and policy disclosures.
- Promotes transparent financial reporting.

VI) STATEMENT ON COMPLIANCE WITH LAWS AND REGULATIONS

The Committee, alongside the Board and Management, promotes a strong compliance culture and:

- Reviews compliance monitoring systems.
- Ensures disciplinary action for non-compliance, where necessary.
- Facilitates anonymous reporting of accounting irregularities.
- Reviews findings of regulatory examinations and ensures corrective action.
- Oversees the Code of Conduct and legal compliance updates from Management and counsel.

AUDIT COMMITTEE ASSURANCE

The Audit Committee is satisfied to the best of their knowledge that:

- All regulatory and internal guidelines are duly followed.
- Internal controls, particularly IT security, are robust and effective.
- Business processes and human resources are aligned to support compliance.
- Financial statements are prepared in accordance with IFRS and Bangladesh Bank guidelines.
- Assets and liabilities are managed transparently and responsibly.
- Legal and professional obligations, including fees, are timely addressed.
- Minutes of Committee meetings are submitted to the Board for review and ratification.

Accordingly, the Committee assures the Board that Standard Islami Bank PLC. complies with all applicable rules, regulations, and internal policies, and statutory obligations are discharged timely.

Khondoker Rumy Ehsanul Huq
Chairman, Audit Committee of the Board

DIRECTORS' STATEMENT ON INTERNAL CONTROL

RESPONSIBILITY

As per the Bangladesh Bank Circular BRPD Circular No. 2, dated; 14 February 2024 which clearly define the Responsibility of the Board of Directors on Internal Control of the Company. The Board of Directors is responsible for the adequacy and effectiveness of Standard Islami Bank PLC. (SBPLC) system of internal controls. However, such a system is designed to manage the SBPLC's key areas of risk within an acceptable risk profile, rather than eliminate the risk of failure to achieve the business objectives and policies of the Company. Accordingly, the system of internal controls can only provide a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud. The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Company and this process includes enhancing the system of internal controls as and when there are changes to business environment or regulatory guidelines. The process is regularly reviewed by the Board in accordance with the guidance for Directors of Bank's on the BRPD Circulars on Internal Control issued by the Bangladesh Bank. As per the said guidance, significant processes affecting significant accounts of the Company were assessed along with the key risk areas of the Company. The management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced by the Company, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks. The Board is of the view that the system of internal controls in place is sound and adequate to provide a reasonable assurance regarding the reliability of financial reporting, and that the preparation of financial statements for external purposes is in accordance with relevant accounting principles and regulatory requirements.

SIGNIFICANT INTERNAL CONTROL PROCESSES

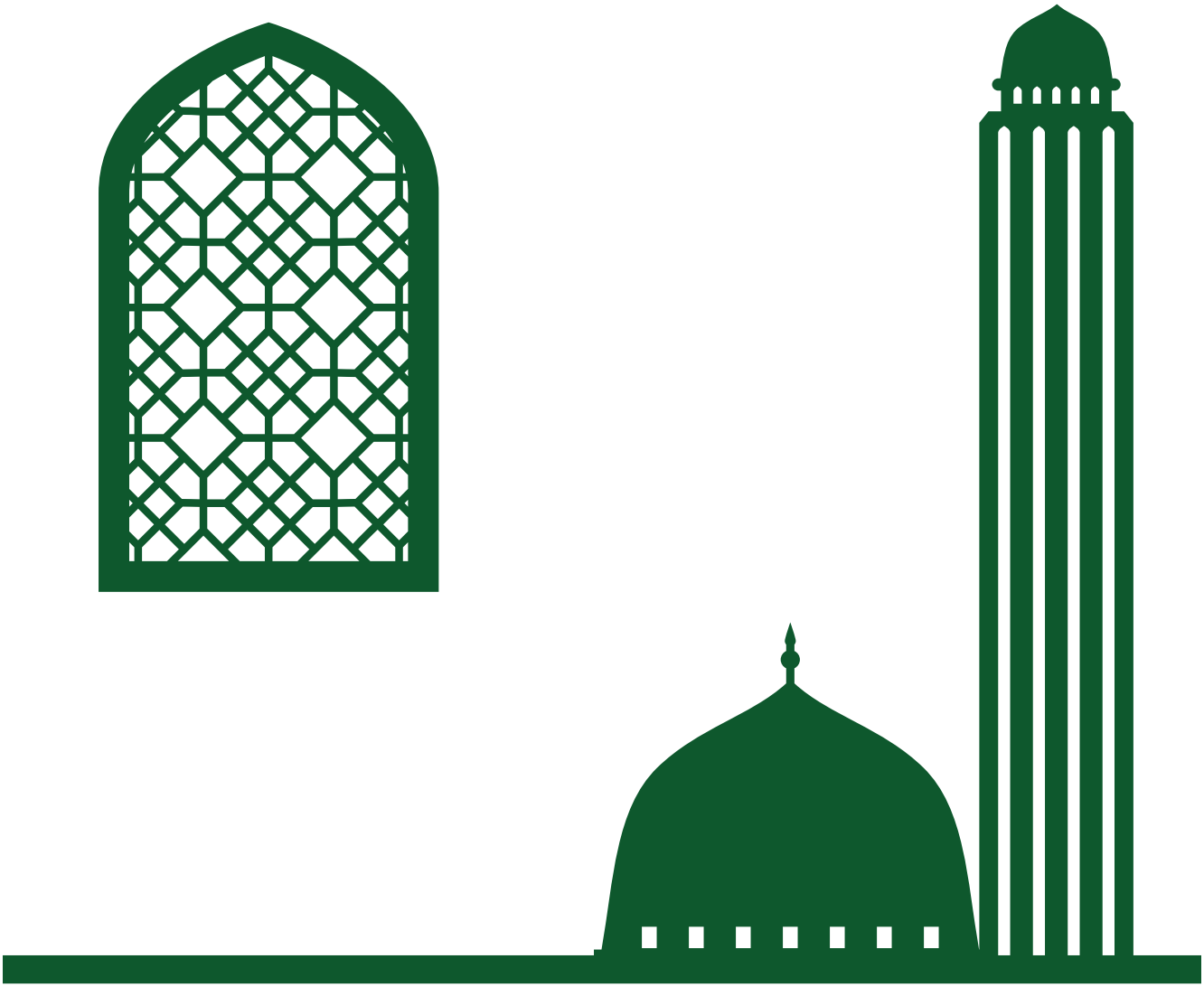
The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls include the following:

- The Board Sub Committees are established to assist the Board in ensuring:
  - i. the effectiveness of the SBPLC's daily operations.
  - ii. that the SBPLC's operations are in accordance with the corporate objectives and strategies.
  - iii. that the operations of the Company are in line with the annual budget as well as the policies and business directions that have been approved by the Board.
- The Internal Audit Division of the Company checks for compliance with policies and procedures and the effectiveness of the internal control systems and highlights significant findings in respect of any non-compliance. Audits are carried out on majority of units and branches, the frequency of which is determined by the level of risk assessed by the internal audit, to provide an independent and objective report on operational and management activities of these units and branches. The annual audit plan is reviewed and approved by the Audit Committee and the findings of the audits are submitted to the Audit Committee for review at their periodic meetings.
- The Audit Committee of the Company reviews internal control issues identified by the Internal Audit Division, the external auditors, regulatory authorities and Management; and evaluates the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit function with particular emphasis on the scope of audits and quality of the same. The minutes of the Audit Committee meetings are tabled for the information of the Board on a periodic basis. Further details of the activities undertaken by the Audit Committee of the Company are set out in the Audit Committee Report.
- The Risk Management Certificate (RMC) is established to assist the Board to oversee the overall management of principal areas of risk of the Bank. The Risk Management Forum which includes representation from all key business and operating units of the Bank, assists the Board with the implementation of policies advocated at the Board Audit Committee.
- Board Executive Committees have also been established with appropriate empowerment to ensure effective management and supervision of the SBPLC's core areas of business operations and investments. In assessing

the internal control system over financial reporting, identified officers of the Bank collated all procedures and controls that are connected with significant accounts and disclosures of the financial statements of the Bank. These in turn were observed and checked by the internal audit department for suitability of design and effectiveness on an ongoing basis. The Bank adopted the new International Accounting Standards Comprising IAS & IFRS. Since adoption of such Bangladesh Accounting Standards, progressive improvements on processes to comply with new requirements of recognition, measurement, classification and disclosure are being made whilst, further strengthening of processes will take place pertaining to impairment of investments and financial statement disclosures. They also recognized the need to introduce an automated financial reporting process to more effectively comply with the requirements of recognition, measurement, classification and disclosures of financial instruments. The assessment did not include subsidiaries of the Bank. The recommendations made by the external auditors in connection with the internal control system in previous years were reviewed during the year and appropriate steps have been taken to implement and rectify them.

CONFIRMATION

Based on the above processes, the Board is satisfied that Internal Control Policy, Practice & Procedure of the Bank are effective and these provide a reasonable assurance in achieving objectives of the Bank with the standards , i.e. (i) reliability of the financial information; (ii) effectiveness and efficiency of operations; (iii) compliance with applicable laws and regulations; (iv) adherence to management policies; (v) safeguarding of Bank's Assets; (vi) prevention and detection of fraud and errors; and (vii) accuracy and completeness of the accounting records.



REPORT OF
THE BOARD RISK MANAGEMENT COMMITTEE

In compliance with the Sub-section (3) of Section 15Kha of the Bank-Company Act-1991, (Amended-2013) and the subsequent BRPD Circular No. 11 dated 27 October, 2013 issued by Bangladesh Bank, the Board of Directors of Standard Islami Bank PLC. has formed a committee named 'Board Risk Management Committee' The following directors were members of the risk Management Committee during the year 2025:

Sl No	Name	Status with the Bank	Status with the Committee
01.	Mr. Kazi Akram Uddin Ahmed	Chairman	Chairman*
02.	Mr. S.A.MD Hossain	Director	Member
03.	Mr. Mohammed Abdul Aziz	Director	Member
04.	Mr. Al-haj Mohammed Shamsul Alam	Director	Member

* Presided over 01 meeting. He was retired and re-elected in 26th AGM of the Bank held on 14 August 2025, but Bangladesh Bank did not give approval for re-appointment. So, Mr. S.A. MD Hossain presided over 03 meeting in absence of Mr. Kazi Akram Uddin Ahmed.

Formation of Board Risk Management Committee has been made mandatory to ensure proper risk management practice in the bank. The Committee is responsible for assisting the Board in performing its related duties and responsibilities for determining the risk profile of the Bank, ensuring mitigation where possible and allocating sufficient capital for unforeseen risks.

QUALIFICATIONS OF THE MEMBERS:

1. Integrity, dedication, and opportunity to spare time in the functions of the Committee will have to be considered while nominating a director to the committee;
2. Each member is capable of making valuable and effective contributions in the functioning of the Committee;
3. For performing his or her role effectively, each Committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.

ROLES AND RESPONSIBILITIES OF THE RISK MANAGEMENT COMMITTEE:

1) Risk identification & control policy

i. To formulate and implement policies appropriate for risk assessment and its control

ii. To monitor risk management policies & methods and amend it if necessary

iii. To review the risk management process to ensure effective prevention and control measures

2) Construction of organizational structure

i. To ensure an adequate organizational structure for managing risk within the bank

ii. To supervise formation of separate management level committees

iii. To monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines

3) Analysis and approval of Risk Management policy

i. To review Risk Management Policy & guidelines of the Bank annually

ii. To recommend Board of Directors regarding any propose amendments if necessary

iii. To review limit including lending limit at least once annually and amend if necessary

4) Storage of data & Reporting system

i. To approve adequate record keeping and reporting system developed by the bank management

ii. To ensure proper use of the system (record keeping & reporting system)

iii. Minutes its proposal, suggestions & summary and inform it to the Board of Directors

5) Monitoring the implementation of overall Risk Management Policy

i. To monitor proper implementation of overall risk management policies

ii. To monitor whether proper steps have been taken mitigate all risks including lending risk and management risk.

Deliberation of the Risk Management Committee in 2025:

During the year 2025, the Board Risk Management Committee carried out its functions in areas relating to its responsibilities. The issues it discussed and the decisions it took for improvement of risk management scenario in the Bank are enumerated below:

1. Summary of Risk Management Report of Standard Islami Bank PLC. based on December 31, 2024.
2. Information memo regarding Capital Requirement of

Standard Islami Bank PLC. under Pillar-I of Basel-III based on December 31, 2024.

3. Information memo regarding Analysis of Stress Testing Report of Standard Islami Bank PLC. based on December 31, 2024.
4. Information memo regarding Risk Appetite Statement of Standard Islami Bank PLC. for the year 2025.
5. Summary of Risk Management Report of Standard Islami Bank PLC. based on March 31, 2025.
6. Information Memo on quarterly Risk Based Capital Adequacy Statement (both Solo & Consolidated) of Standard Islami Bank PLC. based on audited financial statements as on December 31, 2024.
7. Information memo regarding Analysis of Stress Testing Report of Standard Islami Bank PLC. based on December 31, 2024.
8. Information memo regarding CAMELS rating based on June 30, 2024.
9. Information memo regarding Bank Disclosure on Risk Based Capital (BASEL-III) based on audited financial statements as on December 31, 2024.
10. Information memo regarding Bank Resolution Ordinance -2025
11. Summary of Risk Management Report of Standard Islami Bank PLC. based on June 30, 2025.
12. Information Memo on quarterly Risk Based Capital Adequacy Statement (both Solo & Consolidated) of Standard Islami Bank PLC. based on un audited financial statements as on June 30, 2025.
13. Information memo regarding Analysis of Stress Testing Report of Standard Islami Bank PLC. based on June 30, 2025
14. Information memo regarding review of Recovery Plan 2025.
15. Information memo regarding CRMR rating based on December 31, 2024.
16. Summary of Risk Management Report of Standard Islami Bank PLC. based on September 30, 2025.
17. Information memo regarding Analysis of Stress Testing Report of Standard Islami Bank PLC. based on 30 September, 2025
18. Information Memo on quarterly Risk Based Capital Adequacy Statement (both Solo & Consolidated) of Standard Islami Bank PLC. based on un audited financial statements as on 30 September, 2025.
19. Information memo on "implementation of Risk Based Supervision (RBS): supervisory Expectations and Banks' Preparedness."
20. Information memo regarding "Regulations for Bank Resolution, 2025"

REPORTING TO THE BOARD

The decisions and recommendations of the Board Risk Management Committee were submitted before the Board of Directors for review and the Board closely reviewed them. The minutes of meetings of the Board Risk Management Committee were submitted to Bangladesh Bank for their information.

MEETINGS OF THE RISK MANAGEMENT

Committee of the Board:

According to Bank Company Act-1991 (Amended-2023) and BRPD Circular No. 2 dated 14 February 2024 of Bangladesh Bank, the Board Risk Management Committee held 04 (Four) meetings during the year 2025. Meeting dates are as follows:

SL	Meetings	Date of Meeting
1	39th Risk Management Committee Meeting-2025	24.03.2025
2	40th Risk Management Committee Meeting-2025	26.06.2025
3	41st Risk Management Committee Meeting-2025	16.09.2025
4	42nd Risk Management Committee Meeting-2025	23.12.2025

The committee would like to extend thanks to all the members of the Board Risk Management Committee for their valuable time and support for facilitating to carry forward the objectives of the Board. The Committee also likes to express their gratitude thanks to the Board of Directors, the Management & the Risk Management Team of the Bank for their sincere cooperation towards discharging its due role.

بِسْمِ اللهِ الرَّحْمٰنِ الرَّحِيْمِ

REPORT OF THE SHARI'AH SUPERVISORY COMMITTEE

For the Year Ended 31 December 2025

All praise be to Allah, the Lord of the worlds, The Most Gracious, the Most Merciful. Peace and blessings be upon our beloved Prophet Muhammad (Sallallahu 'Alayhi wa Sallam), his family and companions.

To the Respected Shareholders of Standard Islami Bank PLC.

Assalamu Alaikum wa Rahmatullahi wa Barakatuh.

In accordance with the applicable regulatory requirements and the Terms of Reference as defined in the Bye-Laws of the Shari'ah Supervisory Committee (SSC) of Standard Islami Bank PLC, we are pleased to present our report on the Shari'ah compliance of the Bank's operations for the financial year ended 31 December 2025.

Responsibilities and Mandate of the Shari'ah Supervisory Committee

The Management of the Bank is responsible for ensuring that the Bank conducts its business in compliance with the rules and principles of Islamic Shari'ah, as well as the fatwas, rulings, resolutions, and guidelines issued by the Shari'ah Supervisory Committee (SSC).

The responsibility of the SSC is to provide independent oversight and objective Shari'ah assurance over the Bank's operations. This responsibility is discharged by forming independent opinions, issuing Shari'ah rulings and directives where necessary, reviewing and approving relevant contracts, policies, and documentation, and advising the Board and Management on Shari'ah-compliant practices to guide the Bank's strategic and operational direction.

SCOPE OF REVIEW AND MEETINGS

During the year under review, the SSC convened four (4) regular meetings in accordance with its approved schedule and governance framework. In these meetings, the Committee comprehensively reviewed Shari'ah-related matters submitted by the Board of Directors and Senior Management. The scope of deliberations included, among others:

- Evaluation and approval of new products and services in light of Islamic Shari'ah;
- Review of policies, operational procedures, and manuals;
- Consideration of amendments to existing products and services;
- Review of the financial statements, including the Balance Sheet, Profit and Loss Account, and related documents of the Bank;
- Review of the Shari'ah Audit and Inspection Report prepared by the Muraqibs (Internal Shari'ah Auditors); and
- Resolution of Shari'ah queries raised by various divisions, departments, and branches.

All relevant issues were carefully examined, and appropriate fatwas, rulings, and guidance were issued where required.

Our review was planned and performed to obtain sufficient information and explanations necessary to provide reasonable assurance that the Bank's operations were conducted in compliance with applicable Shari'ah principles throughout the financial year.

SHARI'AH AUDIT AND REVIEW ACTIVITIES

In compliance with Bangladesh Bank BRPD Circular No. 3 dated 8 March 2016, and under the overall oversight of the Audit Committee of the Board and Management Committee, the Internal Shari'ah Audit and Review Department (ISARD) carried out its mandated functions with the approval and supervision of the SSC.

In 2025, ISARD's Muraqibs carried out comprehensive Shari'ah audits and review activities covering all 138 branches of the Bank. Furthermore, several divisions and departments at the Head Office were also subjected to Shari'ah audits and compliance reviews.

The Shari'ah audit reports, together with management responses, were presented at the SSC's quarterly meetings for detailed review and deliberation. Thereafter, consolidated reports incorporating the SSC's observations and recommendations were submitted to the Audit Committee of the Board for further oversight and follow-up.

SHARI'AH COMPLIANCE ACTIVITIES

During the year under review, a total of 26 Shari'ah-related matters were formally submitted to the Shari'ah Supervisory Committee (SSC) by various divisions, departments, and operational units of the Bank for expert opinion. The Committee carefully examined each matter and issued the necessary rulings, resolutions, and guidance to ensure continued compliance with Shari'ah principles.

To further strengthen Shari'ah compliance practices across the institution, the Shari'ah Secretariat Division published and circulated a comprehensive operational guidance titled "Shari'ah Compliance in Islamic Banking: Dos and Don'ts" to all divisions, departments, and branches. This initiative was undertaken to promote uniform understanding, standardization of practices, and enhanced internal control from a Shari'ah perspective.

In 2025, the Bank continued to demonstrate a strong commitment to nurturing a Shari'ah-compliant organizational culture through sustained investment in human capital development. A total of 17 training programs and workshops were conducted, attended by employees across various levels of the organization. In addition, 12 specialized training programs on Islamic Shari'ah in banking operations were organized, with 1,901 participants. These programs were facilitated by members of the SSC, as well as other distinguished Shari'ah scholars and experts.

To reinforce Shari'ah awareness at the branch leadership level, targeted programs were arranged for Managers, Operations Managers, and Investment In-Charges of 20 branches, with 60 participants in attendance. Furthermore, under the direct supervision of the Muraqibs, ongoing motivational sessions and on-site training initiatives were conducted for staff of 117 inspected branches, engaging 1,237 officials.

Collectively, these initiatives have significantly contributed to mitigating Shari'ah non-compliance risk, enhancing procedural discipline, strengthening internal control mechanisms, and fostering greater transparency and accountability throughout the Bank's operations.

OPINION AND RECOMMENDATIONS

In forming our opinion, we have reviewed the Bank's transactions, relevant policies and documentation, and assessed the consistency of the underlying contracts with the fatwas, rulings, and resolutions approved by the Shari'ah Supervisory Committee (SSC).

Our review has taken into consideration the reports and findings of the Internal Shari'ah Audit and Review Department (ISARD), management responses thereto, and the Bank's audited financial statements for the year ended 31 December 2025.

OPINION

Based on the scope of work performed and the information and explanations provided to us, we are of the opinion that:

1. **Shari'ah Compliance:** The Bank has, in all material respects, conducted its operations in compliance with the principles of Islamic Shari'ah and in accordance with the fatwas, rulings, and guidelines issued by the SSC.
2. **Profit Distribution:** The calculation and distribution of profits to Mudaraba depositors were carried out in accordance with the respective contractual terms and applicable Shari'ah principles, ensuring fairness, transparency, and equitable allocation.
3. **Purification of Income:** Any income identified as impermissible or doubtful from a Shari'ah perspective has been appropriately identified, segregated, and excluded from the Bank's distributable income, and such amounts have been earmarked for charitable purposes in accordance with established Shari'ah guidelines.
4. **Zakat:** The Bank does not assume responsibility for the payment of Zakat on behalf of its shareholders or depositors. Accordingly, the obligation to assess and discharge Zakat rests individually with the respective shareholders and depositors.
5. **Cooperation and Access to Information:** The SSC has received full cooperation, access to relevant information, and necessary support from the Board, Management, and concerned officials to enable it to effectively discharge its duties and responsibilities.

RECOMMENDATIONS:

To further reinforce the Bank's commitment to Shari'ah compliance and uphold the integrity of its operations, we offer the following recommendations:

1. **Human Capital:** To enhance the Shari'ah compliance infrastructure, we recommend prioritizing the placement of personnel with specialized Shari'ah knowledge and experience in key units such as ISARD, Shari'ah Compliance, Shari'ah Research, Product Development, IRMD, Trade Operations, and the Card Division.
2. **Training:** We recommend organizing more frequent and impactful Shari'ah training programs with a comprehensive framework covering employees at all levels, including senior and middle management.

3. **Asset Quality:** To enhance asset quality and ensure Shari'ah compliance, the Bank should strengthen its investment recovery efforts, including timely legal action. New investment disbursements should prioritize productive sectors such as SMEs, real estate and agriculture, and a prudent approach should be adopted for large exposures.
4. **Control Framework:** The Bank should continue to strengthen its internal Shari'ah control framework and compliance processes, embedding a culture of accountability and ethical practice at all levels.
5. **Customer Education:** The Bank should enhance its customer education initiatives to improve awareness of Shari'ah-compliant banking, thereby enabling informed decision-making and fostering greater customer trust.

We pray to Allah (SWT), the Almighty, to grant us success and guide us in all our endeavors. May He continue to bless Standard Islami Bank PLC. with the ability to serve the community in accordance with the principles of Shari'ah and to achieve excellence in Islamic banking.

Wassalamu Alaikum wa Rahmatullahi wa Barakatuh.

Mufti Mohammad Muhibbullahil Baqee An-Nadwi	Chairman	
Professor Dr. Hafiz Muztaba Riza Ahmed	Member	
Mufti Dr. Mohammad Imam Hossain	Member	
Professor Dr. A. S. M. Toriqul Islam	Member	
Professor Dr. Muhammad Tazammol Hoque	Member	

Place and Date of Report Preparation

Date: 26 April 2026
Dhaka, Bangladesh

BSEC CODE
FOR CORPORATE GOVERNANCE

For the year ended 31.12.2025

As per Condition No.1 (5) (xxvii)

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance 1969 (as Per Annexure-C):

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1	**BOARD OF DIRECTORS:**			
1(1)	**Board's Size**			
	The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty).	√		
1(2)	**Independent Directors**			
1(2)(a)	At least 2(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): Provided that the Board shall appoint at least 1 (one) female independent director in the Board of Directors of the Company;	√		We are facing challenges selecting a suitable female candidate who meets the required criteria of BSEC.
1(2)(b)(i)	Who either does not hold share in the Company or holds less than one (1%) shares of the total paid up shares of the Company;	√		
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:	√		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
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;	√		
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;	√		
1(2)(b)(viii)	Who shall not be an independent director in more than 5 (Five) listed companies;	√		
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non- payment of any investment or advance or obligation to a bank or a financial institution; and"	√		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude?	√		
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;	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		

Condition No.	Title	Compliance Status		Remarks
		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:	√		
1(3)	**Qualification of Independent Director (ID)**			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws regulatory requirements and can make meaningful contribution to business;	√		
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	√		
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th 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			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
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 chairperson of the Board of Directors and Managing Director of chief Executive Officer**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
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;	√		
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 nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	The Director's Report to Shareholders			
1(5)(i)	An Industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A Discussion on continuity of any Extra-Ordinary activities and their implication (gain or loss);			N/A

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
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;	√		
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
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 are no significant doubts 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 thereof should 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 should be explained;	√		
1(5)(xix)	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;	√		No dividend was declared in accordance with the instruction of BB.
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 meetings held during the year and attendance by each director;	√		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		Please refer to page 18
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;	√		Please refer to page 90
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		Please refer to page 90
1(5)(xxiv)(a)	A brief resume of the director;	√		As stated in the profile of Directors
1(5)(xxiv)(b)	Nature of his / her expertise in specific functional areas;	√		Do

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√		As stated in the profile of Directors and Directorship with other Companies.
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;	√		
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;	√		Under Process
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.	√		
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;	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3	**MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS).**			
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 positions 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;"	√		
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).	√		
3(2)	Requirement to attend Board of Directors' Meetings 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-FOR ENSURING GOOD GOVERNANCE IN THE COMPANY, THE BOARD SHALL HAVE AT LEAST FOLLOWING SUB-COMMITTEES:**			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee	√		As per BB circular no: 21, dated 12.05.24, NRC responsibilities vested on Audit Committee of Board & Audit Committee has been performing the same.
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 of Directors;	√		
5(1)(b)	The Audit Committee shall assist the Board of Directors 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;	√		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit Committee	√		
5(2)(a)	The Audit Committees shall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board of Directors shall appoint members of the Audit Committee who shall be non executive directors of the Company excepting Chairperson 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;	√		
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 independent director.	√		
5(3)	**Chairman of the Audit Committee**			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director;	√		
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):	√		
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√		
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		Remarks
		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 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 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:			No such events
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)(a)	Report on conflicts of interests;			No such events
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;	√		Do
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	√		Do
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√		No such events
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 unreasonably 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 of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	√		Do
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.	√		Do
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;	N/A		As per BRPD circular no: 21 by BB dt 12.05.24, NRC responsibilities are vested in the Audit Committee of the Board.
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;	N/A		These shall governed under BRPD circular no-02 dt 11.02.24; no-03 dt: 14.02.24 & no-05 dt: 27.02.24 by BB
6(1)(c)	The Terms of Reference (To R) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	N/A		As per BRPD circular no: 21 by BB dt 12.05.24, NRC responsibilities are vested in the Audit Committee of the Board.
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	N/A		As per BRPD circular no: 21 by BB dt 12.05.24, NRC responsibilities are vested in the Audit Committee of the Board.
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;	N/A		Do

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	N/A		Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	N/A		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 boardshallfillthevacancywithin180 (one hundred eighty) days of occurring such vacancy in the Committee;	N/A		Do
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;	N/A		Do
6(2)(g)	The company secretary shall act as the secretary of the Committee;	N/A		Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	N/A		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.	N/A		Do
6(3)	Chairperson of the NRC	N/A		
6(3)(a)	The Board shall select1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	N/A		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;	N/A		Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:			Do
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	N/A		As per BRPD circular no: 21 by BB dt 12.05.24, NRC responsibilities are vested in the Audit Committee of the Board.
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	N/A		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);	N/A		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.	N/A		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;	N/A		As per BRPD circular no: 21 by BB dt 12.05.24, NRC responsibilities are vested in the Audit Committee of the Board.
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;	N/A		Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	N/A		Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	N/A		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		Do

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
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 recommend their appointment and removal to the Board;	N/A		Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	N/A		Do
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		Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	N/A		Do
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		Do
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 services 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 service 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 conflict 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:	√		
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.	√		Website (http://www.standardbankbd.com) which is linked with both the stock exchanges.
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 CORPORATE 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 to the Shareholders of
Standard Islami Bank PLC.
on Compliance on the Corporate Governance Code

[Certificate as per Condition No .1(5)(XXVII)]

We have examined the Compliance status to the Corporate Governance Code by Standard Islami Bank PLC. for the year ended on December 31, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 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 the 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 except as stated in the remarks column in Annexure-C;
(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.

For: **Jasmin & Associates**
Chartered Secretaries

Jasmin Akter, FCS
Managing Partner

Place : Dhaka, Bangladesh
Dated : June 22, 2026

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Renewed Certificate

This is to certify that

STANDARD ISLAMI BANK PLC.

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December, 2026

Ref. No: **CM-2026/189**

Date of issue : **May 6, 2026**

BAPLC

Secretary General

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER'S STATEMENT OF RESPONSIBILITIES

Date: 28 April, 2026

The Board of Directors

Standard Islami Bank PLC.

122-124 Motijheel C/A

Dhaka-1000

Subject: Declaration on Financial Statements of Standard Islami Bank PLC. for the year ended on 31st December, 2025

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969 and based on our internal and external auditors report as well as NOC from regulators, we do hereby declare that:

1. The Financial Statements of Standard Islami Bank PLC. for the year ended on 31st December, 2025 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 31st December, 2025 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.

Sincerely yours,

Sd/-

Mohammad Salah Uddin, FCS
Chief Financial Officer (CFO)

Sd/-

Md. Siddiqur Rahman
Managing Director (Acting)

REPORT OF
MANAGEMENT INVESTMENT COMMITTEE

An eight-member Management Investment Committee (MIC) of the Bank has been formed with the Additional Managing Director (AMD) of the bank as its Chairman and IRMD Head as its Member Secretary. The other members of the MIC are Heads of different divisions of the Bank. MIC meeting regularly reviews each investment proposal received by IRMD from Branch end before placing the same to competent authority of the Bank as a part of Risk Management to ensure pursuing of investment norms, strategy, policies & guidelines of the bank and compliance of laws and regulatory bindings. Investment proposals proceed through the screening by MIC meeting. The investment proposal received from the Branches is primarily screened through IRMD officials of Head Office and placed before the MIC. The MIC meeting either recommends Branch requests with necessary changes for approval by competent authorities or declines the same on valid ground. However, there is an appeal process in case of decline by MIC meeting subject to availability of genuine merit or reasons.

COMPOSITION OF MANAGEMENT INVESTMENT COMMITTEE (MIC)

The MIC is headed by Additional Managing Director (AMD) of the Bank. Other members are nominated by the Managing Director in consultation with the Chairman of the Committee. Present members of the committee as on 31.12.2025 is mentioned in the table below:

SL. No.	Name of the Member	Designation	Functional Designation of the Committee
01	Mr. Md. Siddiqur Rahman	Additional Managing Director	Chairman of MIC
02	Mr. Mansoor Ahmed	EVP & Head of Investment Risk Management Division (IRMD)	Member Secretary of MIC
03	Mr. Sk. Sirajul Kabir	EVP & Head of SAMD	Member
04	Mr. Shah Rahat Uddin Ahmed	SVP & Head of Treasury	Member
05	Mr. S. M. Nazrul Islam	VP & Head of Investment Administration Division (IAD)	Member
06	Mr. Md. Hasibul Hasan	VP & Head of International Division (ID)	Member
07	Mr. Mohammad Amzad Hossain Fakir	VP & Head of SME IRM and Head of Retail & Agri IRM	Member
08	Mr. Mohammad Salah Uddin	VP & Chief Financial Officer (CFO) & Head of Risk Management Division (RMD)	Member

In addition to the above, the Chairman of the committee may invite any other Executives/Officers of the Bank to attend the meeting as and when required.

QUORUM OF THE COMMITTEE

Majority of members inclusive of Chiarman of the committee will make the quorum. In absence of Chiarman, the next immediate senior most (not below the rank of Deputy Managing Director) will chair the meeting. The Committee will recommend the proposal to the approval authority or decline if required.

MEETING FREQUENCY

The Committee meets 02 (two) days a week on business days to dispose of the investment proposals. However, the Chairman of the Committee, on special circumstances, may call the meeting with intimation of all concerned. Time and frequency shall be fixed by the Chairman of the committee from time to time, if required so, based on actual requirement.

MODUS OPERANDI

1. All investment proposals received form the branches shall be placed to the Committee i.e. Management Investment Committee (MIC).
2. The Committee will recommend the proposal, if found justified, to the approval authority of the Bank or decline the investment proposal on the ground of the valid reasons. All declined proposals should document reasons in details and explain to branches verbally in order to understand areas of improvement and apply that in figure.
3. The Branch shall be free to make appeal for the declined investment proposal(s) provided that they are genuinely convinced about the merit of the case.
4. The appeal on the proposal shall be addressed to the Managing Director of the Bank. The Chairman of the Management Investment Committee (MIC) along with the Managing Director and other members, as determined, together shall review the proposal.
5. The decision from the appeal process shall be intimated to the MIC.

TERMS OF REFERENCE (TOR)

1. The Committee will conduct their meeting as per schedule date and time.
2. Review and recommend the investment proposals to the approval authority for approval/decline in line with the prevailing Delegation of Business Power (DBP) taking into cognizance of the observation made by Investment Risk Management Division (IRMD) and regulatory/legal compliance issues and its mitigations made by the respective division, prudential limit of large Investment exposure, standard and acceptable collateral offered, portfolio management, risk concentration, pricing, provisioning etc.
3. The Committee will examine whether the investment proposals are being prepared complying with the laws, investment norms & standards, policies, regulation laid by the Bangladesh Bank and the internal policies of Standard Islami Bank PLC.
4. Reviewing of the investment proposals and restructuring or rescheduling of the investment, if required so, and settlement of investment complying with regulatory norms and in accordance with Banks policies/standards.
5. While recommending the proposals, the Committee evaluate the business track record and performance, credit worthiness of the investment customer, resilience with due diligence and proper justification.
6. Assessing an investment based on "Internal Investment Risk Rating System (IIRRS)", actual requirement of business, repayment capacity of the customer.
7. Making recommendation to the Board of Directors of the Bank for its perusal and approval; clear policies and standards for presentation of investment proposals, financial covenants, rating standard and benchmark.
8. Identification of other risks related to the subject investment proposals, sector, industry, micro and macro-economic trend and suggesting probable way out to mitigate those.
9. Reviewing the investment concentration as per approved budget, risk appetite statement, and recommend for its up-gradation, if required so.
10. Monitoring investment deposit ratio of the Bank from time to time so that the ratio does not cross the regulatory boundary.
11. Conforming that the transaction is consistent with investment policy/strategy of the Bank in line of approval of Board of Directors and Bangladesh Bank's guideline.
12. Ensuring that the "Exception/Deviation", if any, to the policy are clearly mentioned in the investment proposal and recommendation of "Exception/Deviation" if required so or may suggest the respective division to bring changes in the Policy.
13. The Committee will review and will take into consideration the issues raised by Audit Committee, Executive Committee and Board of Directors of the Bank and regulatory bodies on regular basis.
14. The 'Early Alert' accounts to be discussed and to be monitored on regular interval as per Early Alert Policy of the Bank.
15. The chairman of the Committee may co-opt any official from the Bank based on his/her expertise for better investment decision.
16. Any other issues related to investment proposal.

NOTE OF DISSENT

Any decision regarding investment proposal shall be taken on unanimous agreement by the members. However, disagreement on the decision can be raised by any member through presentation of note of dissent. If any member raises his disagreement on the decision taken by the Committee on any issue, he/she is free to express the opinion with valid and professional reasons to protect bank's interest. Note of dissent to be presented in writing and to be placed to the Chairman of the Committee with proper justifications on investment point of view. The Chairman of the Committee shall place it to the Managing Director regarding acceptance of the note of dissent. The Managing Director shall have the discretionary power to proceed on the issue with note of dissent considering the gravity of the issue. The Chairman, however, may inform the matter of discussion/outcome to the committee for its information.

OTHERS

i. The Committee shall work in line with the approved 'Terms of Reference (TOR)' and within the purview of Policies & Guidelines of Standard Islami Bank PLC. and Regulatory authorities. In case of any contradiction found, the terms of references of regulatory authorities shall prevail.

ii. The decision (Recommendation/decline) of the Committee shall be documented through Minutes of the Committee. An MIS on minutes of meeting shall be maintained for record. Minutes for declined investment proposal to be intimated to the Managing Director of the Bank for perusal.

iii. In case of any undecided scenario or upon disagreement among the members, the proposal may be referred by the Chairman of the committee to the Managing Director of the Bank for his decision.

iv. The Managing Director shall be empowered and be deligated to reform the committee from time to time based on its requirement with required number of members.

REPORT ON
GOING CONCERN

Going concern is a basic underlying assumption in accounting. The assumption is that a company or entity will be able to continue operating for a period of time that is sufficient to carry out its commitments, obligations, objectives, and so on. Every company requires assessing its ability to continue as a going concern. The Board of Directors of Standard Islami Bank PLC. (SBPLC) has made annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the Company's ability to continue as going concern. This assessment involves making appropriate inquiries including review of budget and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to Company's continuance as a going concern for the foreseeable future..

FINANCIAL PERFORMANCE

Standard Islami Bank PLC. has excellent growth in its operating performance. Bank's Consolidated Total Asset has increased to BDT 288,113 million in 2025 from BDT 270,819 million in 2024, increased 6.39% over last year. The Bank achieved 2.84% growth in investment with a total investment portfolio of BDT 209,418 million in 2025 compared to BDT 203,615 million in 2024. Import business of the Bank stood at BDT 165,470 million in 2025 with 16.14% increase over the previous year BDT 142,474 million in 2024, while Export business of the Bank stood at BDT 79,099 million in 2025, which is increased by 14.72% than that of previous year i.e BDT 68,949 million. Consolidated Operating Revenue for the year 2025 amounted to BDT 7,179 million, which is 15.57% lower than last year's BDT 8,503 million due to increase of classified investments.

CREDIBILITY IN PAYMENT OBLIGATIONS

Standard Islami Bank PLC. has strong credibility in terms of payment of its obligations to the lenders and suppliers. Standard Islami Bank PLC. is very particular in fulfilling the terms of payment or repayment agreements without any exception. This has resultant from our effective liquidity management plan.

OPTIMISTIC KEY FINANCIAL RATIOS

The key financial ratios of Standard Islami Bank PLC. for the year 2024 indicate a positive picture as evident from financial highlights and graphical presentation of financial position given separately in this annual report. Financial ratios indicate. Standard Islami Bank PLC.'s sound financial strength and good prospects.

POSITIVE CASH FLOW

SBPLC's cash flow analysis represents its strengths about its ability to repay its obligations, ability to adapt in changing circumstances and generate sufficient cash and cash equivalents, which will lead the organization to a sustainable future growth. Consolidated Operating Cash Flow before changes in operating assets and liabilities in 2025 was BDT 586 million. Net Operating Cash Flow after changes in operating assets and liabilities shows increase of net inflow of BDT 12,684 million, which was BDT 4,305 million in previous year. The key financial ratios of Standard Islami Bank PLC. for the year 2025 indicate a positive picture as evident from financial highlights and graphical presentation of financial position given separately in this annual report. Financial ratios indicate. Standard Islami Bank PLC.'s sound financial strength and good prospects.

BUSINESS EXPANSION

SBPLC. has expanded its segment geographically by opening new branches in different places considering the economic significance. As on 31 December 2025, Standard Islami Bank PLC. has 138 Branches. Standard Islami Bank PLC. gives due importance on product diversification a key strategy to achieve customer satisfaction by tailoring the need of customers. It is the impact of our sound organizational structure, skilled and dedicated Work force and business strategies that in the year 2025, Investment has increased by 2.84% and Deposit has increased by 5.67% compared to that of 2024. SBPLC's Management has positive intent to maintain this growth in the future years which represent bank's intention to perpetuity.

WORK ENVIRONMENT AND EMPLOYEES' SATISFACTION

There exists a very good corporate working environment in the bank. Standard Islami Bank PLC. is an excellent work place with a friendly working environment. Communication among the employees is excellent. The organization endeavors to be honest and practices fair treatment to all employees, which ensures healthy corporate environment. The company pays a very competitive compensation package and there exists a good number of employee benefits like provident fund, gratuity fund, home and personal investment for employees

at a reduced rate, employees' health insurance, incentive bonus, transport facility to the eligible employees. Pay scale are frequently revised to give effect of inflation as well as to align with the industry level. These factors are instrumental for employee satisfaction.

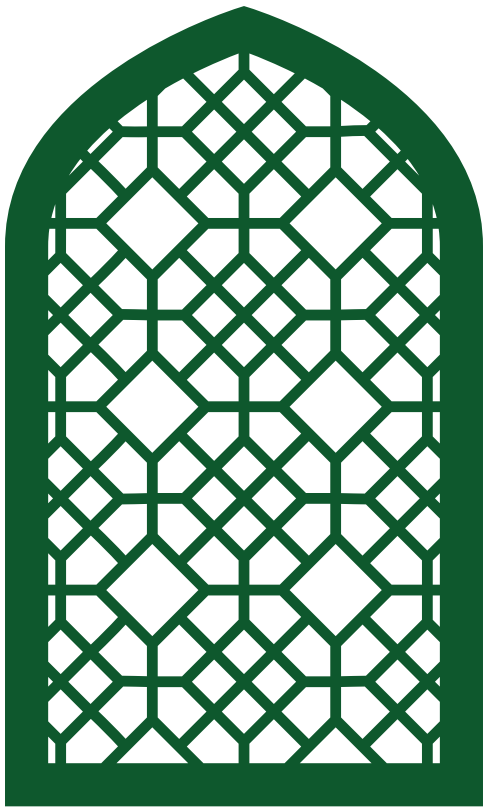
MAINTENANCE OF ADEQUATE CAPITAL

As per BASEL-III, a Bank should maintain capital at least 10.00% of its Risk Weighted Asset. SBPLC maintains its capital above the threshold level consistently even though growth of RWA is significant. As on 31 December 2025, Capital to Risk Weighted Asset Ratio (CRAR) of Standard Islami Bank PLC. stands at 12.59% on solo basis and 12.33% on consolidated basis. To fulfill its capital requirement in the future as per BASEL-III requirements, Standard Islami Bank PLC. has already raised BDT 578.00 Crore through issuance of Mudaraba Subordinated Bond as per of additional Tier-II capital.Satisfactory Credit Rating

National Credit Ratings PLC. has rated the Bank on 24 June 2026 with "AA" in the long term and ST-2 for the Short Term based on audited financial statements of 2025 and other available information up to the date of rating declaration. The validity of the rating will be expired on 23 June 2027. The outlook on the rating is Developing. The rating reflects the strengths of the bank which is backed by a strong team of management, growth in the non-investment income, deposits and investments, adequate capital coverage with high Tier-1 capital, improved asset quality and well controlled liquidity position.

CHANGES IN GOVERNMENT POLICY

Standard Islami Bank PLC. Management anticipates no significant change in legislation or government policy, which may materially affect the business of Standard Islami Bank PLC. Based on the above mentioned indications, Directors feel that it is appropriate to adopt going concern assumptions. Adequate disclosures have been made in the financial statements and different sections of the annual report to understand the appropriateness of going concern basis in preparing the financial statements of Standard Islami Bank PLC.



STATEMENT ON ETHICS AND COMPLIANCE

We are committed to our core values of trust, respect, belief, humility, and integrity. Standard Islami Bank PLC. upholds these values and believes that doing so promotes the following:

- Foster trust and transparency;
- Show respect for colleagues, representatives, consumers, stakeholders, and public servants who enforce the law.
- Sufficient belief in self and others to pursue our mission in line with our ideals.
- Be humble and accept mistakes.
- Maintain integrity in all situations, regardless of pressures or repercussions.

Standard Islami Bank PLC. pays close attention to the moral concerns in order to make the right ethical decisions on a day-to-day basis over and above observing the law, one of the basic professional requirements for the banking sector. We at Standard Islami Bank PLC. believe that the upholding of an ethical culture in financial sector is of critical interest to the customers, employees, regulators alike and to the banking sector itself as a secured, reliable and efficient financial sector system in one of the pillars of economic stability of any country. Hence, nurturing an ethical culture is of utmost importance for banking institutions, like any other organization. Our core ethical values include honesty, integrity, fairness, responsible citizenship, and accountability. Enforcing a corporate code of ethics requires understanding and active participation by everyone in Standard Islami Bank PLC. since the Code spells out the expected standards of behavior and sets the operating principles to be followed. Every official should ensure that the bank at all times maintains high ethical standards and adequate internal control measures are in place guarding against unethical practices and irregularities.

CODE OF ETHICS & PRINCIPLES OF CONDUCT

True spirit of ethical practices is at the core of what Standard Islami Bank PLC. secures in the course of business. We fondly believe that our achievement can only be sustained by creating effective corporate governance, professionalism among its staff and strictly adhering to rules and regulations designed in high ethical standard. Principles of conduct at Standard Islami Bank PLC. govern each employee to act ethically in daily activities. Our employee Code of Ethics & Principles of Conduct applies to everyone who works at Standard Islami Bank PLC., including employees (both permanent and contractual), contractors and consultants. The Code is supported by a number of more detailed policies that form part of the Conduct and Ethics Policy Framework. These cover issues such as anti-bribery, fraud and corruption, equal opportunity, bullying and harassment, conflicts of interest and work expenses. Our ethical acts eventually turns to the commitments we make to our stakeholders. In a nutshell, our business ethics means, Choosing the good over the bad, the right over the wrong, the fair over the unfair and the truth over the untruth. Strict compliance, confidentiality, avoidance of conflicts of interest, encouraging the reporting by the Officers of the Company on illegal and unethical behavior is also amongst the guiding principles of the banks Code of Ethics.

MONITORING COMPLIANCE

Compliance with our Code of Conduct and Ethics is embedded in our employment contracts, recruitment and performance management activities. We have set explicit targets for compliance, commencing at executive management level. All employees are required to comply with our Code of Conduct and Ethics and report conduct that may be in breach of the law, the Code or policy. Advice on Standard Islami Bank PLC. policies, practices and management systems is available via our Human Resources department. Any employee, contractor or consultant can confidentially report concerns about conduct, practices or issues to our HR department. To help our employees in applying the principles of our Code of Conduct and Ethics and the Conduct and Ethics Policy Framework, we have developed a training course regularly for the newly appointed employees; Case studies are provided to assist staff in translating the Code and related policies into real-life situations. All employees are required to complete this training course each year. Declarations within the course require each employee to confirm whether they understand the Code's principles, have complied with them over the previous 12 months and agree to comply with them in the future. Compliance is a Key Result Area examined as part of our Performance Management Process and failure to complete required compliance training can be a factor in determining the employee's entitlement to performance-based remuneration and could lead to termination of employment in serious cases. Additionally, employees are required to undertake issue-specific training for topics such as money laundering, counter terrorist activity, fraud, corruption and privacy. Our HR Manual covers our Code of Conduct and Ethics, standards and behaviors, and important policies and procedures such as our Anti-Bribery Policy and Fraud and Corruption Policy. All Management Cadres must complete an annual attestation that they have read and understood these ground rules and failure to complete this may result in a flag being raised in an individual's performance review.

REPORTING COMPLIANCE

We have reported breaches of our Code of Conduct and Ethics framework yearly. Breaches of operational, regulatory and compliance requirements are tracked and case management, with corrective action closely monitored until closed. All breaches of the Code are reported annually to our Management Committee and form part of regular risk reporting to the Management Credit Committee. Compliance with our Code of Conduct and Ethics is monitored by Internal Audit, who ensures processes are in place to appropriately investigate alleged breaches of the Code. We also conduct annual testing of the controls that support our Code of Conduct and Ethics, which forms part of our financial reporting governance program and the results are made available to External Auditors in connection with their external audit of the Groups consolidated financial statements.

RISK GOVERNANCE

CHIEF RISK OFFICER'S REPORT ON RISK MANAGEMENT

Global economic growth continues to show notable resilience despite significant US-led trade disruptions and heightened uncertainty. Heightened trade tensions, along with policy uncertainty, have significantly weakened the global economic outlook for 2025. Higher tariffs—resulting in a significant increase in the effective tariff rate in the United States of America—are likely to strain global supply chains, drive up production costs and delay critical investment decisions, while also contributing to financial market volatility. Risks are tilted to the downside. Prolonged uncertainty, more protectionism, and labor supply shocks could reduce growth. Fiscal vulnerabilities, potential financial market corrections, and erosion of institutions could threaten stability. Policymakers are urged to restore confidence through credible, transparent, and sustainable policies. Trade diplomacy should be paired with macroeconomic adjustment.

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The macroeconomic environment in Bangladesh in the fiscal year (FY) 2025 (July 2024 – June 2025) and early FY2026 reflects a fragile and uneven recovery. Real growth of Gross Domestic Product (GDP) moderated sharply, registering only 3.97 percent in FY2025. While this represents a partial rebound from the disruptions caused by political unrest, it remains significantly below the country's historical average and far from the levels required to generate adequate employment for a rapidly growing labour force. Industrial production trends suggest that the recovery is underway. However, the pace is slow and insufficient to compensate for earlier losses or to drive a broad-based industrial resurgence.

In this backdrop, Standard Islami Bank PLC. has successfully passed the year and achieved desirable success in all parameters by dynamic strategy and prudent risk management performance. As a Chief Risk Officer, I had the privilege and responsibility to lead our Bank's risk strategy during one of the most volatile periods in recent history. While global uncertainty may persist into the near term, our commitment to prudent risk management remains unwavering. However, the interim government's ongoing economic initiatives—aimed at stabilizing macroeconomic indicators, curbing inflation, ensuring foreign exchange liquidity, and stimulating investment—are commendable steps toward restoring economic confidence and resilience. From a risk management perspective, we are actively monitoring macroeconomic indicators and policy shifts to ensure our portfolios remain well-positioned. We are applying scenario analysis to adjust our credit and market risk strategies, while working closely with business lines to ensure strategic initiatives are underpinned by sound risk-return considerations. We focused on safeguarding the bank's stability and protecting stakeholder value. We are conscious on strengthening our capital position, enhancing our stress-testing capabilities, and supporting the real economy through responsible lending. We remain confident in the resilience of our portfolio and the strength of our risk culture. With vigilance, discipline, and adaptability, we are well-positioned to weather the challenges ahead and create sustainable value for our stakeholders.

In the dynamic and evolving financial sector of Bangladesh, risk management has become a cornerstone of sustainable banking operations. With increasing regulatory requirements, market volatility, and technological disruption, banks must adopt comprehensive and forward-looking risk management frameworks to ensure resilience, protect stakeholders, and

maintain public confidence. Risk governance in banks is structured around the Risk Management Division (RMD), in accordance with the "Risk Management Guidelines for Banks" issued by Bangladesh Bank in 2018. The Guideline sets out a clear framework for implementing an integrated, enterprise-wide risk management approach. The said guideline also recommended banks to prepare a Board-approved organogram of the risk management division (RMD) ensuring the use of information technology along with the appointment of adequate and skilled workforce. Besides, the RMD has also been entrusted with the responsibility of monitoring implementation of required corrective action, related to objections revealed in the inspections conducted on the basis of the core risk management guidelines. In view of the gravity and importance of oversight of bank-wide risk management, Standard Islami Bank PLC. has in place an independent Risk Management Division approved by its Board of Directors under the direct supervision of Chief Risk Officer, who is accountable to the Board Risk Management Committee. In Line with the said guideline, the Bank has also put in place 5 (Five) nos. of desks (Credit Risk, Market Risk, Liquidity Risk, Operational Risk and Risk Research & Policy Development) for oversight of bank-wide risks as the bank's second Line of defense. Besides, the Bank has also been following the Phase-in arrangements for Basel III implementation in Bangladesh as per Bangladesh Bank BRPD Circular no.-18 dated December 21, 2014. As part of enterprise wide risk governance framework, the Bank prepares its risk appetite statements on yearly basis in Line with its Long term plan and conducts its operations within the purview of its risk appetite frameworks and internal Limits set by its Board of Directors. Besides, as part of its quantitative and qualitative analysis, the bank also conducts stress analysis on quarterly basis and communicates the same to the Executive Risk Management Committee (ERMC) and Board Risk Management Committee (BRMC). Banks need to meet forthcoming regulatory requirements for risk measurement and mitigation thereof by arrangement of capital and provisions. However, to meet the regulatory requirements is not enough. A sound and scientific risk management system should be in place for regular monitoring, performance evaluation and corrective measures. Managing and mitigating such risks are always a prioritized concern of not only the Risk Management Division, but also the entire Management Team of the Bank under the Leadership of the Hon'ble Board of Directors of Standard Islami Bank PLC.

Being a banking organization, Standard Islami Bank PLC. is also not immune from inherent risks Like Liquidity risk, investment (credit) risk (including residual risk, dilution risk, settlement/delivery risk, and counterparty risk); profit rate risk; foreign exchange risk and other market risks; concentration risk, particularly including risks of exposure of the bank to one person or a group of related persons; bank's investment risks; risks relating to the country of origin of the entity to which a bank is exposed (country risk); operational risk particularly including Legal risk; risk of compliance of the bank's operations; risk of money Laundering and terrorist financing; and strategic risk. The entire risk profile of the Bank is constantly monitored by the Management under three (3) Lines of defense framework. The risk profile of the Bank is also quantified in terms of Pillar I and Pillar II of Basel III framework. Under Pillar I, the Bank assesses its minimum capital requirement against Investment (Credit), Market and Operational Risk on quarterly basis and reports the same to Bangladesh Bank. The Bank also quantifies other risk areas as a part of Internal Capital Adequacy Assessment Process under Supervisory Review Process of Pillar II on yearly basis, which is also submitted to Bangladesh Bank. As per the Pillar III of Basel III framework, the Bank has also been making disclosures as per Basel III framework. The afore-said banking risks are also addressed through proactive enterprise risk management techniques including Key Risk Indicators (KRIs) developed on the basis of Comprehensive Risk Management Guideline of the Bank, Investment (Credit) Risk Management Guideline, Asset Liability Management Guideline, Foreign Exchange Risk Management Guideline, Internal Control and Compliance Guideline, Money Laundering & Terrorist Financing Risk Management Guidelines and ICT Security Guideline and other circulars issued by Bangladesh Bank from time to time. Besides, the Bank has also developed its own Risk Appetite Framework, based on which, it sets Risk Appetite Statement on yearly basis with approval of the Hon'ble Board of Directors. The Bank regularly follows up with its Management Action Triggers based on its approved Risk Appetite Statements. In order to ensure that the Bank identifies, monitors and control risks on an ongoing bank-wide and individual entity basis, the Bank has already developed its own risk management framework, risk identification and risk mitigation strategy, which were prepared in Light of all the guidelines and circulars issued by Bangladesh Bank from time to time. The upcoming sections of this annual report (namely, Risk Management Framework, Risk Mitigation Strategy, Disclosures on Risk Based Capital based on 31.12.2025, Capital Planning & Management and Statement of Non-Performing Investment) outlines the overall bank-wide and individual entity basis risk management practices followed in the bank, where mitigation of the Banking risks are ensured through proactive risk management activities and proper compliance of the core risk management guidelines of the Bank.

An effective risk governance framework requires robust communication within the bank about risk, both across the organization and through reporting to the Board and Senior Management. Therefore, the Bank ensures that there prevail ongoing communications about risk issues including the bank's risk strategy throughout the bank as a key tenet of its risk culture. The Executive Risk Management Committee (ERMC) and the Board Risk Management Committee (BRMC) strongly emphasize on promotion of risk awareness and encourage open communication and challenge about risk-taking across the organization as well as vertically to and from the Board and Senior Management. In order to sensitize the bank officials on the importance of risk management, the bank

held its Annual Risk Conference -2025 comprising all Heads of branches, Operation Managers and Investment In-charges.

Risk management today is no longer confined to control functions or compliance checklists—it is an integral part of strategic decision-making, business planning and value creation. The banking sector in Bangladesh is undergoing a regulatory transformation aimed at enhancing transparency, accountability, and systemic stability. Two key pillars of this transformation are the introduction of Risk-Based Supervision (RBS) and the implementation of a Prompt Corrective Action (PCA) framework by Bangladesh Bank. These regulatory approaches are designed to identify risks early, assess the risk profile of institutions more effectively, and apply corrective measures before problems escalate. Our bank is proactively preparing for these frameworks by strengthening governance, improving data integrity, and embedding risk sensitivity into all levels of our operations. We have embedded risk awareness into the fabric of our operations, ensuring that every decision from credit underwriting to digital innovation—is taken with a clear understanding of its risk-return profile. As our bank continues to grow, diversify, and digitize, the risk landscape will inevitably evolve. We must remain agile, forward-looking, and proactive. This means not only anticipating traditional financial risks but also preparing for non-financial and emerging threats such as cybercrime, environmental shocks, and geopolitical instability. The progress made this year in both banking operations and risk management is a collective achievement—made possible by the trust of our Board, the leadership of our CEO and Management, the dedication of the Risk Management Division, and the cooperation of all business and support functions. In my role as Chief Risk Officer, I remain committed to safeguarding the bank's soundness, reputation, and future resilience through vigilant, balanced, and transparent risk oversight.

With thanks and best regards

Md. Siddiqur Rahman
Additional Managing Director & Chief Risk Officer

RISK MANAGEMENT FRAMEWORK

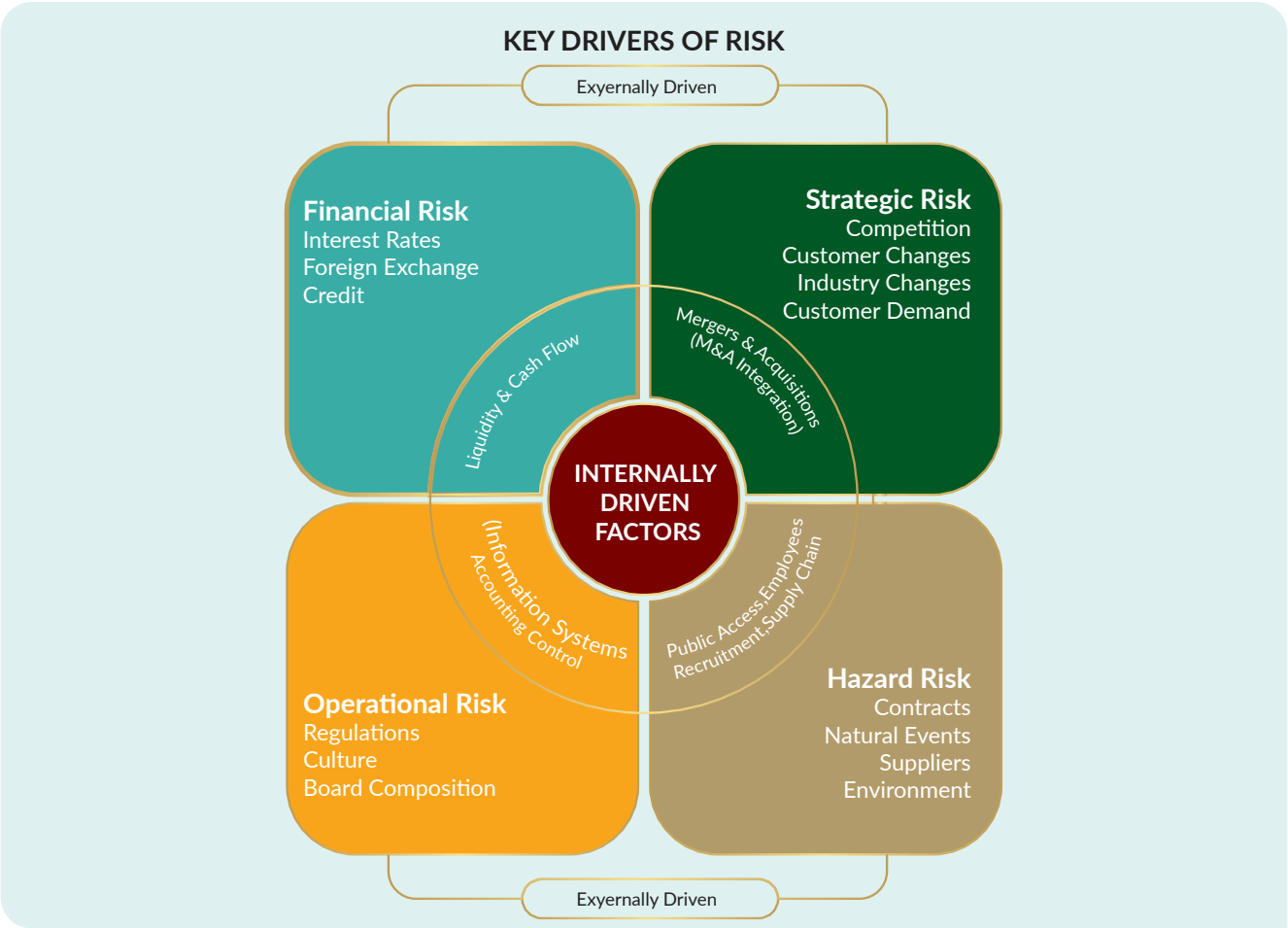
Risk is the possibility of loss, damage, or any undesirable outcome resulting from an action or event. In a financial context, Risk refers to the uncertainty about the expected return or the potential for financial loss whereas Risk Management is the procedure to minimize the adverse effect of a possible financial loss by identifying potential sources of loss, measuring the financial consequences of a loss occurring and using control tools to minimize actual losses or their financial consequences. To perform the same, necessary directions have been provided by Bangladesh Bank through various letters/circulars/ guidelines from time to time. Bangladesh Bank issued guidelines formed the basic framework of risk management that need to be followed by the banks in Bangladesh. Standard Islami Bank PLC. has established a prudent and well-structured risk management framework for managing various risks in the light of BB guideline and instruction in order to minimize the risks and thus ensuring sustainable growth of the bank in the long run and also increase employee awareness on risk management so that bank can evaluate its performance towards all banking operations.

OBJECTIVES OF RISK MANAGEMENT

The objectives of risk management are focused on identifying, assessing, and mitigating risks to help organizations achieve their goals while minimizing potential negative impacts. Some key objectives of risk management are outlined here:

- Identify and prepare for emerging risks
- Minimize financial losses
- Ensure regulatory compliance
- Safeguard bank assets and reputation
- Enhance decision-making
- Maintain financial stability and solvency
- Promote long-term profitability
- Build stakeholder confidence

KEY DRIVERS OF RISK



RISK MANAGEMENT STRUCTURE

Responsibility for risk management resides at all levels within the Bank starting from the Board of Directors, Board Risk Management Committee (BRMC) and the Executive Risk Management Committee (ERMC) down through the organization to each business manager and risk specialist. Bank distributes these responsibilities so that risk/return decisions are taken at the most appropriate level; as close as possible to the business and subject to robust and effective review and challenge. The risk management procedures are approved, monitored and mitigated at various stages of the Bank with inputs from the Board of Directors as well as Committees and divisions namely Senior Management Team (SMT), Executive Committee, Audit Committee, Executive Risk Management Committee (ERMC), Management Committee (MANCOM), Assets Liability Committees (ALCO), Risk Management Division (RMD), Management Investment Committee (MIC), Internal Control & Compliance Division (ICCD) and Central Compliance Unit (CCU). On an enterprise basis, the Bank's overall risks are reviewed, monitored and supervised by Chief Risk Officer (CRO) of the Bank supported by Risk Management Division (RMD).

RISK MANAGEMENT FRAMEWORK

The primary objective of risk management is ensuring that the outcomes of risk-taking activities are consistent with the Bank's strategies and risk appetite, and that there is an appropriate balance between risk and reward in order to maximize shareholder returns. The Bank's enterprise wide risk management framework provides the foundation for achieving these goals.

This framework is subject to constant evaluation to ensure that it meets the challenges and requirements of the global markets in which the Bank operates including regulatory standards and industry best practices. The risk management programs of the Bank's subsidiaries conform in all material respects to the Bank's risk management framework, although the actual execution of their programs may be different. The Bank's risk management framework is applied on an enterprise wide basis and consists of three key elements:

- Risk Governance,
- Risk Appetite, and
- Risk Management Techniques.

RISK GOVERNANCE

Effective risk management begins with effective risk governance. The Bank has a well-established risk governance structure with an active and engaged Board of Directors supported by an experienced Senior Management Team, that is, independent of the business lines. Decision-making is highly centralized through a number of senior and executive risk management committees.

BOARD RISK MANAGEMENT COMMITTEE

The Board of Directors, either directly or through its committee ensures that decision-making is aligned with the Bank's strategies and risk appetite. The Risk Management Committee receives regular updates on the key risks of the Bank and approves key risk policies, limits, strategies, and risk appetite. The Risk Management Division of the Bank reports to the Board Risk Management committee on the effectiveness of the risk governance structure and risk management framework regularly.

EXECUTIVE RISK MANAGEMENT COMMITTEE

The Executive management, and in particular the Managing Director and CEO as well as the Additional Managing Director and Chief Risk Officer (CRO), are responsible for risk management under the oversight of the Board of Directors. The CRO, who oversees the Risk Management Division of the Bank, reports to the CEO, is not only the Chairman of the Executive Risk Management Committee (ERMC), but also has direct access to the Board Risk Management Committee (BRMC).

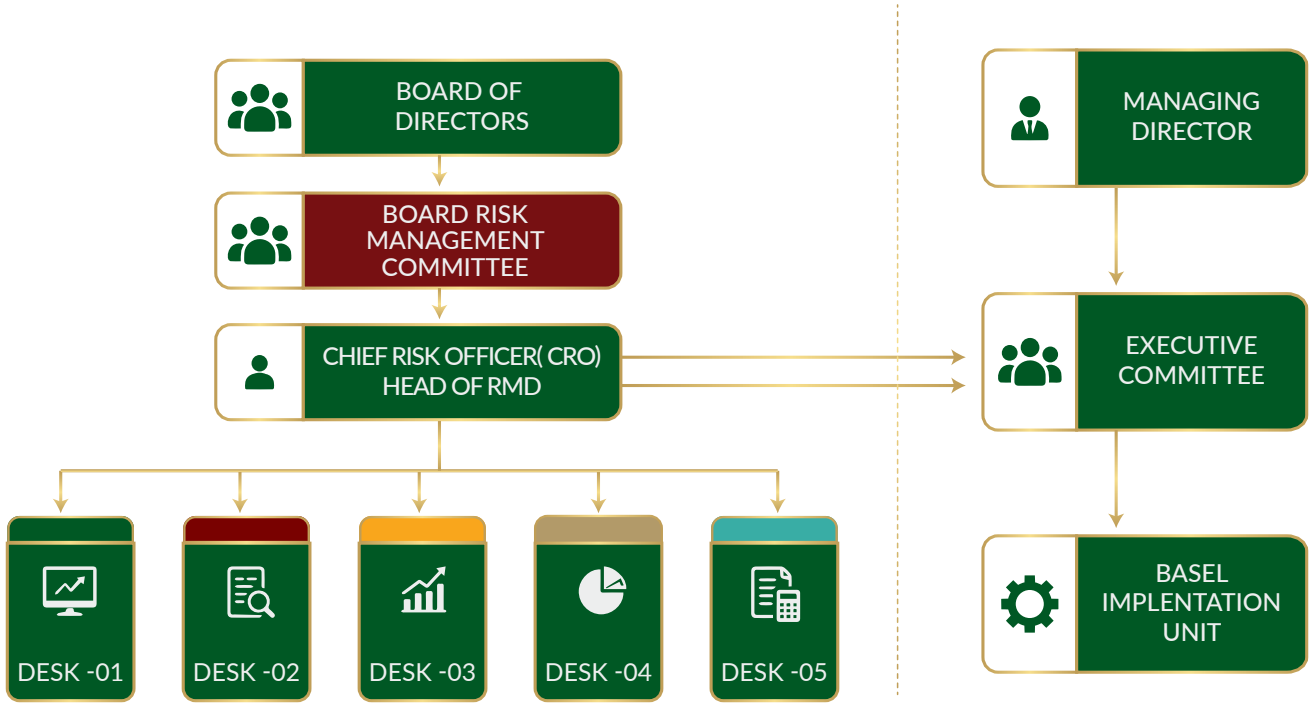
KEY ACTORS IN RISK GOVERNANCE OF THE BANK

Particulars	Roles and Responsibilities
Board Risk Management Committee (BRMC)	Design and implement Risk strategy and policy Review, monitor and understand risk profile of the bank Review and recommend bank's risk appetite, limit and tolerance level Review of Management level operational risk structure Performance review and recommendation

Particulars Roles and Responsibilities	
Executive Risk Management Committee (ERMC)	Identifying, measuring and managing bank's existing and potential risks through detailed risk analysis Determining general principal for measuring, managing and reporting the bank's risk Minimizing/controlling risks through ensuring proper implementation of the decisions; Reviewing risks involved in new products and activities and ensuring that the risks can be measured, monitored, and controlled adequately; Oversee the development, implementation and maintenance of the bank's overall risk management framework and risk appetite, strategy, principals and policies Ensure bank's Risk Management practices are in line with regulatory benchmark and industry best practice
Supervisory Review Process Committee (SRP)	Ensure that the bank has an internal process to identify and assess all relevant risks of the bank Vetting/recommending general principal for development of ICAAP document Ensure that capital is adequately allocated against the ICAAP outcome Error free and timely reporting of ICAAP outcome to Strategic layer and BB
Basel Implementation Unit	Implementation of the Action Plan of Basel Accords in the Bank Communicating issues related to Basel implementations to the Bank Management Attending QIS (Quantitative Impact Study) and Accountability for the compliance with Basel Accords. Arranging customized training programs according to Training Need Assessment. To place the requirement of new policies of the bank To monitor the adoption of Policy of the bank

ORGANOGRAM OF RISK MANAGEMENT DIVISION (RMD):

The organogram of the Risk Management Division (RMD) of the bank follows the structure of the revised Risk Management Guidelines for banks issued vide DOS Circular Letter no. 04 dated October 01, 2018 as detailed follows:



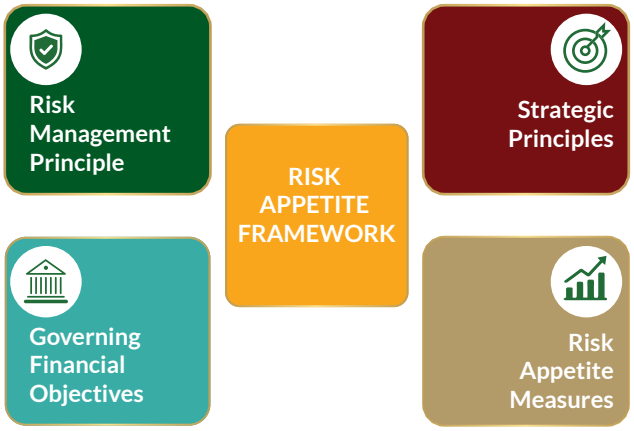
RISK MANAGEMENT CULTURE

Effective risk management requires a strong, robust, and pervasive risk management culture. The Business Lines are responsible for the development and execution of business plans that are aligned with the Bank's risk management framework, and are accountable to the risks they pose. Understanding and managing these risks is a fundamental element of each business plan.

RISK APPETITE

Effective risk management requires clear articulation of the Bank's risk appetite and how the Bank's risk profile will be managed in relation to that appetite. The Bank's risk appetite framework governs risk taking activities on an enterprise-wide basis.

Risk Management Priciples



The Bank's Risk Appetite Framework consists of four components and combines qualitative as well as quantitative terms of reference to guide the Bank in determining the amount and types of risk it wishes to prudently undertake.

RISK MANAGEMENT PRINCIPLES

Provide the qualitative foundation of the risk appetite framework. These principles include:

- Promotion of a robust risk culture,
- Accountability for risk by the business lines,
- Independent oversight exercised by Risk Management Division,
- Avoidance of excessive risk concentrations, and
- Ensuring risks are clearly understood, measured, and managed.

STRATEGIC PRINCIPLES

Provide qualitative benchmarks to guide the Bank in its pursuit of the Governing Financial Objectives and to gauge broad alignment between new initiatives and the Bank's risk appetite. Strategic principles include:

- Placing emphasis on the diversity, quality and stability of earnings,
- Focusing on core businesses by leveraging competitive advantages, and
- Making disciplined and selective strategic investments.

GOVERNING FINANCIAL OBJECTIVES

Key focus lies on long-term shareholder value. These objectives include sustainable earnings growth, maintenance of adequate capital in relation to the Bank's risk profile, and availability of financial resources to meet financial obligations on a timely basis at reasonable prices.

RISK APPETITE MEASURES

Provide objective metrics that gauge risk and articulate the Bank's risk appetite. They provide a link between actual risk taking activities and the risk management principles, strategic principles and governing financial objectives described above. These measures include capital and earnings ratios, market and liquidity risk limits, and investment (credit) and operational risk targets.

RISK MANAGEMENT TECHNIQUES

Effective risk management includes techniques that are guided by the Bank's Risk Appetite Framework and integrated with the Bank's strategies and business planning processes.

Strategies, Policies and Limits

Risk management techniques are regularly reviewed and updated to ensure consistency with risk-taking activities and relevance to the business and financial strategies of the Bank.

STRATEGIES, POLICIES AND LIMITS STRATEGIES

Provide quantitative and qualitative guidance. This guidance is, in turn, used to set limits and guidelines on the types of risk taking activities the Bank is prepared to assume in pursuit of its strategic and financial objectives.

POLICIES

Apply to specific types of risk or to the activities that are used to measure and control risk exposure. They are based on recommendations from risk management, audit, business lines, and senior executive management. Industry best practices and regulatory requirements are also factored into

the policies. Policies are guided by the Bank's risk appetite, and set by the limits and controls within which the Bank and its subsidiaries can operate.

Key risk policies are approved by the Board of Directors, either directly or through the Board Risk Management Committee.

Executive Risk Management Committee level risk policies associated with processes such as model development and stress testing are approved by the Board of Directors through Board Risk Management Committee.

LIMITS

Control risk-taking activities within the tolerances established by the Board and senior executive management. Limits also establish accountability for key tasks in the risk-taking process and establish the level or conditions under which transactions may be approved or executed.

GUIDELINES, PROCESSES AND STANDARDS

GUIDELINES

Practicing sound risk management is crucial for banking sector. For effective risk management within the banks, necessary directions have been provided by Bangladesh Bank through various letters/circulars/ guidelines from time to time most of which are as follows:

- Risk Based Capital Adequacy (RBCA) Guidelines-2014.
- Core Risk Management Guidelines issued by Bangladesh Bank (2015 & 2016);
- Comprehensive Risk Management Guidelines-2018;
- Revised Stress Testing Guideline-2024;
- BRPD Circular No.11 (Section-5.3), dated 27 October 2013 regarding responsibilities of Board of Directors and Board Risk Management Committee (BRMC);
- SPCD Circular No. 02, dated 23 October 2025 and SPCD Circular No. 03, dated 24 December 2025 on Implementation of Risk Based Supervision (RBS).
- Guidelines on Environmental & Social Risk Management (ESRM) for Banks, dated 08 February 2017.
- Guidelines on Internal Credit Risk Rating System for Banks-2018
- BRPD Circular No.03 regarding Recovery Plan for Banks
- DOS Circular No.03 regarding Introduction of new Input Template for Comprehensive Risk Management Report
- BRPD Circular No.07, dated 05 December, 2023 regarding Prompt Corrective Action Framework
- BRPD Circular No. 02, dated February 11, 2024, focuses on the formation of a Board of Directors for banks and their responsibilities
- Other related instructions/circulars/letters as issued by regulators from time to time; etc.

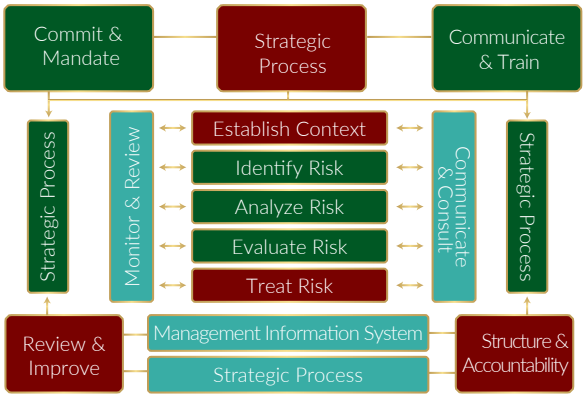
PROCESSES

The activities are associated with identifying, evaluating, documenting, reporting and controlling of risk.

The context element in the Risk Management Process sets the stage for the decision or activity requiring risk management. Risk assessment identifies, analyzes and evaluates the risks. Risk treatment enhances the probability of positive outcomes

and reduces the incidence of negative outcomes to within acceptable levels. Monitoring, reviewing and keeping close watch over the risks and the controls are implemented to mitigate risks. Finally, the process includes a permanent and ongoing effort at communication and consultation to ensure that the stakeholders are engaged and contribute to the management of risks.

COMPATIBLE RISK MANAGEMENT FRAMEWORK AND RISK MANAGEMENT PROCESS



STANDARDS

Define the breadth and quality of information required to make a decision and set the expectations in terms of quality of analysis and presentation. Processes and standards are developed on an enterprise wide basis and documented in a series of policies, manuals and handbooks under the purview of RMD.

STRESS TEST

A risk management tool used to evaluate how certain stress scenarios could impact financial health or operations of a bank. These scenarios simulate extreme yet plausible adverse conditions to assess vulnerabilities and prepare response strategies. When properly executed, stress testing not only helps manage financial and operational risks but also strengthens governance, supports regulatory compliance, and enhances long-term strategic planning

REGULAR MONITORING

Ensure that business activities are within approved limits or guidelines, and are aligned with the Bank's strategies and risk appetite. Breaches, if any, of these limits or guidelines are reported to the Senior Management, and/or the Board depending on the limit or guideline.

RISK MANAGEMENT REPORTING

Through the Revised Risk Management Guidelines for Banks issued by Department of Offsite Supervision (DOS) vide its DOS Circular Letter no. 04 dated October 01, 2018, Bangladesh Bank instituted greater expertise in the area of risk management activities of the bank through exercise of international best practices. Accordingly, the bank adheres to the applicable rules, regulations and relevant policy guidelines related to risk management reporting as amended up to date. In these contexts, RMD has been preparing and submitting the following reports, summary of which are as under:

CORE RISK MANAGEMENT

Bangladesh Bank issued core risk management guidelines for banks which provided the benchmark that needs to be followed by the banks as minimum standard apart from the bank specific internal core risk management guidelines. Bank's core risk management compliance issues are monitored by the Executive Risk Management Committee (ERMC) in its monthly meeting through RMD. The recommendations/ suggestions are communicated to the concerned divisions for ensuring timely compliance of the particular risk factors. In managing the core risks, bank follows the latest core risk management guidelines. These are:

1. Investment/Credit Risk
2. Foreign Exchange Risk
3. Asset-Liability Risk
4. Internal Control & Compliance (ICC) Risk
5. Information & Communication Technology (ICT) Risk
6. Money laundering and terrorist financing (ML & TF) Risk

ROLE OF RISK MANAGEMENT DIVISION

SBPLC has an independent full-fledged risk management department/division where CRO is responsible for overall supervision of the division. According to Latest Risk mangement Guideline 2018, SBPLC has established separate desks. RMD is responsible for developing and maintaining an appropriate suite of risk management techniques to support the operations of the various business lines, and for supporting the measurement of economic capital on an enterprise-wide basis. The main functions of the division include, but not limited to, the following:

Sl. No.	Name of report	Reporting Frequency	Status	Remarks
1.	Statement of Capital Adequacy	4	Complied	Quarterly reporting to BB, BRMC & Board of Directors
2.	Statement of ICAAP under Supervisory Review Process	1	Complied	Yearly reporting to BB, BRMC & Board of Directors.
3.	Stress Testing Report	4	Complied	Quarterly reporting to BB and Board of Directors.
4.	Comprehensive Risk Management Report (CRMR)	2	Complied	Half yearly reporting to BB for determination of risk management rating.
5.	Monthly Risk Management Report (MRMR)	10	Complied	• Monthly reporting to ERMC & BB. • Quarterly reporting to BB, BRMC & Board of Directors.
6.	Statement of Market Discipline	1	Complied	Yearly reporting to BB & Board of Directors and disclose the same in the Bank's Website.
7.	Statement of Risk Appetite	1	Complied	Yearly reporting to BB & Board of Directors for approval.
8.	Bank's Credit Rating	1	Complied	Yearly reporting to BB, Board of directors, bank's website, daily newspapers.
9.	Recovery Plan	1	Complied	Yearly reporting to BB, Board of directors.
10.	Compliance Report	As and when required	Complied	Reporting to the respective departments of BB from time to time.

- managing the process for developing risk policies and procedures;
- coordinating with business users/units to prepare functional specifications;
- preparing and forwarding risk reports; and
- assisting in the implementation of all aspects of the risk function.

RISK MITIGATION STRATEGY

KEY RISK ISSUES TO ADDRESS

When it comes to Risk Assessment and Risk Mitigation, Standard Islami Bank PLC. always adheres to some cardinal values which include ethics, planning, review, disclosure, competence and KPIs. Standard Islami Bank PLC. firmly believes that sustainability of risk management framework cannot be meaningful in absence of the said values as depicted in the following:

In consideration of its overall risk profile and in light of the guidelines of Bangladesh Bank, Standard Islami Bank PLC. formulated its core risk and integrated risk management policies. The onus of integrated risk management policy is mainly vested with its Risk Management Division as the operational arm. Besides, business level risk management is carried out by respective 6 core risk-owing divisions. Therefore, the key risk management framework of the Bank encompasses both integrated and business level risk management strategies. On the whole, the major risk areas addressed by the Bank are as under:

1. INVESTMENT (CREDIT) RISK

Investment (Credit) risk primarily triggers either from unwillingness or inability of an investment (credit) borrower to serve its obligation, resulting in economic loss to the bank. Investment (Credit) risk arises from on balance sheet claims such as investments as well as off balance sheet commitments such as guarantee, acceptance, letter of credit etc. Similar to most other banking institutions, in the case of Standard Islami Bank PLC. investments are the largest and most obvious source of investment (credit) risk.

Bank's Investment (Credit) Risk Management (IRM) specifically addresses the following areas as the IRM is mainly responsible for:

- Implementation of the investment (credit) risk policy/ strategy approved by the Board.
- Ensure compliance with limits approved by the Board
- Makings recommendations to the Board, for its approval, clear policies on standards for presentation of investment (credit) proposals, financial covenants, rating standards and benchmarks.
- Deciding on delegation of investment (credit) approving powers, prudential limits on large investment (credit) exposures, standards for investment collateral, portfolio management, investment review mechanism, risk concentrations, risk monitoring and evaluation, pricing of investments, provisioning, regulatory/legal compliance, etc.

A. OPERATING UNDER SOUND INVESTMENT (CREDIT) GRANTING PROCEDURE

The Bank strictly followed specified policy standards for granting investment (credit) by way of evaluating borrower:

- Internal investment (credit) rating assessment in combination with Internal Investment Risk Rating System (IIRRS);
- External credit rating assessment by ECAI;
- Analysis of specific borrower repayment capacity, review of financial statements by way of analysis of five key financial indicators - Balance Sheet, Income Statement, Net worth and Fixed Assets reconciliation as well as Key ratios and Cash flows statements;
- Risk based investment pricing;
- Investment (Credit) growth increase after ensuring optimum asset quality and without compromising bank's standard of excellence;
- Investment (Credit) facilities are allowed after consideration of absolute due diligence;
- Inherent risk in investment (credit) proposal are being identified and mitigation steps are taken;
- Collateral is properly valued and verified by concerned officer on periodic basis;
- Risk grading is being done in line with the Bangladesh Bank guideline and bank's own policy
- Investment (Credit) delegations are specified for new/ fresh limit, renewal or enhancement of limit, consumer/ retail investment, personal investment etc.

B. MAINTAINING AND APPROPRIATE INVESTMENT (CREDIT) ADMINISTRATION MEASUREMENT AND MONITORING PROCESS

- The Bank established an appropriate investment (credit) administration, measurement and monitoring process to mitigate investment (credit) risk;
- Borrower follow-up and corrective action;

- Internal investment review;
- Timely identification of problem assets as well as Documentation Weakness;
- Failing to file collateral agreements/security agreements with appropriate public departments;
- Transferring the collateral to another country/state;
- Guaranties with expired date changes in legal status;
- Unauthorized corporate/partner signatures;
- Collateral Deterioration;
- Changes of value in the marketplace;
- Rising profit rates;
- Decrease real estate and investments;
- Technological advances;
- Rapid depreciation of equipment or inventory;
- Tax law changes (real estate);
- Natural disasters;
- Spoilage or mishandling of collateral;

EXTENDED INVESTMENT (CREDIT) AND HIGH USE OF LINES OF FINANCING (CREDIT)

- Borrower is at the top of line each month;
- Failure to meet financial covenants in investment agreement;
- Delays in payment of principal and profit;
- Use of overdrafts/low balances in current account;
- Investment (Credit) inquiries from other lenders;
- Change of accountants;
- Other Indications of Problem Investments;
- Delay in receipt of financial statements;
- Delay in management promises; or
- Adequate provision maintenance

2. MARKET RISK

Market risk is defined as the risk of losses against expected (fair) value of financial assets, liabilities and off-balance sheet items resulting from absurd market condition (e.g. macro-economic factors). The underlying risk is also considered as non-diversifiable risk, i.e. risk that cannot be avoided. In general, market risk is often triggered by other forms of financial risks such as investment (credit) and market liquidity risks. For example, a downgrade of the investment (credit) standing of an issuer (e.g. share) could lead to a drop in the market value of the securities issued by the issuer. Furthermore, a major sale of security by another holder could depress the price of the security.

2.1 Profit Rate Risk arising from mismatches in the profit rate profile of assets, liabilities and capital instruments including basis risk arising from different profit rate benchmarks, profit rate re-pricing risk, yield curve risk and embedded optionality.

2.2 Equity risk is defined as losses due to changes in market price of equity held by the Bank. To measure and identify this risk, marks-to-market valuations of the equity instruments that are traded in secondary market are made. The minimum capital standard for equities is expressed in terms of two separately calculated charges for the "specific risk" of holding a long or short position in an individual equity and for the "general market risk" of holding a long or short position in the market as a whole.

2.3 Foreign exchange risk arising mainly from our strategic investments which are denominated in currencies other than the BDT. Foreign exchange position is managed by treasury division.

2.4 Commodity risk is the risk of loss due to changes in spot and forward prices and the volatility of precious and base metals, and energy products. A commodity is defined as a physical product which is or can be traded on a secondary market, e.g. agricultural products, minerals (including oil) and precious metals. The price risk in commodities is often more complex and volatile than that associated with currencies and profit rates. Commodity markets may also be less liquid than those for profit rates and currencies and, as a result, changes in supply and demand can have a more dramatic effect on price and volatility. These market characteristics can make price transparency and the effective hedging of commodities risk more difficult. For spot or physical trading, the directional risk arising from a change in the spot price is the most important risk. However, banks using portfolio strategies involving forward and derivative contracts are exposed to a variety of additional risks, which may well be larger than the risk of a change in spot prices. In the year ended 2020, Bank had no Risk Weighted Assets for Commodity Risk.

Risk Concerns & Mitigation Plan at Operational Level

Key Risk	Reference Tool for Assessment	MAT, Mgt. strategy & capital allocation
Market Sensitivity	VaR (FX & Equity), Sensitivity, profit rate risk, Duration Gap, Portfolio analysis	
Regulatory Compliance	Investment limit	
Concentration Risk	HHI, Gini, SEI, SI	
Macro-Economic Review	Industry Outlook	

LIQUIDITY RISK

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. An institution short of liquidity may have to undertake transaction at heavy cost resulting in a loss of earning or in worst case scenario; the liquidity risk could result in bankruptcy.

Banking organization like Standard Islami Bank PLC. where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing steep asset (i.e. primarily investment (credit) portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as investment (credit) risk, profit rate risk, foreign exchange risk etc.

a. **Funding liquidity risk** generates when bank 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** generates when bank cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market.

Standard Islami Bank PLC. assesses liquidity risk in ICAAP document under Pillar-2 by considering following key indicators:

Regulatory Liquidity Indicators (RLIs):

- Cash Reserve Requirement (CRR)
- Statutory Liquidity Ratio (SLR)
- Medium Term Funding Ratio (MTFR)
- Maximum Cumulative Outflow (MCO)
- Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Raito (NSFR)

Bank's own liquidity monitoring tools:

- Wholesale Borrowing and Funding Guidelines,
- Liquidity Contingency Plan,
- Management Action Trigger (MAT)

Through computation of capital charge against above key liquidity indicators, the Bank maintained additional capital.

Risk Concerns & Mitigation Plan at Operational Level

Key Risk	Reference Tool (example)	Mitigation Process
Sensitivity	Stress Testing, LCR, NSFR	MAT, Escalation to senior mgt. and ALCO
Liquidity Ratio	CRR, SLR, MTF, MCO, AD	
Maturity Mismatch	Duration Gap, Structured Liquidity Profile	

OPERATIONAL RISK

Operational Risk refers to the risk of loss resulting from inadequate or failed internal process, people and system or from external events. This definition includes legal risk but excludes strategic and reputational risk. Unlike other risk as faced by the bank, the operational risk is inherent in most of the process and operations of the bank and cannot be separated from other risks. Operational risks in a bank are the functions of the bank's overall environment and culture, employee competence and integrity, management strategies and philosophies, extent and degree of process centric approach to business, etc.

Risk Concerns & Mitigation Plan at Operational Level

Key Risk	Reference Tool (example)	Mitigation Process
Corporate Governance & Strategic risk	Assessment of Corp. Governance Status & Strategic Risk	MAT, Escalation and Capital allocation
Control Lapses in Opr. Process	Attachment, Risk Control Self-Assessment	
Fraud & all other opr. risks	Incident reporting, internal audit, Key Risk Indicator (KRI)	

REPUTATION RISK:

Reputation risk is the current or prospective risk to earnings and capital that arise from decline in the customer base, costly litigation due to adverse perception of the stakeholders. It originates from the lack of compliance with industry service standards or regulation, failure to meet commitments, inefficient and poor quality customer service, lack of fair market practices, unreasonably high costs and inappropriate business conduct. In a nutshell, "reputation risk arises from the failure to meet stakeholders' reasonable expectation of bank's performance and behavior". Reputation risk is a subset of operational risk which can adversely affect the capital base if the driving forces of the risk turn worse. The Bank assesses reputational risk in ICAAP document under Pillar-2 by considering following key indicators:

- Credit Rating conducted by ECAIs
- Internal fraud
- External fraud
- Non-payment or delayed payment of accepted bills (foreign & domestic)
- Quality of customer service.

By assessing the above key indicators for all aspects, the Bank maintains additional capital for that/those risk(s).

STRATEGIC RISK

Strategic risk means the current or prospective risk to earnings and capital arising from imperfection in business strategy formulation, inefficiencies in implementing business strategy, non-adaptability/less adaptability with the changes in the business environment and adverse business decisions. Strategic risk induces operational loss that consequentially hampers the capital base.

In this context, strategic risk possesses a significant space in the ICAAP of the banks, the following aspects are considered:

- CAMELS rating – optimum level (satisfactory)
- Operating expenses as % of operating income - optimum level up to 45%
- Classified investments as % of total outstanding investments - optimum level up to 5%
- Classified investment recovery as % of total classified investments - optimum level minimum 20%
- Written-off investments as % of total classified investments - optimum level up to 15%
- Profit waiver as % of total classified investments - optimum level up to 5%.

INTERNAL CONTROL & COMPLIANCE RISK

Internal control is the process, affected by a company's Board of Directors, Management and other 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.

Bank's senior management is responsible for establishing a compliance policy that contains the basic principles to be approved by the Board and explains the main processes by which compliance risks are to be identified and managed through all levels of the organization.

The Board and Management are accountable for the bank's compliance, the compliance function has an important role in supporting corporate values, policies and processes that help ensure that the bank acts responsibly and fulfils all applicable obligations.

MONEY LAUNDERING RISK

Money Laundering Risk can be defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. The bank has a designated Chief Compliance Officer at Head Office and Compliance Officers at branches who independently review the transactions of the accounts to verify suspicious transactions.

The convergence of several remarkable changes in the world markets propelled Money Laundering to become a worldwide problem. Standard Islami Bank PLC. considers Money Laundering and Terrorist Financing Risk not only a compliance requirement of the regulatory bodies but also as one of its core business values. The Board of Directors and the Management are firmly committed to combating Money Laundering activities.

ENVIRONMENTAL AND CLIMATE CHANGE RISK:

Environmental and climate change risk refers to the uncertainty or probability of losses that originates from any adverse environmental or climate change events (natural or manmade) and/or the non-compliance of the prevailing national environmental regulations. This is a facilitating element of investment (credit) risk arising from environmental issues. These can be due to environmental impacts caused by and/or due to the prevailing environmental conditions. Environmental and climate change risk can hamper the business stability of the borrowers in respect of both - i) profitability and ii) reputation. Consequentially, the extent of risk for the banks will be higher. Sector Environmental Due Diligence (EDD) Check List specified in Guidelines on Environmental Risk Management (ERM) issued vide BRPD Circular No.01/2011 dated 30/01/2011 is used to determine this risk. For the investments under the sectors specified in the guidelines and which will have EnvRR of 'High (H)' are considered for the capital charge against this risk.

RISK MITIGATION MEASURES UNDERTAKEN:

In order to address the afore-said risks at both enterprise level and business, level, Standard Islami Bank PLC. prepared its own comprehensive and core risk management guidelines, which were prepared in light of the prescriptions of Bangladesh Bank. Key aspects of the guidelines regarding the risk mitigation strategies of the bank include, inter alia, the following prudential aspects:

A. INVESTMENT (CREDIT) RISK MANAGEMENT

Investment (Credit) risk may arise from the banking book, trading book even from non-funded exposures.

In order to mitigate Investment (Credit) Risk on standalone basis, the Bank has taken the following steps:

- Formulation of Investment (Credit) Risk Policy, which clearly defines our objectives, criteria, investment (credit) approval process and clear-cut responsibilities of individuals associated with approving and administering the investment (credit) portfolio of the bank;
- Investment (Credit) proposals are exhaustive and contains security etc. to enable the credit approving authority to make well-informed decisions;
- Centralized setting up of investment (credit) limits to ensure accuracy and control;
- Customers are actively encouraged to rate themselves through approved credit rating agencies which is a good indicator of the financial health of the customers;
- System based monitoring of investment (credit) limits, maturity etc.;
- Periodic investment (credit) portfolio review;
- Industry and business segment focus including lending caps;
- Types of investment (credit) facilities;
- Industry and Business segment focus - grow, maintain & shrink;
- Single borrower exposure limit including syndication of investments;
- Discouraged business types;
- Large investment - 10% or more of Bank's total capital is considered and the maximum limit set according to net classified investments of the bank;

- Investment facility parameters (Investment size, tenor, margin & security etc.);
- Acceptable securities with quality and value;
- Internal Investment Risk Rating System (IIRRS) is followed;
- Insurance coverage (on goods/machineries etc financed by the bank) policy;
- Investment pricing strategy;
- Investment Approval Process is clearly defined;
- The Early Alert Reporting system is in place;
- Cross-border risk;
- Investment (Credit) assessment and Investment (credit risk) grading;
- Environmental Risk Rating;
- NPI Account Management and Investment (Credit) Recovery policy is in place;
- Audit & Inspection is done on IRM annually;
- Periodic stress testing etc;

The Bank has segregated duties of the officers/executives involved in investment (credit) related activities. Investment (Credit) approval, administration, monitoring and recovery functions have been segregated. For this purpose, two separate units have been formed within the investment (credit) functions namely Investment (Credit) Division and Investment (Credit) Administration Division. Investment (Credit) Division is entrusted with the duties of maintaining asset quality, assessing risk in investment (lending) to a particular customer, sanctioning investment (credit), formulating policy/strategy for lending operation, etc.

A thorough assessment is performed by Investment (Credit) Division before sanctioning of any investment (credit) facility. The risk assessment includes borrower's risk analysis, industry analysis, historical performance of the customer, security of the proposed investment (credit) facility, etc. The assessment process starts at the branch level by the relationship manager/ officer and ends at Investment (Credit) Division when it is approved/declined by the Competent Authority. Investment (Credit) approval authority has been delegated to the Investment (Credit) Committee.

In determining Single Borrower Exposure/Large investment limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodic intervals to ensure compliance of Bank's internal and Regulatory policies.

Investments are classified as per Bangladesh Bank's guidelines. Profit accrued on classified investment is suspended and adequate provision is maintained thereagainst as per Bangladesh Bank Guidelines.

In order to mitigate Investment (Credit) Risk on portfolio basis, the Bank has taken the following steps:

Key Risk	Reference Tool (example)	Mitigation Process
Portfolio Growth	Reason for growth	MAT
Investment (Credit) Concentration	HHI, Gini, SEI, SI	Sectoral Lending Cap, Capital Allocation
Security/ Collateral/ Margin Status	Coverage Assessment, Stress Testing	MAT
Investment Categorization & Classification	Transition Matrix, Reason for Classification, Stress Testing, Foundation IRB approach	MAT, Escalation, Crash program
Documentation Lapses	Audit report review	Continuous follow-up, Capital allocation
Unplanned conversion & undrawn	Separate product and periodic review	Management Strategy & Capital Allocation
Regulatory Adherence	Single borrower limit, Env. Risk rating	

B. ASSET LIABILITY RISK MANAGEMENT

The Bank's assets and liabilities are managed in order to maximize stakeholder's value, to enhance profitability and increase capital, to serve customer and community needs, and to protect the bank from any disastrous financial consequences arising from changes in profit rate/liquidity. The responsibility of managing the asset/ liability management procedures are monitored by the Asset Liability Management Committee (ALCO).

Asset Liability Risk Management is an integral part of risk management in our bank. There is a structured and systematic process to manage the asset liability risk as well as the Balance Sheet. Asset Liability Management (ALM) Desk is an independent unit within the Treasury Division. The desk meticulously monitors and analyzes cash flows and cash positions, balance sheet gaps, daily profit and loss, economic trends, investment options, arbitrage opportunities, business growth, liquidity and places the facts and findings before the ALCO with its recommendations on a regular basis.

A committee named Asset Liability Committee (ALCO) comprising Senior Management of the Bank has been established to make important decisions relating to liquidity, profit rate and balance sheet management of the bank.

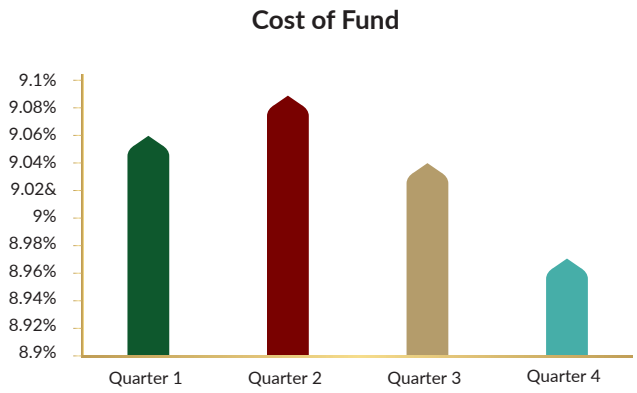
ALCO meeting is held once or more in every month to analyze, review and formulate strategies in order to manage the same. However, the main functions of the ALCO are:

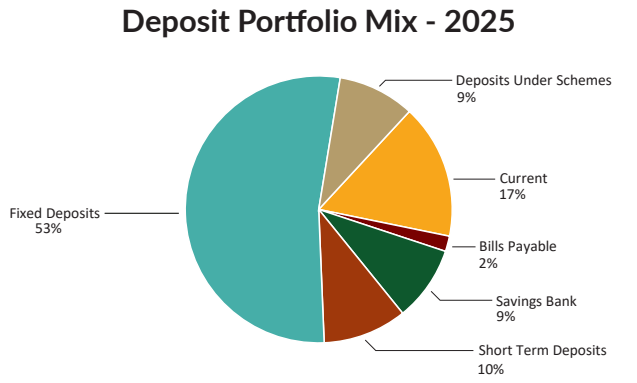
- To ensure adequate liquidity at all times;
- To ensure adequate capital to meet business and regulatory requirements;
- To diversify funding sources;
- To manage balance sheet and ensure business strategies consistent with liquidity requirements;
- To establish asset and liability pricing policies to protect liquidity structure;
- To recommend the aggregate volume of all the Bank's standby liquidity commitments;
- To prepare Liquidity and Capital Plans and Contingency Funding Plans and recommend liquidity limits;
- To review and approve assumptions used in Maximum Cumulative Outflows and Contingency Funding Plans;

- To approve revenue targets related to Earnings at Risk limits;
- To comply with corporate policies on hedging capital;
- To comply with all regulatory requirements and review regulatory reporting;
- To establish and monitor relevant liquidity ratios and balance sheet targets;
- To ensure that the Head of Treasury has the necessary support to perform his/her job.

LIQUIDITY RISK MANAGEMENT

Liquidity Risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. Liquidity risk is often triggered by the consequences of other financial risks such as investment (credit) risk, profit rate risk, foreign exchange risk, etc.





The intensity and sophistication of liquidity risk management processes depend on the nature, size and complexity of a bank's activities. Sound liquidity and controlling liquidity risk is critical to the viability of the Bank. Our liquidity risk management procedures are comprehensive and holistic. Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) and the Committee meets at least once in every month. Asset Liability Management (ALM) desk of the treasury function closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the Bank. A monthly projection of fund flows is received in ALCO meeting regularly.

PROFIT RATE RISK MANAGEMENT

Profit rate risk has the potential impact on a bank's earnings and net asset values due to changes in market profit rates. Profit rate risk arises when a bank's principal and profit cash flows (including final maturities), both on-and off-balance sheet, have mismatched re-pricing dates.

However, the Bank has segregated both the profit rate sensitive assets and liabilities into different time buckets to find the asset liability mismatch. The duration gap analysis is also being carried out on quarterly basis.

Existing Profit Rate Risk assessment structure and control system of the Bank are as follows:

- Duration Gap Analysis: Calculate net GAP per time period and the cumulative GAP. Determine maximum tolerated GAP as determined by the ALCO policy;
- Market Value Analysis;
- The following ratios are good indicators of Profit Rate Risk analysis and these are calculated on regular basis :
  - Net Investment Income
  - Net Profit Margin
  - Profit Earning Asset to Total Assets
  - Average Profit Rates of Investment
  - Average Profit Rates of Deposit etc.
- Sensitivity Analysis;
- Maturity profile Analysis;
- Stress Testing is conducted;

Moreover, most of the bank's assets and liabilities are on floating profit rates as per amendment clauses of investment sanction letters and therefore, the bank is less exposed to profit rate risk due to mismatch between floating and fixed rate.

However, due to market wide downward trend of profit rate, the Bank is likely to be exposed to lower income due to lower profit spread. To manage this risk, the Bank is actively planning to reduce its administrative expenses and increase fee-based income.

C. FOREIGN EXCHANGE RISK MANAGEMENT

Foreign Exchange risk is the risk to earning arising from adverse movements in currency exchange rate. It refers to the impact of adverse movement in currency exchange rates on the value of open foreign currency position. An investment's value may change adversely incurring loss due to changes in exchange rates.

Treasury Division of the bank measures and monitors the foreign exchange risks. The Bank has formulated a treasury manual, which has been implemented for managing foreign exchange risks as per directives of Bangladesh Bank.

The functions of treasury front office, mid office and back office have been segregated. The operational guidelines have also been formulated specifying the roles and responsibilities of front, mid and back office so that various foreign exchange transactions can be conducted according to the policy guidelines of the Bangladesh Bank and the risks can be measured, monitored and mitigated.

Existing structure of risk assessment and control system of Foreign Exchange Risk of the Bank are as follows:

All exchange trading positions are conducted and maintained by Treasury Front Office within the limits approved by Board of Directors and Bangladesh Bank.

The following limits are in place:

- Intraday Spot Trading Limit
- Per Deal Limit
- Individual Dealer's Limit
- Forward and Swap Trading Limit
- Overnight Trading Limit
- Open Position Limit
- Per Deal Stop-loss Limit
- Daily Stop Loss Limit
- Trigger Limits
- Limit for Cover Operations
- Corporate Limits
- Off Premises Limit
- After Hour's Limit
- Counter Party Limits

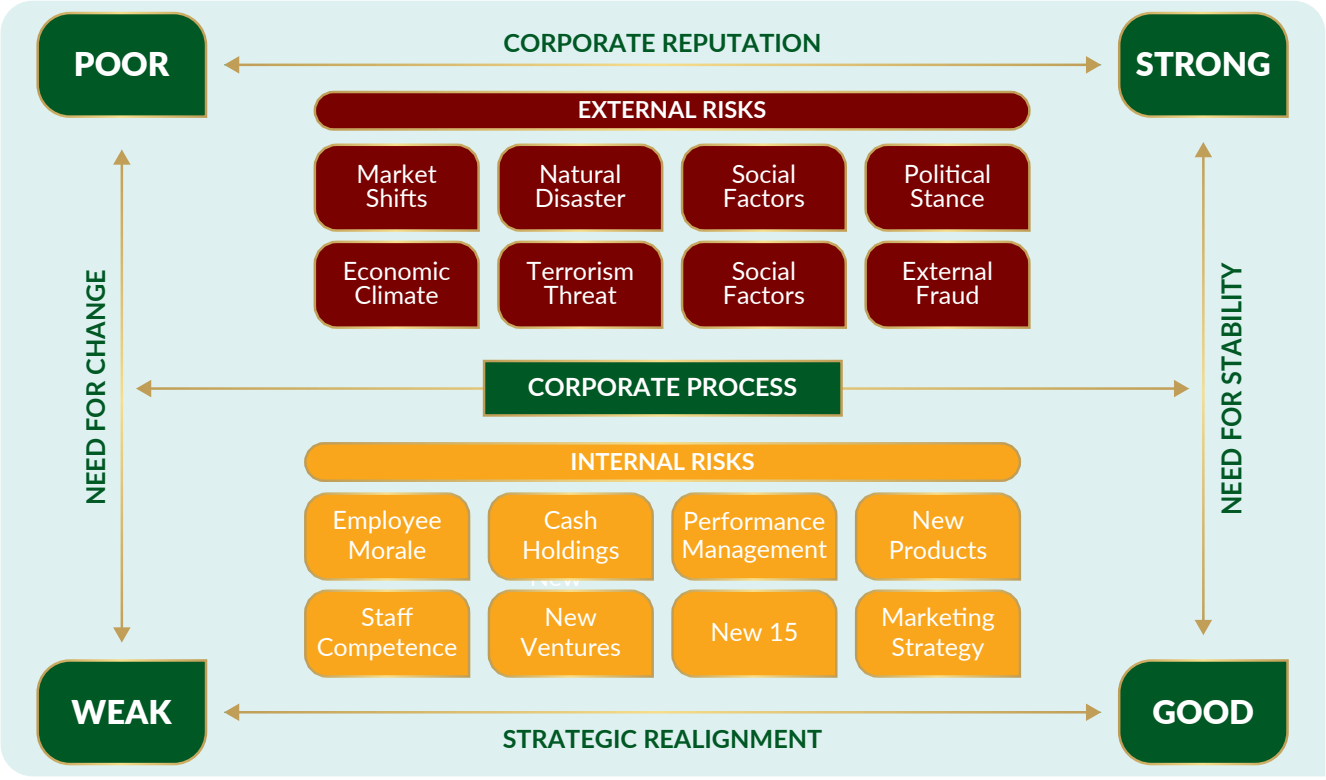
- From time to time, dealers are monitoring dealing limit and the dealers are maintaining and keeping record of their Foreign Currency Transactions;
- Treasury Back Office is in place, which monitors and settles all foreign currency dealings. The Back Office is maintaining all accounting entries of foreign exchange deals originated by Front Office as also entries originated by the branches. The Back Office is also maintaining Daily Exchange Positions to assess and monitoring FEX risks;
- Treasury Middle Office is in place to check whether the deals are being struck within the limits.

D. INTERNAL CONTROL AND COMPLIANCE RISK MANAGEMENT

Internal Control refers to policies, plans and processes effected by the Board of Directors of the Bank and performed on continuous basis by the Senior Management and all levels of employees within the Bank. These internal controls are used to provide reasonable assurance regarding the achievement of organizational objectives. The system of internal controls includes financial, operational and compliance controls.

For safeguarding the organization's assets, internal controls primarily aim to support the management in the identification and mitigation of those risks, which the Bank may encounter in the fulfillment of its business objectives.

The internal control system of the bank ensures that all the necessary policies, guidelines and manuals are in place and all concerned are following the same strictly and meticulously including Departmental Control Function Check List



(DCFCL). To monitor the overall effectiveness of the internal control system, the Management Committee (MANCOM) regularly reviews the policies & procedures as well as the structure assigning clear responsibility, authority and reporting relationship.

The Internal Control & Compliance (ICC) Division is working independently to evaluate the Internal Control System of the Bank so as to ensure good governance, transparency & accountability. The ICC Division is conducting comprehensive internal audit of the branches as well as different divisions/ departments of Head Office on an ongoing basis.

The Division reviews the activities of branch's Internal Control Unit (ICU) continuously through different control processes to minimize irregularities/lapses, to prevent fraud/ forgery and to control existing/emerging risks. The significant deficiencies identified by the audit team are placed before the Senior Management as well as the Audit Committee of the Board. Audit Committee of the Board regularly monitors the functions of Internal Control & Compliance Division with their necessary suggestions/recommendations and also reports to the Board of Directors from time to time.

Risk Based Internal Audit (RBIA) is being carried out annually for risk profiling/categorization of the branches based on the level of its various risks. Strong monitoring & close supervision ensure functional efficiency of the branches & different divisions/departments of Head Office by maintaining control environment at operational level. Compliance culture is developed by strict adherence to statutory & regulatory requirement and also bank's own policy & procedures.

By enforcing effective & sound Internal Control System, ICC is performing its activities for further improving overall work performance of the Bank towards achieving its ultimate objectives.

E. MONEY LAUNDERING RISK MANAGEMENT

Effective anti-money laundering and combating the financing of terrorism regimes are essential to protect the integrity of markets and of the global financial framework as they help mitigate the factors that facilitate financial abuse. Money laundering risk is a risk of incurring loss due to inadequate due-diligence resulting in reputational, operational, legal and concentration risks involving significant cost.

"Guidelines on Prevention of Money Laundering" and "Policy for Combating Financing of Terrorism" have been formulated for strict compliance as per directives of Bangladesh Bank.

The Chief Anti-Money Laundering Compliance Officer (CAMLCO) regularly submits status report to the Competent Authorities as per regulatory requirement in respect of hundi activities, abnormal transactions, Suspicious Transaction/ Activity Report (STR/SAR), Cash Transaction Report (CTR), Know Your Customer (KYC) Procedure, Transaction Monitoring Report, Structuring Monitoring Report, Half Yearly Report on Self-Assessment Reports of branches & independent testing procedure conducted by ICC Division and similar other areas.

The bank has so far ensured compliance with all the rules and regulations on Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) issues.

Existing Risk Assessment structure and control system of AML of the Bank are as follows:

- Each Branch has a Branch Anti-Money Laundering Compliance Officer (BAMLCO) to assess and monitor Money Laundering Risk.
- Cash Transaction Reporting System is in place and the concerned department regularly submitted CTRs to Bangladesh Bank.
- Suspicious Transaction/Activity Reporting system is in place and the concerned department is regularly submitting the report to Bangladesh Bank.
- Hundi Activities and Abnormal Transaction/Activity monitoring system are in place.
- Self-Assessment Process & Independent Testing Procedure as per 'Guidance Notes on Prevention of Money Laundering' of Bangladesh Bank is in operation.
- ICC division regularly conducts Audit & Inspection to the Branches on AML.

The Bank is regularly arranging Training Programs on Prevention of Money Laundering & Combating Financing of Terrorism for all categories of Executives/Officers of the Bank.

F. INFORMATION & COMMUNICATION TECHNOLOGY RISK MANAGEMENT

ICT risk management is embedded with organizational internal control system which is used as part of the management control for risk management in the organization. This management control emphasizes both business control and technological control which support business requirement and governance. Business and technological controls are involved in the policies, processes and systems. Internal control and the audit process control the entire range of interactive transactions and internal transactions across organization as well as monitor and manage risks including business risks and ICT risks. Internal control and audit have played a vital role of risk management which can be used to:

- Provide risk management and control advice to relevant personnel.
- Provide independent assurance to the authority about the adequacy and effectiveness of controls and other risk management activities.

The Bank has integrated technology for its business operation and is continuously upgrading its technological aspects to keep pace with modern banking practice. With its centralized online banking solution, the Bank is now able to serve its customers from anywhere at any time. The Bank has already launched debit card, credit card, prepaid card, SMS banking, web-based remittance facility and automated emailing customer's statement. Bangladesh Automated Cheque Processing System (BACPS) and Bangladesh Electronic Fund Transfer Network (BEFTN) have also

been established as per guidelines of Bangladesh Bank.

The Bank has upgraded its data center during the previous year with high-end servers and networking equipment's to accommodate growing business transactions with adequate security. Besides the data and network securities, various physical security measures like data center access control, environmental security, fire prevention, etc. have been maintained adequately. The bank has also set-up disaster recovery site with advanced technology which can be readily accessed in case of any disaster of the data centre so that the customer services are not hampered.

Existing Risk Assessment structure and control system for ICT operations of the Bank are as follows:

- Centralized ICT Operation;
- The entire computer Terminals/PC/Servers locating inside the infrastructure of the Bank are connected to each other through secure network communication;
- Internal Information System audit is done once in every year by Internal Control and Compliance Division (other than IT Division);
- Adequate insurance coverage or risk coverage fund is being maintained;
- Mission critical equipment's & applications are being kept under Service Level Agreement;
- Record keeping of inventory details of computing assets is in place;
- Operating procedures for all applications / systems / modules etc. are documented and maintained;
- Redundancy at each level of Network, Server, Power system, has been placed to ensure high-availability of data center;
- Fall-back plan of technical persons are in place;
- Hot Categorized Disaster Recovery Site (DRS) has been established and is being properly maintained to ensure the data protection of Data Center (DC) environment as well as to ensure business continuity during any disaster situation;
- Data backup procedure is being maintained properly and one copy of daily data backup is being kept in a secured locker at Data Center;
- Fire detection and auto suppression system in Server Room are in place;
- Access Control (i.e., User ID/Password/ Token) procedure are strictly controlled centrally;
- Anti-virus software is installed in each server and computer;
- Effective risk management & Control system is in place.

STATUS OF IMPLEMENTATION OF BASEL-III

Basel III refers to the latest capital and liquidity standards prescribed by the Basel Committee on Banking Supervision (BCBS). Bangladesh has entered into the Basel III regime effective from January 01, 2015. Bangladesh Bank (BB) amended its capital standard which was based on Basel II and circulated new regulatory capital and liquidity guidelines in line with Basel III of BCBS. These new global regulatory and supervisory standards mainly focused on the following areas:

- Raising of the quality and level of capital to ensure that banks are better able to absorb losses on both going-concern and a gone-concern basis;
- Increase of the risk coverage of the capital framework;
- Introduction of leverage ratio to serve as a backstop to the risk-based capital measure;
- Introduction of Liquidity Standard including two liquidity ratios such as Liquidity Coverage Ratio (LCR) & Net Stable Funding Ratio (NSFR);
- Raising of the standards for the Supervisory Review Process (Pillar 2) and;
- Enhanced public disclosures (Pillar 3)

The Banking Regulation & Policy Department (BRPD) of Bangladesh Bank, vide BRPD circular no.-18 dated December 21, 2014, issued an Action Plan/Roadmap for implementation of Basel-III in Bangladesh, which came into force with effect from January 01, 2015. In this connection, Bangladesh Bank circulated its "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III)", which replaced "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-II)" issued vide BRPD circular No.-35/2010. On the other hand, the Department of Offsite Supervision of Bangladesh Bank, vide DOS circular no.01 dated January 01, 2015, published a Guidance Note on Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), which came into force with effect from January 01, 2015.

Standard Islami Bank PLC. formed a Basel Unit with a Committee as well as a competent working team for robust operation of Basel-III framework also known as Basel Accords. The Basel Accords implementation Committee is constituted of a working team with the Managing Director & CEO in the chair.

As per Bangladesh Bank guidelines, the year-end Minimum Capital Requirement as well as Capital Adequacy position is given below:

Solo Basis (Only Bank) (BDT in Crore)

Sl	As on	Capital Maintained	Maintained CRAR (%)	Required CRAR	Required (CRAR + CCB)
01.	31.12.2024	2,978.52	15.65%	10.00%	12.50%
02.	31.12.2025	2,903.83	12.59%	10.00%	12.50%

CONSOLIDATED BASIS (WITH SUBSIDIARIES)

Sl	As on	Capital Maintained	Maintained CRAR (%)	Required CRAR	Required (CRAR + CCB)
01.	31.12.2024	2,980.20	15.26%	10.00%	12.50%
02.	31.12.2025	2,898.17	12.33%	10.00%	12.50%

LIQUIDITY RATIOS:

The year-end Liquidity Ratio requirements for Basel III are as follows:

Particular	Maintained Ratio	Required Ratio
Liquidity Coverage Ratio (LCR)	122.92%	≥100.00%
Net stable Funding Ratio (NSFR)	112.18%	>100.00%
Stock of High quality liquid assets	BDT 4,132.07crore	
Total net cash outflows over the next 30 calendar days	BDT 3361.59 crore	

LEVERAGE RATIO:

The year-end Leverage Ratio for Basel III is as follows:

	Solo	Consolidated	Required Ratio
Leverage ratio	7.43%	7.35%	3.75%
On balance sheet exposure	BDT 27,651.47 crore	BDT 27,917.20 crore	
Off balance sheet exposure	BDT 3,660.75 crore	BDT 3,660.75 crore	
Regulatory adjustments	BDT 1.34 crore	BDT 2.67 crore	
Total exposure	**BDT 31,310.89 crore**	**BDT 31,575.27 crore**	

SUPERVISORY REVIEW PROCESS (SRP)

Supervisory Review Process, the Second Pillar of Basel-III of Risk Based Capital Adequacy Framework, is intended not only to ensure that banks have adequate capital to support all the risks in their business, but also to encourage banks to develop and use better risk management techniques in monitoring and managing their risks. The key principle of the Supervisory Review Process (SRP) enjoins that banks should have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The main aspects of a rigorous SRP are as follows:

- Board and senior management oversight,
- Sound capital assessment,
- Comprehensive assessment of risks,
- Monitoring and reporting and
- Internal control review.

BOARD AND SENIOR MANAGEMENT OVERSIGHT

As per Bangladesh Bank guidelines, SRP of the Bank is being implemented under the following structure of three layers:

Strategic Layer: The Board Risk Management Committee is responsible on behalf of the Board of Directors for implementation of SRP in banks. The agenda of each meeting of the committee includes the SRP implementation in bank.

Managerial Layer: The Bank has an exclusive body namely SRP team constituted by the concerned departmental heads of the bank and headed by Managing Director. The formation and modification of SRP team and its terms of reference (ToR) are approved by the Board of Directors and notified to Bangladesh Bank. The SRP meets at least bimonthly to monitor the implementation of SRP.

Operational Layer: The bank has an operational unit in this respect, which is responsible for collecting information from concerned departments and branches, regulatory correspondences, compiling the required calculations of ICAAP reporting and the tasks assigned by the SRP team.

SOUND CAPITAL ASSESSMENT

The Bank has a board approved manual namely Manual of Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP manual includes:

i. Policies and procedures designed to ensure that the bank identifies, measures, and reports all material risks;

ii. A process that relates capital to the level of risk;

iii. A process that states capital adequacy goals with respect to risk taking account of the bank's strategic focus and business plan; and

iv. A process of internal control, review and audit to ensure the integrity of the overall management process.

Comprehensive Assessment of Risks in SRP:

All material risks faced by the bank are addressed in the adequate capital assessment process except investment (credit) risk, market risk and operation risk. Therefore, SRP considers all risks of the banks, not considered under pillar 1 of Basel III namely,:

Residual risk: Error in documentation and error in valuation of collateral security.

Concentration Risk: Investment (Credit) concentration in groups, sectors or regions.

Profit Rate Risk in the Banking Book: Probable loss due to poor asset liability management and volatile movement of marketable instruments like bills, bond, and debentures.

Liquidity Risk: Inability to fulfill the commitments on time as payment falls due. The indicators tracked for identification of the risks include CRR, SLR, Medium Term Funding Ratio (MTFR), Maximum Cumulative Ratio, Advance Deposit Ratio (ADR), Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NFSR).

Reputation Risk: Internal & External Fraud, Non-payment of ABP, Credit Rating and Bad customer service.

Strategic Risk: CAMELS rating falling below 2, operating expenses exceeding 45% of operating income, classified investments exceeding 5% of total investment, recovery rate falling below 20%., write-off investment recovery falling below 15%., profit waiver exceeding 5% of total classified investments, cost of fund, strategic plan (deposit growth plan, investments growth plan, profit growth plan), rescheduling of investments (rescheduled more than three times are where capital charge are considered).

Settlement Risk: The risks posed to the banks when it fulfills its contractual obligations (payment or delivery), but the counterparty fails or defaults to do the same. Non receiving or delayed receiving of receivable bills (foreign & domestic) are evaluated to assess settlement risk.

Appraisal of Core Risk Management Practice: BB identified 6 (six) risk areas which are termed as core risks through issuing an industry best practice framework. The Bank developed its own methodology for assessing each core risk separately. No capital charge is imposed for risk rating Strong and Satisfactory. Additional capital charge is imposed for Fair, Marginal and unsatisfactory.

Environmental and Climate change Risk: To evaluate this risk, Sector Environmental Due Diligence (EDD) Check List is specified in Guidelines on Environmental Risk Management (ERM) issued vide BRPD Circular No. 01/2011 dated 30/01/2011. For the investments under the sectors specified in the guidelines and which have EnvRR of 'High (H)' are considered for the capital charge against this risk.

Other Material Risk: In the context of an institution's activities, all risks which affect the achievement of business objectives are considered to be material. Other risks (such as Accounting Risk, Human Resources Risk and Natural Disaster Risk) are usually difficult or impossible to quantify and thus their measurement and management typically call for qualitative methods.

In order to address the SRP issues under Basel-III in Standard Islami Bank PLC. an exclusive body namely SRP team headed by Managing Director is in place with the following terms of reference:

Terms of reference (ToR) of the Team:

1. To conduct dialogue with Bangladesh Bank for determining the adequate level of capital requirement for the Bank;
2. To meet at least bimonthly to monitor the implementation status of SRP in the Bank;
3. To formulate policies and procedures in order to address all existing/probable material risk of the bank (through risk avoidance, reduction, transfer and retention);
4. To set standard for capital requirement of the bank depending on degree of risk of the borrower;
5. To monitor and follow-up the comprehensive assessment of risk in the Bank;
6. To prepare and review the capital planning of the Bank.

Stress Testing:

Stress tests are used in proactively managing the bank's risk profile, capital planning & management, strategic business planning and setting of capital buffers. Stress testing is an integral component of the bank's internal capital adequacy assessment process (ICAAP) and is used to assess and manage the adequacy of regulatory and economic capital.

More specifically, stress testing may reveal a reduction in surplus capital or a shortfall in capital under specific scenarios. This may then serve as a leading indicator to the bank to raise additional capital, reduce capital outflows, adjust the capital structure and/or reduce its risk appetite. However, Bangladesh Bank has revised guidelines on Stress Testing vide FSD circular no: 01 dated 30 December 2024; and instructed to carry out stress testing exercise and submit the report in line with the revised guidelines on quarterly basis, effective from December 2024.

The Bank assessed combined shock by aggregating the results of increase in NPIs in top 2 sectors, increase in NPIs, and increase in NPIs due to default of top borrowers, depletion in collateral value, negative shift in NPI categories, negative shift in rating categories, interest rate shock, exchange rate shock, equity shock were taken into consideration.

The outcome of the stress tests indicated that the bank was well within its risk tolerance levels in all of the scenarios. This process finally produces a numerical estimate of the change in the value of risk exposed positions. To interpret the result, the Bank used a series of consideration to evaluate bank's overall positions; deterioration in quality of asset resulting in stress losses that affect bank's profitability and finally bank's capital adequacy.

RISK BASED SUPERVISION:

Risk Based Supervision (RBS), in contrast to the traditional compliance-based supervision, adopts a forward-looking and process-based approach for enabling early identification and mitigation of key risks. It assumes a dynamic and flexible supervisory process focusing on the assessment of inherent risks and the effectiveness of internal controls and overall risk governance within the banks to determine their composite risk profile, and level of supervisory intensity tailored to their unique risk profile. Bangladesh Bank (BB) has decided to implement Risk Based Supervision (RBS) across the banking sector. The transition from the existing compliance based supervisory approach to RBS aims to ensure the resilience and soundness of the banking system and promote overall financial stability through enhanced risk management, proactive supervisory engagement, and timely interventions.

As a part of Bangladesh Bank's ongoing efforts to enhance the risk management capabilities of banks and increase the transparency of the financial system, Bangladesh Bank has decided to implement Risk Based Supervision (RBS) for banks from January 01, 2026. Accordingly, Standard Islami Bank PLC. has formed a Coordination Committee and a Working Committee in accordance with Bangladesh Bank directives as outlined vide SPCD Circular No: 02, dated- 23 October 2025. Standard Islami Bank PLC. accomplished all necessary activities, as instructed by Bangladesh Bank from time to time to enhance banks' preparedness for the requirement under the RBS framework.

KEY INITIATIVES IN THE YEAR-2025

- Established and maintained prudent risk management framework.

- Review the core risk management guidelines in line with latest risk management guidelines of BB.
- Arranged Annual Risk Management Conference with the participation of all the branch managers including officials related to risk issues.
- Taken initiatives for strengthening Core Capital as well as reducing Risk Weighted Assets of the bank and thus improved Capital to Risk Weighted Assets Ratio (CRAR).
- Taken strategic measures to tackle systemic risk arises in banking sector
- Conveyed the remedial actions for improvement of key liquidity ratios i.e. IDR, LCR, Wholesale borrowing.
- Prepared Recovery plan as per instruction of Bangladesh Bank for identifying credible options of recovery against stressed scenario and subsequently submitted the board approved Recovery Plan to BRPD.
- Expedited credit rating process to reduce risk weighted assets and thus improving bank's capital adequacy.
- Address key risk areas as well as mitigation process and communicated the same to the Senior Management, Board Risk Management Committee and Board of Directors for taking decision and necessary action plan.
- Streamlining risk management reporting to the Regulator, Management, BRMC & Board.
- Established a cross-functional team responsible for overseeing RBS preparedness to address the supervisory expectations.
- Assessed current risk management practices, governance, internal control, data infrastructure and reporting system to identify the gap with supervisory expectations under RBS framework.
- Prepared a structured Action Plan to address identified gaps against supervisory expectations
- Prepared all reporting template related with Risk Management Division under RBS framework.

ACTION PLAN FOR THE YEAR-2026

- Develop risk profile of the bank and determining appropriate risk management strategies based on the periodic capital adequacy as well as identified and potential risks.
- Issuance of subordinated bond for strengthening capital base of the bank.
- Expediting Credit rating of eligible client to reduce Risk Weighted Assets (RWA) of the bank.
- Plan to raise Tk.500 crore by issuing its 5th Mudaraba Subordinated Bond as Tier-II capital to meet Basel-III requirements
- Set up and furnish separate desks of Risk Management Division as per RMD Guideline 2018.
- Take strategic measures to tackle systemic risk arise in banking sector.
- Ensuring all applicable regulatory compliances related to capital adequacy & risk management.
- Review and update recovery plan for promptly and effectively acting in the event of a stress situation.
- Prepare a PCA policy to identify bank's risk status and required courses of action
- Identify triggers and key vulnerabilities of the bank for adequate monitoring of the risk factors.
- Focus on digital and online banking and provide better customer services.
- Exercise Stress Testing as per Revised Stress Testing Guideline-2024
- Properly monitor stress situation and inform to the Board and senior management regularly for taking timely action.
- Initiated process of developing automated resources for calculating different risk indicators.
- Identifying, assessing and controlling the environmental risk.
- Implementation of Key Risk Indicators (KRIs) for addressing the risks on timely basis.
- Updating the required risk management policies and procedures of the bank through Management, BRMC & Board Approval.
- Improving bank's core risk segments.
- Regular review of board approved risk appetites/limits.
- Communicating the key risk issues to the Senior Management, BRMC and Board.
- Monitoring the national and global risk issues in line with bank's exposure.
- Ensuring the defined activities under Basel Unit.
- Reviewing the ICAAP Policy document
- Address key risk areas for the year 2026 and communicated the same to the Senior Management, BRMC and Board of Directors for necessary guidance as against.
- Arranged Annual Risk Management Conference-2026 with the participation of all the branch managers including officials related to risk issues
- Upgrade MIS to align with RBS related data requirements.
- Reduce identified primary GAPs between supervisory expectations outlined in the SPCD circular 02/2025.
- Update all the risk management policies, manuals, standard operating procedures, and internal control frameworks to align with RBS framework.
- Implement the action plan prepared for RBS framework etc.

Banks operate in a highly regulated and dynamic environment, making effective risk management crucial to their stability, profitability, and compliance. A well-functioning risk management system in a bank not only mitigates potential threats but also ensures sustainable growth. As a bank, Standard Islami Bank PLC. succeeded to mitigate all risks by taking proactive measures and good governance in its operational arena. Through early detection, strategic mitigation, and continuous improvement, SBPLC. is not only reducing losses and disruptions but also building long-term financial resilience.

DISCLOSURES ON
RISK BASED CAPITAL (BASEL-III) 2025

BACKGROUND:

These disclosures have been made in accordance with the Bangladesh Bank circular no. 18 dated 21st December 2014 as guideline on "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework)" for Banks in line with Basel-III. The said guideline helps the banking sector cope with the international best practice and to make the Bank's capital more risk sensitive and shock resilient.

Basel-III guideline apply to all scheduled bank's on 'Solo' basis as well as on 'Consolidated' basis where;

- Solo basis refers to all position of the bank and its local & overseas branches/offices; and
- Consolidated basis refers to all position of the bank (including its local & overseas branches/offices) and its subsidiary companies engaged in financial (excluding insurance) activities like merchant banks, brokerage firms, discount houses etc. [If any].

OBJECTIVE:

The objective of Market discipline in the revised framework is to establish a more transparent and disciplined financial market, so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. The following detailed qualitative and quantitative disclosures are provided in accordance with Guidelines on Risk Based Capital Adequacy by Bangladesh Bank.

VALIDATION & CONSISTENCY:

The disclosures (qualitative and quantitative) under the revised Risk Based Capital Adequacy (RBCA) framework as advised by Bangladesh Bank, is based on the audited financial position of the bank as of 31 December 2025.

SCOPE OF APPLICATION:

These disclosures build on the directive on Disclosure of information by banking institutions, to provide detailed guidance on the public disclosures of information by banks under Pillar 3 of Basel III requirements.

DISCLOSURE FRAMEWORK:

According to the revised Risk Based Capital Adequacy Guidelines, the Bank requires general qualitative disclosure for each separate risk area (e.g. Investment, market, operational, banking book interest rate risk, equity). The Bank must describe their risk management objectives and policies including:

- Strategies and processes;
- The structure and organization of the relevant risk management function;
- The scope and nature of risk reporting and/or measurement systems;
- Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigations.

The following components set out in tabular form are the disclosure requirements:

- Scope of Application
- Capital Structure
- Capital Adequacy
- Investment (Credit) Risk
- Equities: Disclosures for Banking Book Positions
- Profit (Interest) Rate Risk in Banking Book (PRRBB)
- Market Risk
- Operational risk
- Liquidity Ratio
- Leverage Ratio
- Remuneration

A) SCOPE OF APPLICATION:

Qualitative disclosure		
a)	The name of the top corporate entity in the group to which this guidelines applies.	Standard Islami Bank PLC.
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 that are fully consolidated; that are given a deduction treatment; and that are neither consolidated nor deducted (e.g. where the investment is risk weighted).	Standard Islami Bank PLC. (A Shari'ah Based Bank) was incorporated on May 11, 1999 as a Public Limited Company under the Companies Act, 1994 with Authorized Capital of Tk. 15,000 million and paid-up Capital of Tk. 10,886 million with a vision to be a modern Bank having the object of building a sound national economy and to contribute significantly to the Public Exchequer. The bank started its commercial operations on June 03, 1999. The Bank started its operation as a Shari'ah based scheduled Bank on January 01, 2021 vide Bangladesh Bank Circular No. BRPD-62, dated December 31, 2020. The Bank through its Branches provides a diverse range of financial services and products in Bangladesh with the mission to be the best Shari'ah based Islami Bank in Bangladesh in terms of efficiency, capital adequacy, asset quality, sound management and profitability. At present, the Bank has 138 (One Hundred Thirty Eight) branches and 4 (Four) subsidiaries. The bank renders commercial banking services to all types of customers. The range of services offered by the bank includes accepting deposit, making investment, discounting 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 collections and issuing guarantees, acceptances and letters of credit. Standard Islami Bank PLC. prepared its RBCA report on 'Solo Basis' as well as on 'Consolidated Basis' where four (04) subsidiaries belong to Standard Islami Bank PLC.
c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	No incidence occurred which lead to imposition of any regulatory restriction or impediment for transferring fund within the Standard Islami Bank PLC. group.

Quantitative disclosure		
d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	No Capital deficiency in solo or consolidated assessment.

B) CAPITAL STRUCTURE

Qualitative disclosure		
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.	The capital of bank shall be classified into two tiers. The total regulatory capital will consist of sum of the following categories: **1) Tier-1 Capital (going-concern capital)** a) Common Equity Tier-1 Capital b) Additional Tier-1 Capital **2) Tier-2 Capital (gone-concern capital)** Common Equity Tier 1 (CET1) capital consists of sum of the following items: 1) Paid up capital 2) Non-repayable share premium account 3) Statutory reserve 4) General reserve 5) Retained earnings 6) Dividend equalization reserve 7) Minority interest in subsidiaries 8) Others **Less: Regulatory adjustments applicable on CET-1 capital:** -Shortfall in provisions against NPIs and Investments -Goodwill and all other Intangible Assets -Deferred Tax Assets (DTA) -Defined benefit pension fund assets -Gain on sale related to securitization transactions -Investment in own CET-1 instruments/shares -Reciprocal crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities

Qualitative disclosure		
		-Any investment exceeding the approved limit under section 26 ka(1) of Bank Company Act1991 (50% of investment) -Investment in Subsidiaries which are not consolidated (50% of investment) -Other if any **b) Additional Tier 1 Capital (AT-1)** Additional Tier 1 (AT1) capital consists of the following items: -Non-cumulative irredeemable preference shares -Instruments issued by the banks that meet the qualifying criteria for AT1 as specified in the guideline. -Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only) -Others **Less: Regulatory adjustments applicable on AT-1 Capital:** Investment in own AT-1 instruments/shares -Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities -Other if any **2) Tier-2 Capital (T-2)** 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. Tier-2 capital consist of the following items: -General Provisions (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) -All other preference shares -Subordinated debt/Instruments issued by the banks that meet the qualifying criteria for Tier-2 capital as specified in the guideline. -Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties as specified in the guideline. -Revaluation Reserves as on December 31, 2014 (50% of Fixed Assets and Securities and 10% of Equities) -Others **Less: Regulatory adjustments applicable on Tier-2 capital:** -Revaluation Reserves for Fixed Assets, Securities and Equity Securities (followed phase-in deductions as per Basel-III). -Investment in own T-2 instruments/shares -Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities. -Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act 1991 (50% of investment). -Investment in Subsidiaries which are not consolidated (50% of investment) -Others if any. **The calculation of Common Equity Tier-1, Additional Tier-1,Tier-1 and Tier-2 capital shall be subject to the following conditions:** -Common Equity Tier-1 of at least 4.5% of the total RWA. -Tier-1 capital will be at least 6.0% of the total RWA. -Minimum CRAR of 10% of the total RWA. -Additional Tier 1 capital can be admitted maximum up to 1.5% of the total RWA or 33.33% of CET1, whichever is higher. -Tier-2 capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher. -In addition to minimum CRAR, Capital Conservation Buffer (CCB) of 2.5% of the total RWA is being introduced which will be maintained in the form of CET1.

Qualitative disclosure
Note for Quantitative disclosure: Based on audited Financial Statements for the year ended 31 December 2025, our bank's CRAR stood at 12.59% on solo basis and 12.33% on consolidated basis as Bangladesh Bank allowed us deferral vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against investment of Tk. 5,237.87 crore (including provision required against stay order, waiver & re-scheduled investment) subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors. However, considering the Audited Financial Statement of 2025, Bank's Risk Weighted Assets (RWA) stood at BDT 23,056.87 crore on solo basis and BDT 23,509.97 crore on consolidated basis. Consequently, bank's CRAR stood at 12.59% & 12.33% on solo and consolidated basis respectively.

Qualitative disclosure				
b, c, & d)	The amount of regulatory capital as per Audited Financial Statements as of 31.12.2025 are as follows:		BDT in Crore	
			Solo	Consolidated
	Tier 1 Capital (going-concern capital)			
	Sl No.	Common Equity Tier 1 (CET-1) Capital		
	1.01	Fully Paid up capital	1,115.84	1,115.84
	1.02	Non-repayable Share premium account	-	-
	1.03	Statutory Reserve	764.14	764.14
	1.04	General Reserve	-	-
	1.05	Retained Earnings	9.84	9.75
	1.06	Dividend Equalization Reserve	-	-
	1.07	Minority interest in Subsidiaries	-	0.02
	1.08	Other if any (if any item approved by BB)	-	-
	1.09	**Sub-Total : (1.01 to 1.08)**	**1,889.82**	**1,889.74**
		Less: Regulatory adjustments applicable on CET-1		
	1.10	Shortfall in provisions required against Non-Performing Investments (NPIs)	-	-
	1.11	Shortfall in provisions required against investment in shares	-	-
	1.12	Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities	-	-
	1.13	Goodwill and all other intangible assets	1.34	1.34
	1.14	Deferred tax assets (DTA)	-	-
	1.15	Defined benefit pension fund assets	-	-
	1.16	Gain on sale related to securitization transactions	-	-
	1.17	Investment in own CET-1 instruments/shares	-	-
	1.18	Reciprocal crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities	-	1.34
	1.19	Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment)	-	-
	1.20	Investment in Subsidiaries which are not consolidated (50% of investment)	-	-
	1.21	Other if any	-	-
	1.22	**Sub-Total : (1.10 to 1.21)**	**1.34**	**2.67**
	1.23	**Total Common Equity Tier-1 (1.09 – 1.22)**	**1,888.48**	**1,887.07**
		Additional Tier 1 Capital		
	1.24	Non-cumulative irredeemable preference shares	-	-
	1.25	Instruments issued by the bank that meets the qualifying criteria for AT1 (Mudaraba Perpetual Bond)	450.00	450.00
	1.26	Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only)	-	-
	1.27	Others	-	-
	1.28	**Sub-Total : (1.24 to 1.27)**	**450.00**	**450.00**

Qualitative disclosure				
		Less: Regulatory adjustments applicable on AT-1 Capital	**-**	**-**
	1.29	Investment in own AT-1 instruments/shares	-	-
	1.30	Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities	-	-
	1.31	Other if any	-	-
	1.32	**Sub-Total (1.29 to 1.31)**	**-**	**-**
	1.33	**Total Additional Tier 1 Capital Available (1.28 – 1.32)**	**450.00**	**450.00**
	1.34	**Maximum Limit of Additional Tier-1 Capital [considering para 3.2(iv) including foot note no.9 of RBCA Guidelines]**	**437.34**	**433.10**
	1.35	**Excess Amount over Maximum Limit of AT-1**	**12.66**	**16.90**
	1.36	**Total Admissible Additional Tier-1 Capital**	**437.34**	**433.10**
	1.37	**Total Eligible Tier-1 Capital (1.23 + 1.36)**	**2,325.83**	**2,320.17**
	Tier 2 Capital (gone-concern capital)			
	2.01	General Provisions	-	-
	2.02	All other preference shares	-	-
	2.03	Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital as specified in the guideline.	578.00	578.00
	2.04	Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties as specified in the guideline.	-	-
	2.05	Head Office (HO) borrowings in foreign currency received that meet the criteria of Tier 2 debt capital (Applicable for Foreign Banks)	-	-
	2.06	Other if any (if any item approved by BB)	-	-
	2.07	**Sub-Total (2.01 to 2.06)**	**578.00**	**578.00**
		Less: Regulatory adjustments applicable on Tier-2 Capital		
	2.08	Investment in own T-2 instruments/shares	-	-
	2.09	Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities.	-	-
	2.10	Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment).	-	-
	2.11	Investment in Subsidiaries which are not consolidated (50% of investment)	-	-
	2.12	Other if any	-	-
	2.13	**Sub-Total (2.08 to 2.12)**	**-**	**-**
	2.14	**Total Eligible Tier-2 Capital (2.07 – 2.13)**	**578.00**	**578.00**
	2.15	**Total Eligible Capital (Tier-1+Tier-2)(1.37+2.14)**	**2,903.83**	**2,898.17**

C) CAPITAL ADEQUEACY

Qualitative disclosure		
a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	Adequate capital means enough capital to compensate with Bank's risks profile. For assessing overall risk profile and a strategy for maintaining adequate capital, Bank has followed an Internal Capital Adequacy Assessment Process (ICAAP)\ which is issued by Bangladesh Bank for calculating adequate capital under Supervisory Review Process (SRP) of Basel III. Accordingly, the Bank has adopted the following approaches for its risk-wise capital calculation: • Investment Risk: Standardized Approach (SA) • Market Risk: Standardized Approach (SA) • Operational Risk: Basic Indicator Approach (BIA) Under the Basel III guideline, Minimum Capital requirement for banks is 10% of its RWA, in addition banks also need to maintain 2.50% as Capital Conservation Buffer (CCB). Standard Islami Bank PLC. has maintained Capital to Risk Weighted Assets Ratio (CRAR) of 12.59% on solo basis and 12.33% on consolidated basis. CCB of 2.59% on solo basis and 2.33% on consolidated basis, against required 2.5% of RWA. Bank strengthened its risk management process and internal control system in assessing and planning of economic capital against all risks. The strategic planning process critically analyzes bank's current and future capital requirements. The strategic plan includes the bank's capital needs, anticipated capital expenditures, desirable capital level, completion of credit rating of all eligible investment clients and external capital sources.

Qualitative disclosure			
	Particulars	BDT in Crore	
		Solo	Consolidated
Details of Risk Weighted Assets (RWA)	**a) Credit Risk:**		
	i) On- Balance sheet	20,255.86	20,505.47
	ii) Off- Balance sheet	1,277.33	1,277.33
	Total Credit Risk (i+ii)	**21,533.19**	**21,782.81**
	Market Risk	**33.07**	**236.56**
	Operational Risk	**1,490.61**	**1,490.61**
	Total RWA (a+b+c)	**23,056.87**	**23,509.97**
Details of Risk wise Minimum Capital Requirement (MCR)			
b) Capital requirement for credit risk	i) On- Balance sheet	2,025.59	2,050.55
	ii) Off- Balance sheet	127.73	127.73
	Total Credit Risk (i+ii)	**2,153.32**	**2,178.28**
c) Capital requirement for market risk	Market Risk	3.30	23.66
d) Capital requirement for market risk	Operational risk	149.06	149.06
e) Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio for both solo and Consolidated basis	**a) Total Minimum Capital Requirement**	**2,305.69**	**2,351.00**
	Details of Tier wise Maintained Capital of the Bank:		
	i) CET-1 Capital	1,888.48	1,887.07
	ii) Additional Tier-1 Capital	437.34	433.10
	iii) Tier- 1 Capital (i+ii)	2,325.83	2,320.17
	iv) Tier- 2 Capital	578.00	578.00
	b) Total Maintained Capital (iii+iv)	**2,903.83**	**2,898.17**
	Total Capital Surplus (b-a)	**598.14**	**547.17**
	Total Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital/RWA)	**12.59%**	**12.33%**
	Common Equity Tier 1 Capital Ratio (CET-1 Capital/RWA)	**8.19%**	**8.03%**
	Tier 1 CRAR (Tier 1 Capital/RWA)	**10.09%**	**9.87%**
	Tier 2 CRAR (Tier 2 Capital/RWA)	**2.51%**	**2.46%**
f) Capital Conservation Buffer (CCB)	Required ratio of CCB	2.50%	2.50%
	CCB Maintained	2.59%	2.33%
g) Available Capital under Pillar 2 Requirement	Total Eligible Capital (A)	2,903.83	2,898.17
	Minimum Capital Requirement and CCB (B)	2,882.11	2,938.75
	Available Capital for Pillar 2 requirement (C=A-B)	21.72	(40.58)

Note: Bangladesh Bank has given consent vide letter no BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against investment of Tk. 5,237.87 crore (including provision required against stay order, waiver & re-scheduled investment) subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors. . Hence, the said provision has not been adjusted from CET-1 Capital.

C) CAPITAL ADEQUEACY

Qualitative disclosure		
a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	Adequate capital means enough capital to compensate with Bank's risks profile. For assessing overall risk profile and a strategy for maintaining adequate capital, Bank has followed an Internal Capital Adequacy Assessment Process (ICAAP)\ which is issued by Bangladesh Bank for calculating adequate capital under Supervisory Review Process (SRP) of Basel III. Accordingly, the Bank has adopted the following approaches for its risk-wise capital calculation: • Investment Risk: Standardized Approach (SA) • Market Risk: Standardized Approach (SA) • Operational Risk: Basic Indicator Approach (BIA) Bank strengthened its risk management process and internal control system in assessing and planning of economic capital against all risks. The strategic planning process critically analyzes bank's current and future capital requirements. The strategic plan includes the bank's capital needs, anticipated capital expenditures, desirable capital level, completion of credit rating of all eligible investment clients and external capital sources.

Qualitative disclosure			
	Particulars	BDT in Crore	
		Solo	Consolidated
Details of Risk Weighted Assets (RWA)	**a) Credit Risk:**		
	i) On- Balance sheet	20,255.86	20,505.47
	ii) Off- Balance sheet	1,277.33	1,277.33
	Total Credit Risk (i+ii)	21,533.19	21,782.81
	a) Market Risk	**33.07**	**236.56**
	b) Operational Risk	**1,490.61**	**1,490.61**
	Total RWA (a+b+c)	**23,056.87**	**23,509.97**
Details of Risk wise Minimum Capital Requirement (MCR)			
b) Capital requirement for credit risk	**i) On- Balance sheet**	**2,025.59**	**2,050.55**
	ii) Off- Balance sheet	**127.73**	**127.73**
	Total Credit Risk (i+ii)	**2,153.32**	**2,178.28**
c) Capital requirement for market risk	Market Risk	3.30	23.66
d) Capital requirement for market risk	Operational risk	149.06	149.06
e) Total capital, CET1 capital, Total Tier 1 capital and Tier 2 capital ratio for both solo and Consolidated basis	**a) Total Minimum Capital Requirement**	**2,305.69**	**2,351.00**
	Details of Tier wise Maintained Capital of the Bank:		
	i) CET-1 Capital	1,888.48	1,887.07
	ii) Additional Tier-1 Capital	**437.34**	**433.10**
	iii) Tier- 1 Capital (i+ii)	2,325.83	2,320.17
	iv) Tier- 2 Capital	578.00	578.00
	b) Total Maintained Capital (iii+iv)	**2,903.83**	**2,898.17**
	Total Capital Surplus (b-a)	**598.14**	**547.17**
	Total Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital/RWA)	**12.59%**	**12.33%**
	Common Equity Tier 1 Capital Ratio (CET-1 Capital/RWA)	**8.19%**	**8.03%**
	Tier 1 CRAR (Tier 1 Capital/RWA)	**10.09%**	**9.87%**

Qualitative disclosure			
	Tier 2 CRAR (Tier 2 Capital/RWA)	**2.51%**	**2.46%**
f) Capital Conservation Buffer (CCB)	Required ratio of CCB	2.50%	2.50%
	CCB Maintained	2.59%	2.33%
g) Available Capital under Pillar 2 Requirement	Total Eligible Capital (A)	2,903.83	2,898.17
	Minimum Capital Requirement and CCB (B)	2,882.11	2,938.75
	Available Capital for Pillar 2 requirement (C=A-B)	**21.72**	**(40.58)**
Note: Bangladesh Bank has given consent vide letter no BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against investment of Tk. 5,237.87 crore (including provision required against stay order, waiver & re-scheduled investment) subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors. . Hence, the said provision has not been adjusted from CET-1 Capital.			

D) INVESTMENT (CREDIT) RISK

Qualitative disclosure		
a) The General Qualitative disclosure requirement with respect to investment (credit) risk, including:		
i)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	Investment (Credit) risk is the risk of financial loss if a customer or counterparty fails to meet a payment obligation under a contract. It arises principally from direct investment, trade finance and leasing business, but also from off-balance sheet products such as guarantees and credit derivatives and from the holdings of investment securities. The failure may result from unwillingness of the counterparty or decline in his/her financial condition. Among the risks the Standard Islami Bank PLC. engages in Investment (Credit) risk, which generates the largest regulatory capital requirement. Standard Islami Bank PLC. has standards, policies and procedures dedicated to controlling and monitoring risks from all such activities. The aims of Investment (Credit) Risk Management, underpinning sustainably profitable business, are principally: • to maintain a strong culture of responsible investment, supported by a robust risk policy and control framework; • to ensure defining and implementing risk appetite, and its re-evaluation under actual conditions; and • to ensure independent, expert scrutiny and approval of Investment (Credit) risks, their costs and their mitigation. The standardized approach is applied for risk weighting of exposure as per directive of Bangladesh Bank. It requires banks to use risk assessments prepared by External Credit Assessment Institutions (ECAIs) to determine the risk weightings applied to rated counterparties. The bank has used all customer ratings wherever available based on their entity rating as assigned by the approved ECAIs of Bangladesh Bank. Investment (Credit) risk is one of the major risks faced by the Bank. To assess and mitigate the Investment (Credit) risk, the Bank has implemented risk management manual, which is considered to be an important tool for retaining the quality and performance of the assets. Accordingly, the Bank's Investment (Credit) Risk Management functions have been designed to address all these issues including risks that arise from global changes in banking, finance and related issues. The Bank has defined segregation of duties for all Investment (Credit) risk related activities like investment (credit) approval, administration, monitoring and recovery functions. The Bank has set policies and procedures for controlling and monitoring of investment (credit) risks from these activities. A thorough risk assessment is done before sanction of any investment (credit) facility at Investment Risk Management Division. The risk assessment includes client's risk analysis, financial analysis, industry analysis, historical performance of the customer, security against the investment (credit) facility, client's successor planning, cash flow analysis etc. Bank has also established separate Investment (Credit) Administration Division (IAD) which helps in ensuring investment (credit) compliance with the post-sanction processes/ procedures laid down by the Bank from time to time. The Bank has in place a risk rating system for analyzing the risk associated with investment (credit). The parameters, while rating risk of the customers, include financial condition and performance, quality of disclosures and management, facility structure, collateral and country risk assessment where necessary. Maximum counterparty/group exposures are Limited to 15% (funded) and 25% of aggregate (funded + non-funded) of the bank's capital base as stipulated by Bangladesh Bank. Exposure beyond the said limit may be allowed only upon prior approval from Bangladesh Bank.

Qualitative disclosure

ii) Definitions of past due and impaired (for accounting purposes):

Investment Classification Criteria: Investment (credit) products are broadly divided into continuous investment, demand investment, fixed term investment and short- term agricultural and micro-credit investment. Standard Islami Bank PLC. follows the relevant Bangladesh Bank guidelines for classification of its investment products. Presently, there are following categories of classification on objective criterion. These are:

(i) Standard-0 (STD-0) (ii) Standard-1 (STD-1) (iii) Standard-2 (STD-2) (iv) Special Mention Account (SMA) (v) Sub-Standard (SS) (vi) Doubtful (DF) (vii) Bad/Loss (B/L)

Definition of past due/overdue:

All the investments will be treated as past due/overdue from the following day of the expiry date or from the creation of the forced investment or from the due date if not repaid/renewed depending on different categories of investments and advances defined in para 5. However, in case of any installment(s) or part of installment(s) of a Fixed Term Investment is not repaid within the fixed expiry/due date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry/due date.

Special Mention Account (SMA): These assets have potential weaknesses thus deserve management's close attention. If left unaddressed, these weaknesses may result in direction of the repayment prospect of the borrower.

Sub-Standard: These are the investments where bank has reason to doubt about the payment of the investment although recovery prospect is encouraging.

Doubtful: Any kind of investment, where serious doubt is exposed on repayment of any amount due to visible causes like business losses, eroding sales, management issue etc. the entire investment will be put into the "Doubtful (DF)".

Bad/ loss: These are the investments that have a lowest recovery possibility.

Unclassified: These are the investments where bank is fully satisfied about its repayment.

For all categories of loans, the entire investment will be classified depending on the period of past due or overdue as stipulated below:

CL Categories		Period of past due or overdue
Unclassified	STD-0	No past due or overdue
	STD-1	≥ 1 day but < 1 month
	STD-2	≥ 1 month but < 2 months
	SMA	≥ 2 months but < 3 months
Classified	SS	≥ 3 months but < 6 months
	DF	≥ 6 months but < 12 months
	B/L	≥ 12 months

Description of approaches followed for specific and general allowances and statistical methods:

Banks will maintain provision at the following rates for all categories of loans:

Particulars		Rate of provision
General Provision	STD-0, STD-1, STD-2	1% of investment outstanding
	SMA	5% of investment outstanding
Specific Provision	SS	20% of base for provision
	DF	50% of base for provision
	B/L	100% of base for provision

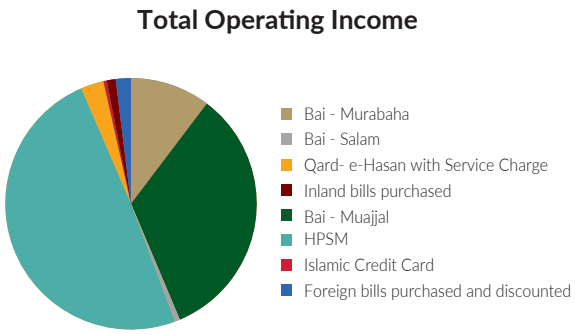
Throughout the year, the Bank reviews investments to assess whether objective evidence has arisen of impairment of an investment or portfolio that warrants a change in the classification of investments, which may result in a change in the provision required in accordance with BRPD Circular letter No. 15 (27 November 2024), BRPD Circular letter No. 03 (02 February 2023), BRPD Circular No.16 (21 July 2020), BRPD circular No.03 (21 April 2019), BRPD circular No.01 (20 February 2018), BRPD circular No.15 (27 September 2017), BRPD circular No.12 (20 August 2017), BRPD circular No.14 (23 September 2012).

Quantitative disclosure

b) Total gross investment risk exposures broken down by major types of investment (credit) exposures

Total gross investment risk exposures broken down by major types of investment (credit) exposures as per the disclosures in the audited financial statements as of 31 December 2025:

Particulars	BDT in Crore
Bai - Murabaha	2,112.28
Bai - Muajjal	6,826.06
Bai - Salam	135.13
HPSM	10,079.46
Qard- e-Hasan with Service Charge	602.73
Islamic Credit Card	90.19
Inland bills purchased	231.29
Foreign bills purchased and discounted	400.50
Total	**20,477.65**



c) Geographical distribution of exposures, broken down in significant

areas by major types of investment (credit) exposures

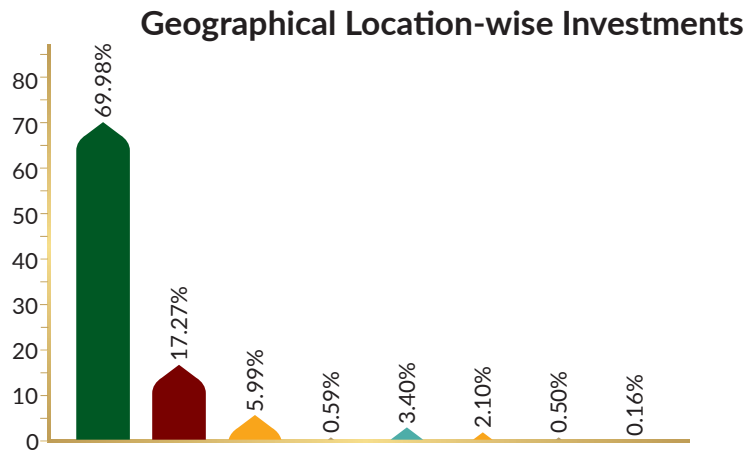
Geographical distribution of exposures, broken down in significant

areas by major types of investment (credit) exposures as per the disclosures in the audited financial statements as of 31 December 2025:

Geographical Location-wise Investments:	BDT in Crore
Urban	
Dhaka Division	14135.06
Chattogram Division	3465.53
Khulna Division	1163.62
Barishal Division	78.73
Rajshahi Division	696.39
Rangpur Division	431.02
Sylhet Division	93.48
Mymensing Division	13.26
Sub-total	20077.10
Rural	
Dhaka Division	195.87
Chattogram Division	70.92
Khulna Division	62.19
Barishal Division	42.14
Rajshahi Division	0.00

Quantitative disclosure

Geographical Location-wise Investments:	BDT in Crore
Rangpur Division	0.00
Sylhet Division	9.31
Mymensing Division	20.11
Sub-total	400.55
Total Investments	20477.65



d) Industry or counterparty types distribution of exposures broken down by major types of credit (investment) exposures

Industry or counterparty types distribution of exposures broken down by major types of credit (investment) exposures as per the disclosures in the audited financial statements as of 31 December 2025:

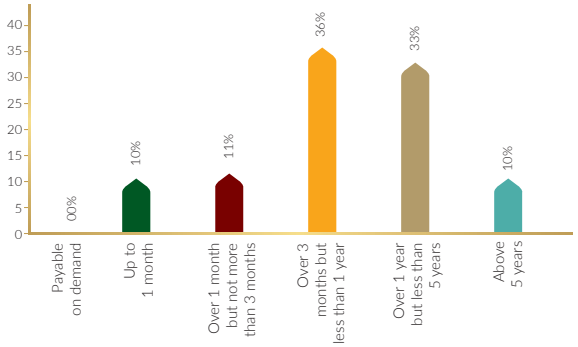
Particulars	BDT in Crore
i) Commercial lending	1,214.11
ii) Export financing	871.31
iii) House building investment	505.14
iv) Consumers Credit Scheme	467.00
v) Small and medium enterprises	3,489.58
vi) Special program investment	316.44
vii) Other Investments and advances/ Investments	1,790.89
Sub-total	**8,654.47**
Industrial investments:	
i) Agricultural Industries	390.72
ii) Textile Industries	380.16
iii) Food and allied Industries	311.71
iv) Pharmaceuticals Industries	35.05
v) Leather, Chemical and Cosmetics etc.	78.57
vi) Cement and Ceramic Industries	123.96
vii) Service Industries	2,837.16
viii) Transport and Communication Industries	301.70
ix) Other Industries	7,364.15
Sub-total	**11,823.20**
Total Investments	**20,477.65**
Total Investments	**20477.65**

Quantitative disclosure

e) Residual contractual maturity breakdown of the whole portfolio broken down by all types of investment (credit) exposure including bills purchased & discounted

Residual contractual maturity breakdown of the whole portfolio broken down by all types of investment (credit) exposure including bills purchased & discounted of the Bank are as under:

Particulars	BDT in Crore
Payable on demand	-
Up to 1 month	2,012.90
Over 1 month but not more than 3 months	2,238.31
Over 3 months but less than 1 year	7,315.25
Over 1 year but less than 5 years	6,815.22
Above 5 years	2,095.97
Total	**20,477.65**



f) By major industry or counterparty type

i) Amount of impaired investments and if available, past due investments provided separately:

Particulars	BDT in Crore
Special Mention Account (SMA)	837.51
Sub Standard (SS)	276.48
Doubtful (DF)	170.90
Bad & Loss (B/L)	5,673.91
Total	**6,958.80**

ii) Specific and General Provisions:

Particulars	BDT in Crore
Unclassified Investment	-
Classified Investment	894.09
Off-Balance Sheet Exposure	-
Total	**894.09**

iii) Charges for specific allowances and charges-off during the period:

Particulars	BDT in Crore
Provision on Unclassified Investment	-
Provision on Classified Investment	53.95
Provision on Off-Balance Sheet Exposure	-
Total	**53.95**

Quantitative disclosure

g) Gross Non-Performing Assets (NPAs)

Particulars	BDT in Crore
i) Non-performing Assets:	
Gross Non-performing Assets	6,121.28
Non-Performing Assets (NPAs) to Outstanding Investments (%)	29.89%
ii) Movement of Non-Performing Assets (NPAs)	
Opening balance	5,968.62
Additions	3,839.84
Reductions	3,687.18
Closing balance	**6,121.28**
iii) Movement of specific provisions for NPAs	
Opening balance	782.90
Provisions made during the period	53.95
Write-off	-
Transfer from General provision of Off-Balance Sheet, Gratuity & others	57.23
Closing balance	**894.08**

E) EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS

Qualitative disclosure

a) The General Qualitative disclosure requirement with respect to investment (credit) risk, including:

i) 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 share & mutual fund) that are traded in the secondary market; **ii) Unquoted securities** are categorized as banking book equity exposures which are further sub-divided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM). And securities those are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities.
ii) 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;	The primary objective is to investment in equity securities for the purpose of capital gain by selling them in the future or held for dividend income. Dividends received from these equity securities are accounted for as and when received and right to receive when established. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price. As per Bangladesh Bank guidelines, the HFT (Held for Trading) equity securities are revaluated once in each week using marking to market concept and HTM equity securities are amortized once a year according to Bangladesh bank guideline. The HTM equity securities are also revaluated if any, are reclassified to HFT category with the approval of Board of Directors.

Quantitative disclosure

b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

(BDT in Crore)

Particulars	Solo basis		Consolidated basis	
	Cost Price	Market Price	Cost Price	Market Price
Quoted Shares	15.17	6.89	237.07	108.63
Unquoted Shares	235.49	235.49	20.70	20.70

c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

(BDT in Crore)

Particulars	Solo basis	Consolidated basis
cumulative realized gains/(losses)	0.06	5.29

Quantitative disclosure		
d)	• Total unrealized gains (losses) • Total latent revaluation gains(losses) • Any amounts of the above included in Tier 2 capital	(BDT in Crore) **Particulars** / **Solo basis** / **Consolidated basis** Total unrealized gains (losses) / (8.28) / (126.86) Total latent revaluation gains(losses) / - / - Any amounts of the above included in Tier 2 capital / - / -
e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	(BDT in Crore) **Capital Charge for equities** / **Solo basis** / **Consolidated basis** For Specific Risk / 0.69 / 10.86 For General Market Risk / 0.69 / 10.86 Total capital charge / 1.38 / 21.73

F) PROFIT (INTEREST) RATE RISK IN BANKING BOOK (PRRBB)

Qualitative disclosure		
a)	The general qualitative disclosure requirement including the nature of PRRBB and key assumptions, including assumptions regarding Investment prepayments and behavior of non-maturity deposits, and frequency of PRRBB measurement.	The Banking Book consists of assets and liabilities contracted basically on account of relationship or for steady income and statutory obligations and are generally held till maturity/payment by counter party. The earnings or changes in the economic value are the main focus in banking book. Profit rate risk is the risk that a bank will experience deterioration in its financial position as profit rates move over time. Profit rate risk in the banking book arises from a bank's core banking activities. Profit rate risk is the exposure of a bank's financial condition to adverse movements in profit rates. Changes in profit rates affect a bank's earnings by changing its net investment income and the level of other profit sensitive income and operating expenses.

Quantitative disclosure		
b)	The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring PRRBB, broken down by currency (as relevant)	**Profit Rate Risk -Increase in Profit Rate:** / **Minor** / **Moderate** / **Major** Magnitude of Shock / 2.00% / 3.00% / 4.00% Net Investment Income impact / / / <12 Months / (15.19) / (22.79) / (30.38) Capital after shock / 2,888.64 / 2,881.04 / 2,873.45 CRAR aftershock (%) / 12.53 / 12.50 / 12.46 Change in CAR after shock (%) / (0.07) / (0.10) / (0.13) Re-pricing Impact / / / Change in the value of the bond portfolio / 0.00 / 0.00 / 0.00 Capital after shock / 2,888.64 / 2,881.04 / 2,873.45 CRAR aftershock (%) / 12.53 / 12.50 / 12.46 Change in CAR after shock (%) / 0.00 / 0.00 / 0.00 Overall change in CAR (NII & re-pricing impact, %) / (0.07) / (0.10) / (0.13)

G) MARKET RISK

Qualitative disclosure		
a)	i) Views of Board of Directors (BOD) on trading/investment activities.	Market risk is potential for loss resulting from adverse movement in market risk factors such as profit rates, Forex rates, and equity and commodity prices. The important aspect of the Market Risk includes liquidity management, profit rate risk management and the pricing of assets and liabilities. There are three types of Market Risk such as Profit Rate Risk, Foreign Exchange Risk & Equity Price Risk. The Board of Directors approves all policies related to market risk, sets limits and reviews compliance on a regular basis.

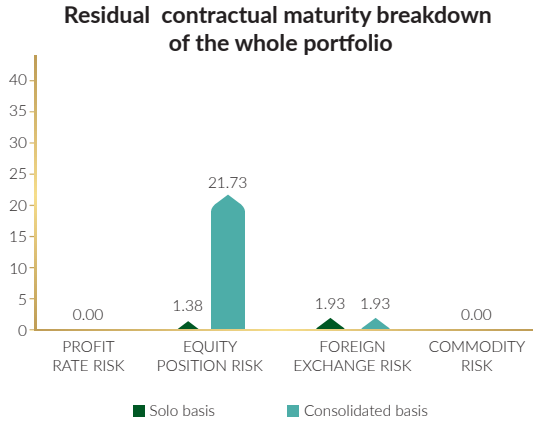
Qualitative disclosure		
	ii) Methods used to measure Market risk.	In Standardized Approach, the capital requirement for various market risks (profit rate risk, equity price risk, commodity price risk, and foreign exchange risk) is determined separately.
	iii) Market Risk Management system.	The Treasury Division manages market risk covering Liquidity, profit rate and foreign exchange risk with oversight from Assets Liability Management Committee (ALCO) comprising of senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.
	iv) Policies and processes for mitigating market risk.	There are approved limits for Investment to Deposit Ratio (IDR), Liquid Assets to Total Assets Ratio, Maturity Mismatch, Commitments for both on-balance sheet and off-balance sheet items and placements from money market and foreign exchange position. The limits are monitored and enforced on a regular basis to protect against market risk. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, foreign exchange position and transactions to mitigate foreign exchange risks.

Quantitative disclosure

b) The capital requirements for:

(BDT in Crore)

Particulars	Solo basis	Consolidated basis
Profit rate risk	0.00	0.00
Equity position risk	1.38	21.73
Foreign exchange risk	1.93	1.93
Commodity risk	0.00	0.00
Total Capital Requirement	**3.31**	**23.66**



G) OPERATIONAL RISK

Qualitative disclosure		
a)	i) View of BOD on system to reduce Operational Risk	Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities. In addressing Operational Risk, Bank strengthened its Internal Control System and ensured sound Corporate Governance in all sphere of Management and Operations at different strata as well. The Bank maintains a robust CBS (Core Banking Software) and enriches its IT infrastructure in terms of demand of time. Besides, in order to ensure capacity building of its Human Resources, the Bank takes on different measures including training, workshop and so on.
	ii) Performance gap of executives and staffs	SBPLC has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. SBPLC's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.
	iii) Potential external events	No potential external events are expected to expose the Bank to significant operational risk.

Qualitative disclosure		
	iv) Policies and processes for mitigating operational risk	To mitigate operational risk, the Bank uses basic indicator approach to calculate capital charge against operational risk. The policy for assessing operational risks including internal control & compliance risk is approved by the Board taking into account relevant guidelines of Bangladesh Bank. The Bank developed a Risk Management Division and Supervisory Review Committee for review and managing operation risk as well as evaluation of the adequacy of the capital. Internal Control and Compliance Division undertakes periodic and special audits of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements.
	v) Approach for calculating capital charge for operational risk	The Bank followed Basic Indicator Approach (BIA) for measuring capital charges for operational risk. Under the Basic Indicator Approach (BIA), the capital charge for operational risk is a fixed percentage (denoted by alpha) of average positive annual gross income of the Bank over the past three years.

Quantitative disclosure		
b)	The capital requirements for operational risk	

Particulars	(BDT in Crore)
The Capital Requirement for Operational Risk (Solo)	149.06
The Capital Requirement for Operational Risk (Consolidated)	149.06

I) LIQUIDITY RATIO

Views of Board of Directors (BOD) on system to reduce liquidity Risk	The Board of Directors is ultimately responsible for the liquidity risk assumed by the bank and the manner in which this risk is managed and therefore should establish the bank's liquidity risk tolerance. The tolerance, which should define the level of liquidity risk that the bank is willing to assume, should be appropriate for the business strategy of the bank and its role in the financial system and should reflect the bank's financial condition and funding capacity. The prerequisites of an effective liquidity risk management include an informed board, capable management, and staff having relevant expertise and efficient systems and procedures in place. It is primarily the duty of Board of Directors to understand the liquidity risk profile of the bank and the tools used to manage liquidity risk. The board has to ensure that the bank has necessary liquidity risk management framework and bank is capable of withstanding stressed liquidity scenarios. Generally speaking the Board of our bank is responsible for: a) Positioning bank's strategic direction and tolerance level for liquidity risk. b) Appointing senior managers who have ability to manage liquidity risk and delegate them the required authority to accomplish the job. c) Continuously monitoring the bank's performance and overall liquidity risk profile. d) Ensuring that liquidity risk is identified, measured, monitored, and controlled. Senior management is responsible for the implementation of sound policies and procedures keeping in view the strategic direction and risk appetite specified by Board. To effectively oversee the daily and long-term management of liquidity risk senior managers should: e) Develop and implement procedures and practices that translate the Board's goals, objectives, and risk tolerances into operating standards that are well understood by bank personnel and consistent with the Board's intent. f) Adhere to the lines of authority and responsibility that the Board has established for managing liquidity risk. g) Oversee the implementation and maintenance of management information and other systems that identify, measure, monitor, and control the bank's liquidity risk. h) Establish effective internal controls over the liquidity risk management process.
Method used to measure Liquidity risk	**01. Contractual maturity mismatch:** The contractual maturity mismatch profile identifies the gaps between the contractual inflows and outflows of liquidity for defined time bands. These maturity gaps indicate how much liquidity a bank would potentially need to raise in each of these time bands if all outflows occurred at the earliest possible date. This metric provides insight into the extent to which the bank relies on maturity transformation under its current contracts. **02. Concentration of funding:** This metric is meant to identify those sources of wholesale funding that are of such significance that withdrawal of this funding could trigger liquidity problems. The metric thus encourages the diversification of funding sources as recommended in the Sound Principles of Bank for International Settlements (BIS).

	03. Available unencumbered assets: These metrics provide supervisors with data on the quantity and key characteristics including currency denomination and location of bank's available unencumbered assets. These assets have the potential to be used as collateral to raise additional HQLA or secured funding in secondary markets or are eligible at central banks and as such may potentially be additional sources of liquidity for the bank. **04. LCR by significant currency:** While the LCR is required to be met in one single currency in order to better capture potential currency mismatches, banks and supervisors should also monitor the LCR in significant currencies. This will allow the bank and the supervisor to track potential currency mismatch issues that could arise. **05. Market-related monitoring tools:** High frequency market data with little or no time lag can be used as early warning indicators in monitoring potential liquidity difficulties at banks.
Liquidity risk management system	The liquidity risk strategy defined by Board should enunciate specific policies on particular aspects of liquidity risk management such as: a) Composition of Assets and Liabilities b) Diversification and Stability of Liabilities c) Access to Inter-bank Market The liquidity strategy must be documented in a liquidity policy, and communicated throughout the bank. The responsibility for managing the overall liquidity of the bank should be delegated to a specific identified group within the bank. This might be in the form of an Asset Liability Committee (ALCO) comprised of senior management, the treasury function or the risk management division. However, usually the liquidity risk management is performed by an ALCO. Ideally, the ALCO should comprise of senior management from each key area of the institution that assumes and/or manages liquidity risk. An effective liquidity risk management includes systems to identify, measure, monitor and control its liquidity exposures. Management should be able to accurately identify and quantify the primary sources of a bank's liquidity risk in a timely manner. To properly identify the sources, management should understand both existing as well as future risk that the institution can be exposed to. Management should always be on the alert for new sources of liquidity risk at both the transaction and portfolio levels. Key elements of an effective risk management process include an efficient MIS, systems to measure, monitor and control existing as well as future liquidity risks and reporting them to senior management.
Policies and process for mitigating risk	An effective measurement and monitoring system is essential for adequate management of liquidity risk. Discussed below are some (but not all) commonly used liquidity measurement and monitoring techniques that may be adopted by the banks. Contingency Funding Plan: In order to develop a comprehensive liquidity risk management framework, the Bank has in place way out plans for stress scenarios. Such a plan commonly known as Contingency Funding Plan (CFP) is a set of policies and procedures that serves as a blue print for a bank to meet its funding needs in a timely manner and at a reasonable cost. A CFP is a projection of future cash flows and funding sources of a bank under market scenarios including aggressive asset growth or rapid liability erosion. To be effective, it is important that a CFP should represent management's best estimate of balance sheet changes that may result from a liquidity or credit event. A CFP can provide a useful framework for managing liquidity risk both short term and in the long term. Further, it helps ensure that a financial institution can prudently and efficiently manage routine and extraordinary fluctuations in liquidity. Use of CFP for Routine Liquidity Management a) A reasonable amount of liquid assets are maintained. b) Measurement and projection of funding requirements during various scenarios. c) Management of access to funding sources. **Use of CFP for Emergency and Distress Environments** Not necessarily does a liquidity crisis show up gradually. In case of a sudden liquidity stress, it is important for a bank to seem organized, candid, and efficient to meet its obligations to the stakeholders. Since such a situation requires a spontaneous action, banks that already have plans to deal with such situation could address the liquidity problem more efficiently and effectively. A CFP can help ensure that bank management and key staffs are ready to respond to such situations. **Scope of CFP** To begin, the CFP should anticipate all of the bank's funding and liquidity needs by: a) Analyzing and making quantitative projections of all significant on- and off-balance-sheet funds flows and their related effects. b) Matching potential cash flow sources and uses of funds. c) Establishing indicators that alert management to a predetermined level of potential risks.

Quantitative disclosure		
Components	**Particulars**	**Solo**
	Liquidity Coverage Ratio (LCR) (%)	122.92%
	Net Stable Funding Ratio (NSFR) (%)	112.18%
	Stocks of high quality liquid assets (BDT in Crore)	4,132.07
	Total net cash outflows over the next 30 calendar days (BDT in Crore)	3,361.59
	Available amount of stable funding (BDT in Crore)	21,339.77
	Required amount of stable funding (BDT in Crore)	19,023.59

J) LEVERAGE RATIO:

Qualitative disclosure	
i) Views of BOD on system to reduce excessive leverage	In order to avoid building-up of 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 calibrated to act as a credible supplementary measure to the risk based capital requirements. 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; and b) Reinforce the risk based requirements with an easy to understand and a non-risk based measure.
ii) Policies and processes for managing excessive on and off-balance sheet leverage	Introducing the leverage ratio as an additional prudential tool has several potential benefits. The financial crisis has illustrated the disruptive effects of procyclicality (amplification of the effects of the business cycle) and of the risk that can build up when financial firms acting in an individually prudent manner collectively creates systemic problems. There is now broad consensus that micro-prudential regulation needs to be complemented by macro-prudential regulation that smoothens the effects of the credit cycle. This has led to proposals for countercyclical capital requirements and investment loss provisions that would be higher in good times and lower in bad times.
iii) Approach for calculating exposure	The leverage ratio should be calculated by dividing an institution's capital measure by the total exposure (expressed as a percentage). The ratio should be calculated as the simple arithmetic mean of the monthly leverage ratios over a quarter. For the numerator of the ratio (capital measure), the Tier-1 capital should be considered. The denominator (exposure measure) should be the sum of the exposure values of all assets and off-balance sheet items not deducted from the calculation of Tier-1 capital. **Leverage Ratio = Tier-1 Capital (after related deductions)/Total Exposure (after related deductions)** A minimum Tier-1 leverage ratio of 3.75% is being prescribed both at solo and consolidated level. The bank is maintaining 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.

Qualitative disclosure

Components

(BDT in Crore)

Particulars	Solo basis	Consolidated basis
Tier 1 Capital	2,325.83	2,320.17
On Balance Sheet Exposure	27,651.47	27,917.20
Off-Balance Sheet Exposure	3,660.75	3,660.75
Total Exposure after regulatory adjustments	31,310.89	31,575.27
Leverage Ratio (%)	**7.43%**	**7.35%**

K) REMUNERATION:

The following are the main disclosures on remuneration that bank includes in their pillar-3 documents. The bank is not only disclosing the required information, but to articulates as far as possible how these factors complement and support their overall risk management framework.

This requested quantitative disclosures detailed below should only cover senior management and other material takers and be broken down between these two categories.

Qualitative disclosure		
a)	Information relating to the bodies that oversee remuneration	The Management of Standard Islami Bank PLC. for remuneration program holds the responsibilities for overseeing the framing, reviewing and implementation of overall compensation structure and related polices over remuneration package issues payable to all or specialized employees and the Directors/MD/any other appointed/engaged person(s)/Material Risk takers of the Bank. They also oversee performance oriented incentives, perquisites, other financial options etc. to attract, motivate and retain employees and review compensation packages/pay structure in comparison to that of other Banks to enjoy competitive advantages in this industry. In addition, the Management of SBPLC also carries out the following roles and responsibilities: Review of the Compensation Policy annually or as demanded by market. Exercise such other powers and play the roles delegated to it by the Board. Till date, the Bank has not yet engaged any External Consultant for conducting such exercise as this activity is continually performed by the Bank's Management.
b)	Information relating to the remuneration of the processes	All applicable substantive pays and other allowances including perquisites to the employees including all subordinates, officers and executives up to the rank of SEVP are designed in well accord with the prevailing competitive remuneration structure in the industry. The package structure of all executives above the rank of SEVP i.e. DMD, AMD & MD, the individual remuneration is fixed and approved by the Board of Directors. All the Pay Structure and perquisites payable to the employees get approved by the Board of Directors of the Bank. In order to format and design the remuneration package, the Management and the Board take into the following consideration: Minimum Qualification level set during the recruitment; a) Level of Experience; b) Level of Risk involved; c) Complexities of the job; d) Degree of creativity or productivity expected in the job; e) Business developing excellence and expertise; f) Leadership capability; g) Corporate exposure. However, the remuneration structure/package for the Managing Director (MD) of the Bank is subject to approval of Bangladesh Bank.
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes	The Management has always been in the practice of reviewing remuneration/compensation package/ structure of the prime employees in top positions who are associated with high degree of risk factors in current and future position. The Board of Directors oversees and governs effective framing and implementation of the remuneration policy. Human Resource Management under the guidance of the MD administers the compensation and benefit structure in line with the best suited practices and statutory requirements as applicable.
d)	Description of the ways in which the banks seeks to link performances during a performance measurement period with levels of remuneration	On the way to link performances during a performance measurement period with levels of remuneration, the management takes the feedback or appraisal from head of branch (in case of branch officials) or concerned Head of Division (for Head Office) in the form of Annual Performance Appraisal (APA) previously known as Annual Confidential Report (ACR). Although all employees receive the festival bonuses irrespective of performance and yearly incentive is determined and awarded on basis of the Annual Performance Appraisal (APA). In case of hiring exceptionally deserving candidate, the bank offers enhanced package program with seniority in rank.
e)	Description of the ways in which the banks seeks to adjust remuneration to take account of longer-term performance	The Bank follows various schemes in regards to deferred and vested variable remuneration as follows: - PF (Vesting or entitlement to employer's contribution) happens on completion of 03 (three) years of regular service and the Bank contributes equal amount of contribution as contributed by the employee) @ 10% of substantive pay. - Gratuity as vesting or entitlement to employer's contribution is provided on completion of 05 (five) years of regular service in the Bank) @ one substantive pay for each completed year of service. -Death cum Survival Superannuation Fund (provides superannuation and other benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit as per Board's approved policy. - Furniture & Fixture (the executives of the Bank are entitled to a rank-wise specific amount to meet the cost of furnishing or decoration of residence with furniture and fixture. The amount is amortized in 05 years of continuous service of the respective employee. - Staff House Building Investment (a permanent employee in the rank of Senior Executive Officer or above, after completion of 5 (five) years of service, can avail of a House Building Investment at Bank Rate as per policy and approval from the appropriate Authority).

<table>
<tr><th colspan="3">Qualitative disclosure</th></tr>
<tr><td>f)</td><td>Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these forms</td><td>Variable pay refers to the compensation as fixed by the Board on recommendation of the Management, which is based on the performance appraisal of an employee in that role, that is, how well they accomplish their goals. It may be paid as:
-Performance Linked Incentives to those employees who are eligible for incentives.
-Ex-gratia for other employees who are not eligible for Performance-linked Incentives.
-Different awards based on extra-ordinary performance & achievement.
-Employee/Manager of the Month/ Quarter award Reimbursement/award for brilliant academic/ professional achievement.
-Leave Fare Compensation (LFC).</td></tr>
</table>

<table>
<tr><th colspan="3">Quantitative disclosure</th></tr>
<tr><td>g)</td><td>Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member</td><td>Number of meetings held by the main body overseeing remuneration during the financial year: Nil
Remuneration paid to member: Nil</td></tr>
<tr><td>h)</td><td>Number of employees having received a variable remuneration award during the financial year</td><td>Number of employees having received a variable remuneration award during the financial year: 2,149
Number and total amount of guaranteed bonuses award during the financial year: 02, BDT 21.64 crore
Number and amount of sign-on awards made during the year: 00</td></tr>
<tr><td>i)</td><td>Total amount of outstanding deferred remuneration, split into cash, shares, and share-linked instruments and other forms</td><td>Total amount of outstanding deferred remuneration, split into cash, shares, and share- linked instruments and other forms: BDT 565.89 crore.
Total amount of deferred remuneration paid out in the financial year: BDT 27.18crore.</td></tr>
<tr><td>j)</td><td>Breakdown of amount of remuneration awards for the financial year to show:</td><td>Breakdown of amount of remuneration awards for the financial year to show:
- Fixed and variable remuneration:
<table><tr><th>Particulars</th><th>BDT in Crore</th></tr><tr><td>Basic Salary</td><td>113.10</td></tr><tr><td>Allowances</td><td>111.60</td></tr><tr><td>Bonus</td><td>21.64</td></tr><tr><td>Bank's contribution to provident fund</td><td>9.84</td></tr><tr><td>Casual Wages</td><td>10.44</td></tr><tr><td>Total</td><td>266.62</td></tr></table>- Deferred remuneration: BDT 565.89 crore and Non-deferred remuneration: BDT 266.62 crore.
- Different forms used (cash, shares and share-linked instruments, other forms): All the remunerations are provided in the form of cash.</td></tr>
<tr><td>k)</td><td>Quantitative information about employees' exposure to implicit (e.g. fluctuation in the value of shares or performance units) and explicit adjustments (e.g. claw back or similar reversals or downward revaluations of awards)of deferred remuneration and retained remuneration:</td><td>Quantitative information about employees' exposure to implicit (e.g. fluctuation in the value of shares or performance units) and explicit adjustments (e.g. claw back or similar reversals or downward revaluations of awards) 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</td></tr>
</table>

CAPITAL
PLANNING AND MANAGEMENT

Effective capital planning is a continuous and dynamic process that takes into account changes in the bank's operating environment, business plans, risk tolerance levels, strategic focus, and other elements that significantly impact capital sufficiency. Capital planning helps senior management and the bank's Board of Directors:

1. identify risks, improve their understanding of the bank's overall risks, set risk tolerance levels, and assess strategic choices in longer-term planning,
2. identify vulnerabilities such as concentrations and assess their impact on capital,
3. integrate business strategy, risk management, capital and liquidity planning decisions, including due diligence for a merger or acquisition, and
4. a forward-looking assessment of the bank's capital needs, including capital requirements that may arise from rapid changes in the economic and financial environment.

Bank has been maintained some key principle for its capital framework to operate smooth banking activities. These principles are, meet regulatory requirement, maintain proper CRAR level, support implementation of development strategy planning, optimize asset structure, allocate economic capital reasonably, realize maximum return on capital, and assurance sustainable and healthy development of bank.

The bank's capital framework serves to ensure that the bank and its principal subsidiaries are adequately capitalized in line with the risk profile, regulatory requirements, economic capital standards and target ratios, at both bank and subsidiary level. The bank's capital planning objectives are to:

maintain an adequate amount of capital to satisfy the Central Bank's minimum regulatory capital requirements in compliance with Basel III standards;

- maintain sufficient capital resources to support the bank's business & risk appetite;
- support the bank's credit rating and cover unforeseen losses within the specified confidence levels.
- Invest in companies that will help the bank achieve its strategic goals, such as maximizing returns on regulatory and economic capital; and
- ensure to maintain buffer capital as excess of minimum requirements to meet ICAAP need.

The capital planning process has been included the following components:

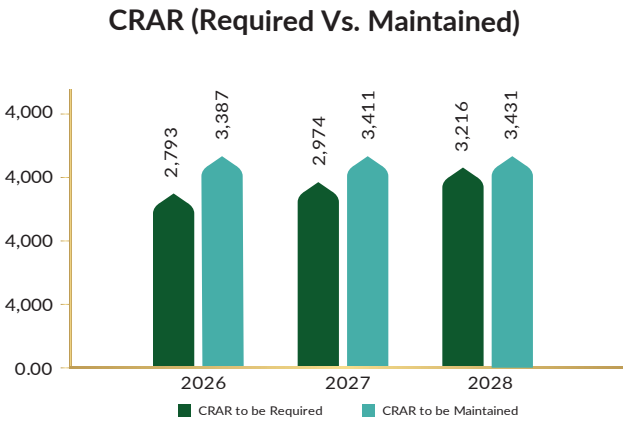
i. Identifying and evaluating risks
ii. Setting and assessing capital adequacy goals that relate to risk
iii. Maintaining a strategy to ensure capital adequacy and contingency planning
iv. Ensuring integrity in the internal capital planning process and capital adequacy assessments.

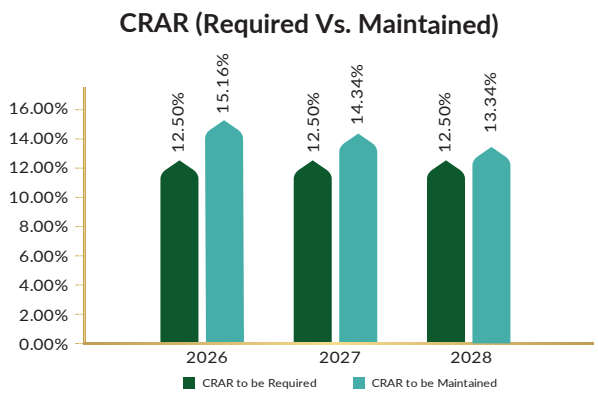
A) CAPITAL PLANNING

SBPLC. has been forecasting capital for 3 (three) years from 2026 to 2028 for meeting ICAAP (Internal Capital Adequacy Assessment Process) requirement under SRP (Supervisory Review Process) of Basel-III guideline. Bank has already enhanced its Authorized Capital from Tk. 880.00 crore to Tk. 1,500.00 crore. To make use of capital efficiently, the Bank tries to reduce Risk Weighted Asset (RWA) by its best efforts. Moreover, the Bank issued Mudaraba Subordinated Bond of Tk.200.00 crore in 2015, Tk.400.00 crore in 2017, Tk.495 crore in 2020 and Tk.350 crore in 2024 for enhancing Tier-II capital to meet regulatory requirement. In 2021, the Bank also raised Tk.450.00 crore as Additional Tier-I capital under Tier-I Capital through Mudaraba Perpetual Bond in order to strengthen its Tier-I capital. In our latest capital planning exercise, we are going to raise Tk.500 crore by issuing its 5th Mudaraba Subordinated Bond as Tier-II capital to meet Basel-III requirements.

The projected required and maintained capital of our Bank for the next 3 years are shown in the graphs below:

Figure in Crore





B) CAPITAL STRUCTURE

Bank's Authorized Capital is now Tk.1,500.00 crore. The Paid-up Capital of the Bank has stood at Tk.1,115.84 crore and the Statutory Reserve stood at Tk.764.14 crore as on 31.12.2025.

Total Regulatory Capital of the Bank stood at Tk.2,903.83 crore on solo and Tk.2,898.17 crore on consolidated basis at the end of 2025.

C) CAPITAL ADEQUACY POSITION

In terms of Bangladesh Banks' revised Basel-III Guidelines, the Minimum Capital Requirement (MCR) stands at 12.50% of Risk Weighted Asset (RWA) including Capital Conservation Buffer (CCB) of 2.50%. The Tier-1 Capital of SBPLC on solo & consolidated basis stood at Tk.2,325.83 crore and Tk.2,320.17 crore respectively. Besides this, Tier-II capital, which is another component of Capital stood at Tk.578.00 crore at the end of 2025, which includes General Provision on unclassified investments and Mudaraba Subordinated Bond.

Capital Adequacy Ratio is measured by the total regulatory Capital to total Risk Weighted Asset. Capital to Risk Weighted Asset Ratio (CRAR) stood at 12.59% for solo basis and 12.33% for consolidated basis at the end of 2025

STATEMENT OF NON-PERFORMING INVESTMENT

Over the years, the banking industry has experienced turmoil for a number of reasons, including excessive liquidity, extremely high net present values (NPIs) in banks, a slowdown in private sector investment demand, and a decline in profitability as a result of fierce competition with peers, all of which make business conditions challenging. Furthermore, the profitability of the banking industry and NPI are still under pressure from the investment performance of a small number of major importers and commodity dealers. Since the recovery from postponed investments was not encouraging, establishing or maintaining strong governance, managing NPI, including collecting bad investments, and growing profitability were the top concerns for 2025.

From the micro prudential perspective, it is in the Standard Islami Bank PLC.s' interest to reduce the amount and number of NPIs, as it protects solvency and liquidity, which is ultimately, aimed at protecting our clients' interests. At the same time, resolving the issue of NPIs has a macro-prudential dimension as well, considering that the high rate of NPI's can pose a systemic risk. Systemic risk can occur if the aggregate lending activity is lower than it would be if the NPI ratio was not that high. The evidence shows that the level of NPIs is the indication of problems faced by a country's economy and its real sector. Which is not capable to repay its debt, but it can also be a sign of a poor economy scenario.

Non-Performing Investment (NPI) is a debt obligation where the borrower has not paid previous agreed upon profit and principal repayments to the designated lender for an extended period of time. The Non–performing Investments are therefore not yielding any income to the lender in the form of principal and profit payment. Therefore, managing Non-Performing Investment (NPI) to keep it at the lowest possible level is at the core of our business priorities. We have embedded the essence of asset quality in our business values, therefore, instituted the best local as well as international industry practices throughout our business processes.

Standard Islami Bank PLC. has a recovery Division dedicated for management, settlement and recovery of problematic investments. Major responsibility of this Division is to formulate strategy and action plans for minimize of risk, prevention of investment losses, and maximization of recoveries and/or pursuing legal actions.

The recovery process of Standard Islami Bank PLC. is defined as the set of coordinated, appropriate and timely activities aimed at full recovery of investments from clients. The process is intended to convert the receivables into liquid assets as quickly and efficiently as possible, while at the same time maintaining the good relation with the client for the sake of future business. As such, the recovery process require significant interaction with the client, beginning with a careful analysis of the client situation and continuing through timely and frequent contact over the duration of the investment. Clients should be offered payment alternatives that are timely and appropriate to each situation and all recovery activities should be recorded to facilitate continuous monitoring and follow-up as well as control of client compliance with negotiated agreements.

KEY PRIORITIES

In order to achieve the general goal, Standard Islami Bank PLC. has identified several key areas and decided to make improvements in regulatory framework, capacity building and implementation of laws;

- Structural development of the Division all through the year;
- Enhancing Bank's capacity & strategy to deal with NPIs;
- Enabling business process & structure to facilitate NPI Management;
- Improving and promoting out-of-court debt settlement;
- Improving in-court debt resolution

ENHANCED BANKS' CAPACITY TO DEAL UP NPIS

Furthermore, banks are required to establish efficient monitoring of lending, including the system of early warning for increased investment risk, which enables timely identification of debtors with whom this increase occurred and which includes the definition of qualitative and quantitative indicators for early observation of increased investment risk. NPI management is one of the topmost priorities of Standard Islami Bank PLC.. At Standard Islami Bank PLC., monitoring starts from the very beginning of the business process. The steps of NPI management work flow are as follows:

- Standard Islami Bank PLC. has promulgated self–investment policies in line with best practices which are guiding business relationship terms to involve their best business efforts towards quality business through systematic management of any potential risk for being highly judicious in selecting borrowers.
- Relationship Managers are preparing investment proposal without any interference of any third party, top management of the Bank or the client. Our Management Investment Committee of Head Office which is consist of top officials from different Division independently reviews the investment proposal,

approves, recommends for onward approval where the potential risk are being screened of ensuring adequate protection against any hidden NPI.

- Even after approval of investment facilities, the post approval activities like investment facilities documentations and execution are carried out by separate Division namely Investment Administration Division (IAD) are vetting of credit facility which are independent in reporting line from business units to avoid conflict of interests.
- Post disbursement activities like monitoring, supervision, early alerts, rescheduling of Non Performing Investment etc. are performed by Investment Risk Management Division. Recovery activities are initiated by Recovery Division which continuously thrives for protection against NPIs. Overdue status, reminder through SMS, email, letter, telecommunications, meeting, discussions, visits etc. with clients are consistently carried out by the division which facilities managing NPI at lowest possible level.
- For Managing NPI case arising out even after all the above mentioned efforts, dedicated teams are in place to directly monitor, put into action and intensify recovery and collection drives through internal recovery and collection drives through internal recovery officers and third party recovery agents where necessary, Litigation Unit of legal Division is well organized with the assistance of internal law officers and assistance may be sought from leading law firms of the country to ensure all out legal actions for collection of Bank's dues.
- Risk Management Division, Investment Risk Management division and Internal Control & compliance Division are consistently reviewing and monitoring the implementation and execution of policies, procedures, Systems; blowing whistles where necessary; updating with approval of competent authority with various stake holding Divisions.
- Top Management of the Bank is very vigilant to monitor and review all the relevant aspects, provides necessary directions and guidance time to time; to ensure asset quality and keep the NPI ratio low.
- On top of all, there are several Recovery Task forces headed the divisional head has been formulated which periodically monitors and reviews the NPI movements and performance of the NPI recovery; Provides necessary directions and guidance, there by ensure highest quality asset portfolio and maximize business and profitability growth.

Since fund diversion is one of the recognized causes of investment default, Standard Islami Bank PLC. has made it a policy priority to offer purpose-oriented investment facilities with the necessary security and collateral support in light of the current general socioeconomic dynamics. Therefore, it becomes essential to closely monitor the borrower's business operations and the empirical movement of its financial indicators.

Standard Islami Bank PLC. has formulated well-organized Strategies for reducing Non-Performing Investments (NPI):

- Identify Non-Performing Investments (NPI's);
- Deployment of sufficient and efficient officials in Special Asset Management Division (SAMD);
- Formation of strong Task Force Team to expedite the recovery process;
- Arranging meeting between critical clients and higher management of Bank to find out the way to Regularize, Re-scheduling, Restructuring and full & final settlement of particular investment clients;
- Setting Recovery Target among the Officials of Branches, Regional Offices and Head Office level and provide instructions to the Branches so as to no new investment becomes classified;
- Forming Recovery Team in each and every branch;
- Deploy 2/3 members in each region (with at least one legal officer) for knocking the clients on regular basis and for expediting recovery process under the supervision of SAMD;
- Filing of suits and regular monitoring to dispose quickly and searching of other properties of the particular customers for attachment in Artho Rin Cases;
- Visit the Clients/Guarantors/Mortgagors business and residential address along with Branch Officials for recovery drive and take action accordingly;
- Awareness program will be undertaken among the employees about ultimate result of NPI on bank's existence and motivation to branches to engage in recovery activities with new momentum; etc.
- Reporting to CIB for the willful defaulters;
- Initiatives will be taken for appointment of recovery agent as per latest BB Guidelines;
- Auction process will be expedite for the eligible clients; etc.

Standard Islami Bank PLC. believes that its intense strategies and innovative approaches will lead to a transition in aspired higher growth trail.

MANAGEMENT RETROSPECTION

MANAGEMENT DISCUSSION & ANALYSIS
STANDARD ISLAMI BANK PLC.

01. STRATEGIC & OPERATIONAL FRAMEWORK

CUSTOMER-CENTRICITY

STANDARD ISLAMI BANK PLC. (SBPLC) prioritizes customers as ambassadors to enhance its image and has developed a supportive organizational structure that combines the four Ps: people, process, premises, and professionalism.

The Bank focuses on providing dignified, prompt, and personalized services to its customers, leveraging technology and expertise to ensure optimum returns on shareholder equity and safeguard depositors' money. SBPLC emphasizes empowering poor families by creating income opportunities and financial support to help them become self-reliant.

The Bank offers a comprehensive suite of modern channels, including:

- Debit and Tijarah credit cards
- SMS banking & Internet banking
- Mobile banking & Agent banking
- Electronic Fund Transfer (EFT), NPSB
- Bangladesh Automated Clearing House (BACH) facilities
- DigiBanking App-based banking

SBPLC is actively expanding its operational footprint from urban to rural landscapes, introducing customized products and services tailored to different economic classes to bring unbanked populations into formal banking channels. This has driven a steady, sustainable expansion of our customer base.

BRANDING & IDENTITY

To enhance brand visibility and foster a positive corporate image, SBPLC actively builds daily operational momentum to embody our defining slogan: "Shari'ah-Based Islami Bank."

Following our landmark corporate rebranding, this focus drives the strict implementation of Shari'ah principles, the fortification of the Bank's financial capabilities to align with international standards, the enhancement of our brand equity, and the execution of effective corporate governance practices.

INFORMATION TECHNOLOGY

Technology serves as a core strategic pillar for the Bank's institutional success, enabling continuous innovation to deliver optimized solutions, manage operational costs, and reinforce risk frameworks. SBPLC has deployed a state-of-the-art IT infrastructure to deliver seamless automation, lower transaction costs, and maximize service resilience across all delivery channels.

- **Digital Ecosystem:** The secure SBPLC DigiBanking app allows customers to perform instant fund transfers, execute mobile recharges, pay credit card bills, and top up MFS accounts (bKash and Nagad) seamlessly.
- **On-Demand Access:** High-security Internet Banking allows clients to check balances, print statements, and transfer funds globally, while round-the-clock SMS Banking ensures instant transactional transparency.
- **Branch POS Networks:** Following full-scale branch integration, our point-of-sale terminal network enables rapid, checkless over-the-counter transactions via debit card validation.
- **Business Continuity Management (BCM) and Disaster Recovery (DR)** protocols are being reinforced. Through the execution of regular, bank-wide stress-testing simulations, we ensure that critical operations, data repositories, and customer channels remain completely operational and uninterrupted during any unforeseen systemic or physical disruptions.

The Bank remains dedicated to continuous IT advancement, pairing dynamic young talent with experienced technology professionals to engineer cutting-edge digital products capable of reaching both "banked" and "unbanked" demographics nationwide.

COMMITMENT TO ESG & GREEN BANKING

As part of our commitment to ethical value-creation, SBPLC is actively integrating Environmental, Social, and Governance (ESG) criteria into its investment decision-making. In 2025, we scaled up our Green Finance portfolio, directing capital toward renewable energy projects, effluent treatment plants (ETPs), and eco-friendly manufacturing units. Our dedicated Sustainable Finance Unit was established to formalize our carbon-footprint reduction goals and drive financial inclusion for marginalized communities.

STRENGTHENING INTERNAL CONTROLS & COMPLIANCE CULTURE

To fortify our operational integrity against evolving financial crimes, SBPLC has comprehensively upgraded its Internal Control and Compliance (ICC) framework. We have established rigorous internal check-and-balance protocols alongside transactional monitoring systems. By promoting an environment of absolute transparency and zero tolerance for non-compliance, we ensure that risk management is embedded into our daily operational culture, protecting both depositor interests and stakeholder value.

PORTFOLIO DIVERSIFICATION

Recognizing that CMSMEs are the engine of national growth, we are designing tailor-made, flexible investment options to support small-scale manufacturing, trading, and agriculture. Special emphasis is being placed on dedicated financing windows for women entrepreneurs, allowing us to actively drive equitable economic empowerment across Bangladesh. As Bangladesh moves closer to its official LDC graduation, we are proactively equipping our corporate and trade clients with the financial counseling and structured trade finance instruments required to maintain a global competitive edge amid shifting international tariff and export dynamics.

02. SUSTAINABILITY & CAPITAL RESILIENCE

GREEN BANKING

The Bank places an unwavering emphasis on green banking models to drive environmental stewardship. This strategy centers on significantly reducing paperwork through advanced internal workflow digitization.

GREEN FINANCE PORTFOLIO

As of December 31, 2025, the Bank's total outstanding allocation for Environmental Technology Projects (ETP), solar/ renewable energy plants, HKK, and other green industries stood at Taka 352.08 million.

HUMAN RESOURCES DEVELOPMENT

SBPLC prioritizes the strategic placement of its personnel, recognizing them as our greatest assets and the operational foundation of the Bank's performance. We invest heavily in domestic and international training programs to cultivate service excellence as a key differentiator in a homogeneous market, transforming human resources into sustainable human capital.

The Recruitment & Selection team maintains systematic, periodically updated hiring policies to bridge organizational competency needs. By the close of 2025, a collaborative workforce of **2,149 employees** executed the Bank's modernization strategies and transitioned operations into our new corporate headquarters. SBPLC offers competitive fringe benefits and an elevated working environment to retain elite professional talent crucial to our ongoing trajectory.

Unwavering integrity and hard work are recognized as the engine of our collective success. As we embark upon this journey of rebranding and digital acceleration, our team is united in embracing our renewed brand promise. Moving forward, the Bank will continue to break new ground, raise service standards, and foster a progressive, high-performance culture that sets a benchmark for the banking industry.

CAPITAL ADEQUACY

To effectively manage the Bank's systemic risk exposure, our primary focus remains on strengthening risk management policies and maintaining a rigid internal control system.

Our Capital Adequacy Ratio (CAR) has consistently remained above the regulatory minimum requirement threshold of **10% of Risk-Weighted Assets (RWA):**

- **Solo Basis:** 12.59% (As of December 31, 2025)
- **Consolidated Basis:** 12.33% (As of December 31, 2025)

03. FINANCIAL PERFORMANCE & INCLUSION

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the fiscal year 2025, SBPLC dedicated a total of Taka 8.62 million toward high-impact corporate social responsibility activities, actively championing initiatives across healthcare, education, disaster management, environmental conservation, cultural welfare, infrastructure development, and targeted financial aid for low-income populations.

OPERATIONAL PERFORMANCE METRICS

Despite changing macroeconomic dynamics throughout 2025, the Bank sustained a stable operational footprint across its network of 138 branches:

- **The 32 branches** achieved 100% of their designated deposit targets.
- **The 13 branches** achieved 100% of their designated investment targets.
- **The 23 branches** previously incurring operational losses are currently undergoing specialized structural turnarounds to bring them firmly into the profit club.

Financial Indicator	FY2025 *(Figure in Million)*	Growth (Ratio)
Shareholders' Equity	BDT 18,897.44	1.86%
Total Deposits	BDT 212,665.78	5.67%
Total Assets	BDT 288,112.84	6.39%
Total Investment Portfolio	BDT 209,418.26	2.85 %
Import Business Volume	USD 1352.99	9.79%
Export Business Volume	USD 651.31	9.17%
Foreign Remittance Volume	USD 449.01	2.01%

Market & Valuation Metrics	FY2025	FY2024 (Comparative)
Return on Equity (ROE)	4.26%	4.47%
Quick Ratio	1.21 times	1.12 times
Earnings Per Share (EPS)	Tk. 0.72	Tk. 0.74
Price-Earnings (P/E) Ratio	6.80 times	11.62 times

Note: SBPLC managed its leverage ratios prudently throughout 2025, resulting in the successful optimization of overall deposit costs and return on average assets.

FINANCIAL INCLUSIONS

Financial inclusion is a prerequisite for ensuring access to financial services for all unbanked and underbanked individuals in a fair, transparent, and affordable manner. Our financial services actively focus on credit delivery to micro, small, and medium enterprises (MSMEs), alongside agricultural, rural, and urban productive activities.

Recognizing retail and SMEs as primary engines of national economic growth, we have deepened our footprints across both segments. SBPLC branches are strategically equipped to deliver SME services nationwide. Concurrently, our agricultural and non-farm sectors have introduced optimized, collateral-free lending facilities designed to empower emerging farming models and rural entrepreneurs.

04. TRANSFORMATION & 2026 OUTLOOK

STRATEGIC REBRANDING AND TRANSFORMATION OF STANDARD ISLAMI BANK PLC.

Alhamdulillah, STANDARD ISLAMI BANK PLC. has successfully completed the financial year 2025 with notable resilience, marked by the milestone relocation of our corporate headquarters to Gulshan-1, Dhaka. As we advance into 2026, we reaffirm our absolute commitment to Shari'ah-compliant operations and our evolution into a digitally agile, ethically grounded Islamic financial institution.

Key Transformation Accomplishments:

- **Rebranding Execution:** Completed full structural integration of our new corporate title, "STANDARD ISLAMI BANK PLC.," across all statutory and regulatory frameworks to secure market differentiation. Deliver exceptional value to our customers and stakeholders' with clarity, stability and purpose.
- **Corporate Visual Identity:** Working on a refreshed corporate visual identity and logo featuring traditional Islamic calligraphy and motifs, seamlessly merging heritage with modern digital readiness. Each branch, every office, every subsidiary, every document, and every digital touch point will carry a unified and professional look.
- **Head Office Operations:** Streamlined executive administrative operations within our flagship facility in Gulshan-1, optimizing organizational efficiency within the capital's premier financial hub.

STRATEGIC PRIORITIES FOR 2026:

- Maintain rigid compliance and absolute adherence to Shari'ah principles across all banking tiers.
- Drive sustainable low-cost funding by expanding financial inclusion initiatives within rural markets. Concurrently, optimize resource allocation to diversify and strengthen our Shari'ah-compliant investment portfolios.
- Strict monitoring of investment concentration, liquidity & capital preservation, Sustainable growth innovation & excellence and climate resilient finance.
- Accelerate targeted asset recovery frameworks to reduce non-performing assets across all branch operations.
- Enhance core technology infrastructure, bolster cyber security protocols, and elevate customer service standards.
- Optimize cross-border workflows and subsidiary financial performance.
- Uphold a value-driven, transparent financial structure for all stakeholders and strengthening Governance & Transparency.

"Our journey ahead is firmly guided by the principles of Shari'ah and a commitment to ethical stewardship. Insha'Allah, through discipline, innovation, and unity of purpose, STANDARD ISLAMI BANK PLC. will continue to rise as a trusted symbol of faith-based banking in Bangladesh."

Riad Mahmud Chowdhury

Managing Director

REPORT ON
HUMAN CAPITAL

PHILOSOPHY OF MANAGING HUMAN CAPITAL IN SBPLC.

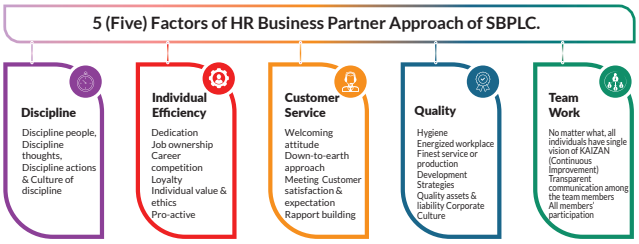
- Achieving added value through people
- HR Value Proposition

To add value to the key stakeholders i.e. customers, line managers, employees and the investors of Standard Islami Bank PLC., the team of Human Resources Division is relentlessly thriving with the deep rooted philosophy to lead and win.

Sticking to the philosophy to reach the vision of the Bank, the Human Resources Division of SBPLC. has already created and on the way of creating a pool of talented workforce focusing on the hygiene-motivation factors to eliminate dissatisfaction and increase job satisfaction of the employees which directly help contribute to the bottom line of the Bank.

HUMAN RESOURCES

At SBPLC., we are exclusively depending on Human Resources, therefore, they are considered as Human Capital in the Bank. It is our Human Capital who has brought the phenomenal successes for the Bank through "Discipline, Individual Efficiency, Customer Service, Quality and Team Work". We believe these five (05) factors lead us to develop the most effective and efficient Human Capital which ensures success to achieve the corporate goal of the Bank through the following approach:



The above five factors successfully applied by our competent Management through their relentless efforts. Human Capital Management has the responsibility to attract, retain and develop the talents in order to engage "Right Person in Right Place in Right Time with Right Pay under the Right Leadership with the Right Strategy".

5 (FIVE) FACTORS OF HR BUSINESS PARTNER APPROACH OF SBPLC:

DISCIPLINE

A disciplined environment helps both management and employees on their best behavior. Efficiency is tied to a disciplined organization and at SBPLC. We emphasize on practicing a culture of discipline among our human capital by their discipline in thoughts and actions. We provide enormous importance to make an efficient culture of discipline among our employees.

INDIVIDUAL EFFICIENCY

The efficient work force acted as the fundamental pillar to elevate the Bank at today's height of success and beyond. We are always concerned with upgrading our entire workforce to the next level of skill and efficiency. Our management largely emphasize on efficiency of individuals which has a positive impact on the overall business growth of the Bank. Our employees are efficient, pro-active, competitive and loyal which leads to efficient human capital management in our Bank that correlates with organizational goal.

CUSTOMER SERVICE

The products of all banks' are more or less similar, the only thing can distinguish us from others is our pro-active customer service. Customer service is all about people getting what they want within shortest possible time in the best possible way. Human capitals in our Bank are playing a significant role to designing and delivering great customer service with the welcoming attitude. We are committed to meet our customer satisfaction and expectation through personalize service and GUEST approach. And the Bank is continuously developing its human capital to achieve more and more Customer Satisfaction.

QUALITY

Our management acts as a pivotal change agent in this process by benchmarking the Bank's needs and providing the best quality in every aspect. SBPLC. believes in equal opportunity and maintains that employees are the driving force behind quality business growth. Main objective of the Bank is to bring in competitive advantage through steady adaptation to the best HR practices. We strongly put emphasis on the hygiene factors, energized workplace with the best possible quality of assets that manifest our corporate culture.

TEAM WORK

Teamwork is an important and integral part of our success. In our everyday work situations, we all work in a team and we are frequently engaged in collaborative relationships with others where there is a single vision of continuous improvement of employees and Bank. At SBPLC, we ensure all members participation and transparent communication among the team members that leads us to meet our vision.

CAREER OPPORTUNITIES:

A career at Standard Islami Bank PLC. offers an opportunity to influence career growth and eventually also lead to social mobility. We constantly strive to identify and define the intangible characteristics that contribute to our unique culture and aim to reinforce them in everyday life. We want our employees to have a clear vision for the business and to foster enthusiasm to drive superior performance. To meet its growing workforce requirements and strengthen its talent pool, Standard Islami Bank PLC. continued its recruitment initiatives during 2025 by inducting fresh graduates into entry-level officer positions. The Bank recruited Management Trainee Officers (MTOs) and Trainee Assistant Officers (TAOs) to support its business expansion and ensure a steady pipeline of skilled human resources for future leadership and operational needs.

The details of fresh graduate recruitment during the year 2025 are presented below:

Name of the Post	Number Recruited
Management Trainee Officer (MTO)	39
Trainee Assistant Officer (TAO)	64
Total	103

The recruitment of young and talented graduates reflects the Bank's commitment to developing a competent workforce capable of contributing to sustainable growth and delivering quality services to customers.

Talent Development:

SBPLC.'s talent development is a process for identifying and developing new leaders, who can bring strength to the talent pipeline. Succession planning is critical to us, as it enables us to ensure leadership continuity and avoid extended and costly leadership vacuum. We work hard to promote from within the organization so that we can create greater career opportunities for our employees. SBPLC.'s assesses the leadership needs of the Bank in a way that ensures the selection of qualified leaders which matches its mission and goals.

Healthy Work Environment

Adequate attention is always accorded to the health and safety of our employees, primarily through providing safeguards to company with appropriate security arrangements. Employees enjoy favorable working hours so that they can ensure a balance between professional and personal interests. The Bank has fire safety alarms, fire extinguishers and emergency exit in its all premises in order to safeguard the employee's event of conflagration. To create a healthy working environment the Bank gives priority by facilitating central air-conditioning ambient lighting system, prayer rooms, sufficient sanitary facilities etc.

Learning and Development

Standard Islami Bank PLC. puts great emphasis on training and provides resources and opportunities for development to the employees. The goal of training is for employees to master the knowledge, skill and behaviors emphasized in training programs and to apply them to their day-to-day activities. SBPLC. acknowledges and supports the need for employees to balance work and personal interests and encourage flexibility wherever possible. Effectively designed training programs targeting the right group of employees are conducted on a regular basis

Compensation and Benefits

The Bank recognizes the need for remuneration policies to be competitive and these have been designed to correspond to individual qualification, skill, performance, contribution and responsibility ensuring a real differentiation amongst other Banks. The recruitment strategy of the Bank is based on attracting and retaining the most suitable people at all levels of the business.

Reward and Recognition Program

SBPLC. has a well-designed Reward & Recognition program that gives special attention to employees' actions, efforts, behavior and performance. Our Key Performance Indicator (KPI) process enables us to emphasize on them growth of our employees as well as identify their learning and career development needs. Annual incentive schemes are used to reward the short-term business results which create noteworthy value for the business. They represent a reward for the collective achievement of defined corporate results to which each individual has made a contribution.

"Standard Islami Bank PLC. considers quality and skilled Human Resources as one of the most valued assets for the Bank to attain organizational objectives and goals."

HUMAN RESOURCES VALUE CREATION

SBPLC, in this digital age, has created a pleasant atmosphere within the work environment where the talents are contributing their best to be succeeded in this ever changing business environment. It has reduced employee stress and improved their belongingness with the Bank. Supportive and diverse work environment is always the key for attracting dedicated talents, therefore, we aim to create a workplace which rewards individuals for their efforts, promotes work-

life balance, and offers employees the opportunities to grow, prosper and advance in their careers. That is why SBPLC. always offers competitive, performance-based compensation, benefits and numerous employee friendly assistances.

We believe, the role of Human Resources is not only the daily management of HR tasks, it is also considered to be the HR service center. As a business partner, it also plays as the support center for the Managers to achieve the goal of the organization in a team. HR is sharing and facing the challenges with the business units to achieve and to build the competitive advantage for the organization.

To combat the changes of business needs and to achieve the common goal, HR takes strategic initiatives and change management projects. Today's **HR leadership** is all about the clear focus on the people management. The HR Manager gives the vision of the final state of the talents of the business unit and finds way together how to implement the vision proactively. Moreover, it is meeting all the operational support of the line managers focusing on business. To meet the strategic changes with the business need by keeping excellence in all areas of HR services we have developed the following HR model:

DIGITAL HR:

SBPLC. is advancing its HR functions through data-driven processes to enhance efficiency, transparency, and service quality. Our People-Hub HR platform streamlines operations and reduces stakeholder costs.

We are developing a structured competency inventory to ensure the right talent fits the right role. Alongside this, we are strengthening our digital learning ecosystem and partnering with external platforms to attract and develop high-calibre talent.

SBPLC. STANDARDIZED POLICIES:

SBPLC. has transformed and formulated policies into standard work policies so as to create a healthy corporate environment which leads to nurturing resources into capital. The policies of SBPLC. have been formulated focusing on the employee retention, retirement benefits and work place safety issues.

EMPLOYEE MOTIVATION:

Motivation is a part of an individual cognitive structure and is not directly observable. Behavior is the direct consequences of the motivation.

So, we drive our employ's willingness and attitude to work and run an extra mile for achieving the given target. And we know if the employees feel motivated, they will perform well to achieve the individual goal and so the HR professionals of the Bank have established following motivational tools both in intrinsic and extrinsic aspects:

EMPLOYEE COMPENSATION AND BENEFITS

Extrinsic Motivating Factors		Intrinsic Motivating Factors	
1	A competitive Pay Package	1	Work recognition for high achievers
2	A Standard work policy	2	Higher responsibility for competent people
3	A smooth Interpersonal Relationship among colleagues	3	Scope of Career Growth for the talent
4	A happy work place environment	4	Retention of talent
5	Accelerated Promotion	5	Providing greater scope of work
6	02 (two) gratuity for completing 10 years Banking career	6	Job Security
		7	A friendly supervision system by line managers

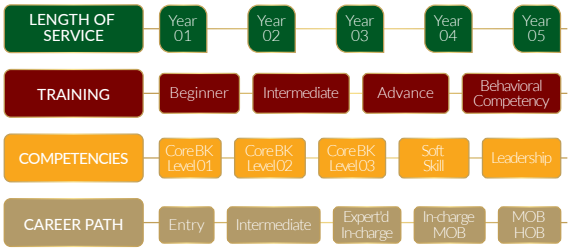
To standout in the industry and to create core competencies of the Bank for harvesting competitive advantage and to be one of the top leaders, we have smoothened a trajectory of not only making profit but also a center for service excellence to make the Bank a coral reef for the customers:

- **Broad Band Approach in Compensation Management:** A competitive pay package has already been initiated to retain and attract the talent for the Bank. As we believe in retention of the talent who are the stars and cash cow of the organization. The competitors find it difficult to woo our talent due to our competitive compensation.
- **Key Employee Benefits:** SBPLC. Management intensively thinks of the employee benefits to groom and grow its employee for a longer period.

TRAINING AND DEVELOPMENT

Standard Islami Bank PLC. Learning Center through its continuous training and development program acts as a catalyst in augmenting the competencies of employees and equipping them with right skills and knowledge for meeting ever changing business needs of customers in different segments.

Having importance on training and development, SBPLC. designed career paths and planning for career succession align with individual training plan to ensure all individuals are accorded and receive full consideration for developmental opportunities to enhance their competencies, leadership skills and for career advancement. A model training and career plan is given below:



Training has now emerged as a critical function in the organizational endeavor to compete and keep the workforce fit enough to take on the competition. Standard Islami Bank PLC. Learning Center aligning with Human Resources Division is focusing on comprehensive grooming of employees' in key Banking areas like investment, foreign exchange, GB as well as various soft skills trainings to groom the personal traits of the individuals.

Apart from these, different outreach trainings are being provided to the employees as external training and foreign training for future betterment of the career.

The Management of SBPLC. believes in the philosophy "Talent becomes obsolete without renewed and refreshed knowledge & skills". Training and Development only can add the flavor of new horizon of knowledge and skills to the performance of the employees.

However, the Management expects and desires "Performance and achieving the set goal" from the employees of the Bank. So, Training, Development and knowledge sharing program are the pivotal points for the management. Through providing on the job and off the job training, Performance of the employees are developed and sharpened.

Training Program for Fresh Recruits

Standard Islami Bank PLC. ensures a comprehensive foundation training program for the 103 fresh graduates who joined the Bank in 2025 as Management Trainee Officers (MTOs) and Trainee Assistant Officers (TAOs). The program is conducted through the Standard Islami Bank PLC. Learning Center and leverages a blend of internal expertise and external resources to provide a well-rounded learning experience.

This initiative reflects the Bank's commitment to building a competent and skilled workforce, ensuring that new employees are well-prepared to contribute effectively to the Bank's operations and long-term growth objectives.

Banking Diploma for Promotion and Recruitment of Experienced Bankers

Standard Islami Bank PLC. strictly adheres to the guidelines issued by Bangladesh Bank in all matters related to the promotion of internal employees and the recruitment of experienced bankers from other financial institutions.

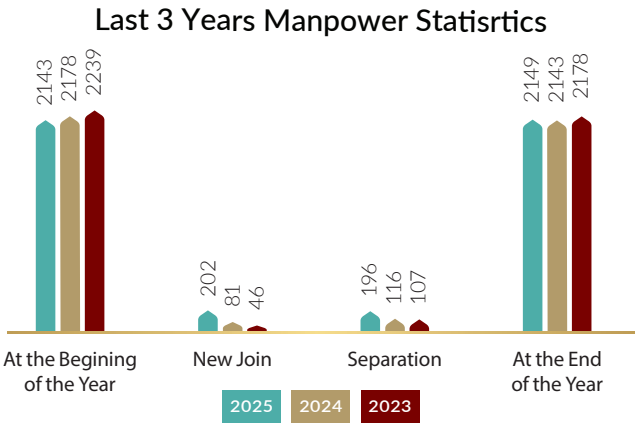
The Bank ensures a transparent and merit-based process, evaluating candidates on the basis of qualifications, experience, performance, and professional competencies. This approach not only maintains compliance with regulatory requirements but also strengthens the Bank's workforce by attracting skilled and seasoned professionals, thereby supporting operational excellence and sustainable growth.

HUMAN RESOURCE ACCOUNTING

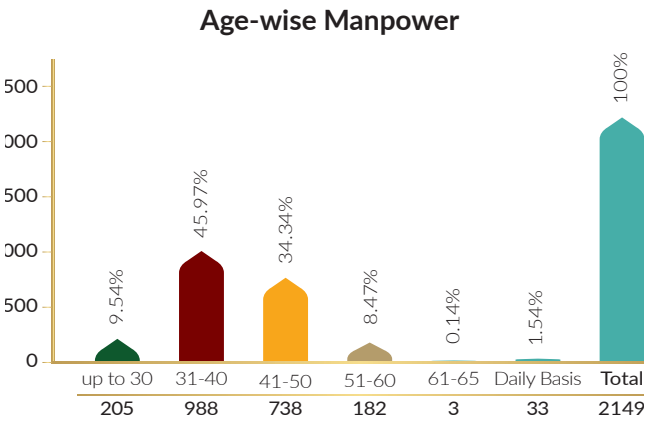
SBPLC. firmly believes its employees as the most significant capital i.e. Human Capital. To this effect, employees are considered to be the key investment of the Bank to attain the set goal of the Bank. SBPLC. also considers skill value and economic value in terms of Human Capital Evaluation of the Bank.

Numeric Features of the Employees of SBPLC:

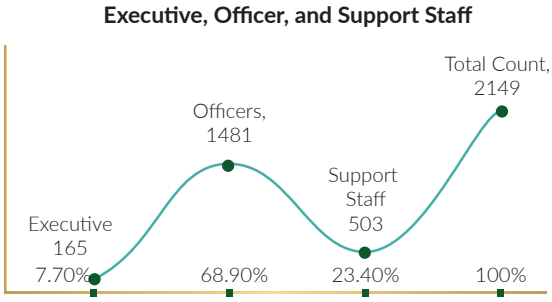
Last 03 (three) years Workforce Statistics:



Age-Wise Workforce:



Executive, Officer, Support Staff Statistics:

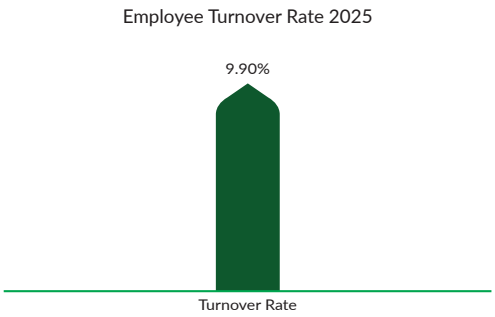


To see the skill value, the SBPLC. Management team continuously measures the skills of the employees' existing and future potential and services because employees who are capable of rendering future services possessed potentials and constitute the capital to attain the expected goal of the Bank.

To see the economic value, SBPLC. Management follows the investment and contribution of the individuals. The investment of individuals is acquisition cost, remuneration cost, training cost and other cost which will consequently generate maximum income for the Bank.

Net Employee Turnover

At SBPLC, the dedicated human base is reflected in the very low turnover rate of its employees. SBPLC. has adopted a very balanced people strategy in the Bank that can drive growth and also adequately meet the various challenges, like all kinds of separation and challenge of successions.



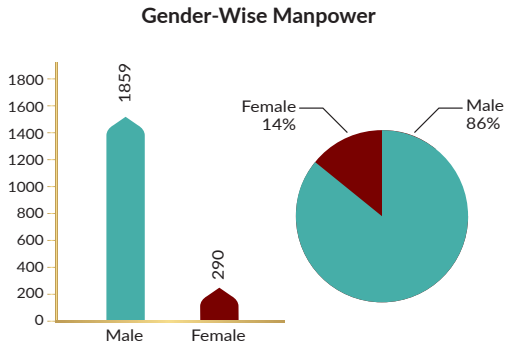
Concerted efforts have been taken for fostering career progression of employees primarily to reward them for their efforts and performance to motivate them further to climb up the corporate ladder and thereby fulfill both organizational as well as personal aspirations. Therefore, compare to the industry employee turnover rate, our turnover rate is quite low which indicates very good condition of the Bank.

Gender Diversity

An optimal workforce mix is a prerequisite for the nourishment and growth of the business. Hence diversity in workforce planning has been put in place at SBPLC. for estimating workforce needs by level, skills and by Branch and also for strategic workforce planning for the next few years to feed into various other HR interventions of recruitment planning, career progression, vacancies and postings /deployment.

The Bank has put in place a clearly defined Recruitment policy which steers the diversity in recruitment from different channels, hiring of larger numbers in view of the emerging requirements as projected by the strategic workforce planning.

Numeric Features of SBPLC.is given below:



Maternity Leave

Maternity leave with full pay is granted to all female employees of SBPLC. for a period of up to 6 (six) months at a time, covering both pre-natal and post-natal periods. Maternity leave shall not be granted more than twice during the entire tenure of an employee's service and shall be admissible up to 2nd issue only.

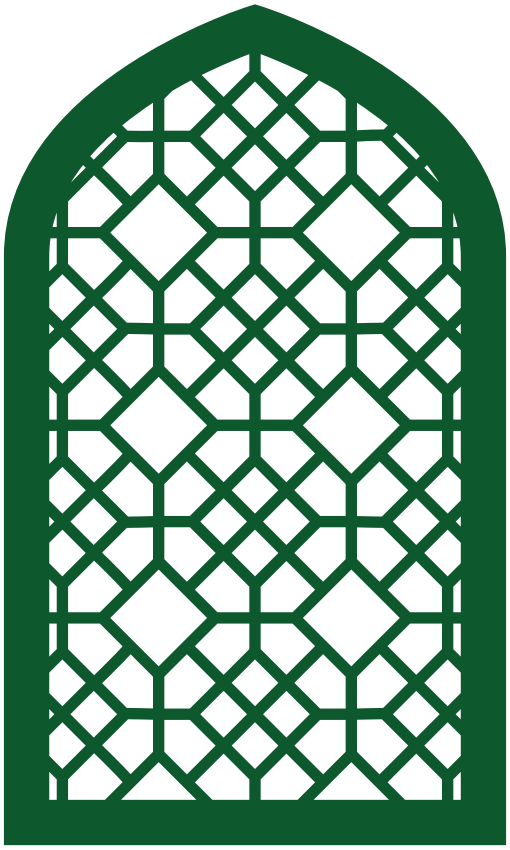
Child Care Facilities (Day Care Center)

Standard Islami Bank PLC., is a founding member of "Pushpita Day Care Center", located at Dilkusha Commercial Area, Motijheel, Dhaka. The Center provides day-care facilities for the children of employees during office hours, thereby supporting working parents and contributing to a more inclusive and employee-friendly workplace environment.

REPORT OF
NOMINATION AND REMUNERATION COMMITTEE (NRC)

Nomination and Remuneration

Bangladesh Bank's BRPD Circular No. 02 issued on February 11, 2024 mandates the establishment of three committees: the Executive Committee, Audit Committee, and Risk Management Committee. The circular does not allow for any additional committees beyond these. However, through BRPD Letter No. 21 dated May 12, 2024 the Audit Committee of the Board was entrusted with the responsibility of carrying out the functions of the Nomination and Remuneration Committee (NRC). SBPLC's Audit Committee has been performing all NRC functions. The NRC is responsible for overseeing various matters, including determining director qualifications, recommending policies for Board, identifying qualified directors, evaluating performance, determining employee needs, and developing and reviewing annual human resources and training policies.



VERTICAL ANALYSIS

For the last 5 years
Consolidated Statement of Financial Position

Particulars	31.12.2021	31.12.2022	31.12.2023	31.12.2024	31.12.2025
PROPERTY AND ASSETS					
CASH	**6.66%**	**6.74%**	**6.62%**	**5.37%**	**4.88%**
Cash in Hand (including foreign currencies)	0.91%	0.99%	0.98%	0.98%	0.85%
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	5.75%	5.75%	5.65%	4.39%	4.03%
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	**0.36%**	**0.40%**	**1.16%**	**3.18%**	**4.16%**
In Bangladesh	0.07%	0.10%	0.28%	1.85%	2.67%
Outside Bangladesh	0.29%	0.30%	0.87%	1.33%	1.49%
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
INVESTMENTS IN SHARES & SECURITIES	**10.76%**	**8.68%**	**8.03%**	**10.02%**	**13.05%**
Government	7.38%	5.43%	5.13%	6.42%	9.69%
Others	3.38%	3.25%	2.91%	3.60%	3.36%
INVESTMENTS	**74.45%**	**76.15%**	**76.15%**	**75.19%**	**72.69%**
General investments etc.	71.58%	74.86%	73.90%	73.41%	70.49%
Bills Purchased and Discounted	2.87%	1.29%	2.25%	1.78%	2.19%
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	**1.61%**	**1.47%**	**1.34%**	**1.19%**	**1.12%**
OTHER ASSETS	**6.16%**	**6.57%**	**6.69%**	**5.06%**	**4.11%**
NON-BANKING ASSETS					
TOTAL PROPERTY & ASSETS	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
LIABILITIES & CAPITAL					
LIABILITIES					
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	**8.47%**	**8.75%**	**6.28%**	**8.24%**	**9.84%**
DEPOSITS AND OTHER ACCOUNTS	**73.90%**	**73.02%**	**75.58%**	**74.31%**	**73.81%**
Al-Wadeeah Deposits & Other Deposits	8.20%	10.32%	11.84%	12.52%	12.06%
Bills Payable	0.97%	0.96%	1.33%	1.10%	1.38%
Mudaraba Savings Deposits	8.86%	7.98%	7.44%	6.81%	6.71%
Mudaraba Short Term Deposits	6.91%	6.40%	7.22%	6.53%	7.51%
Mudaraba Term Deposits	41.66%	40.95%	42.77%	42.66%	39.30%
Mudaraba Deposit Schemes	7.30%	6.40%	4.97%	4.70%	6.86%
OTHER LIABILITES	**10.03%**	**10.67%**	**10.90%**	**10.60%**	**9.79%**
TOTAL LIABILITIES	**92.40%**	**92.43%**	**92.76%**	**93.15%**	**93.44%**
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	4.58%	4.54%	4.28%	4.12%	3.87%
Statutory Reserve	2.78%	2.80%	2.74%	2.72%	2.65%
General Reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Revaluation Reserve on Investment	0.00%	0.00%	0.00%	0.00%	0.00%
Retained earnings	0.24%	0.23%	0.22%	0.01%	0.03%
TOTAL SHAREHOLDERS' EQUITY	**7.60%**	**7.57%**	**7.24%**	**6.85%**	**6.56%**
Non-controlling Interest	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

HORIZONTAL ANALYSIS

For the last 5 years
Consolidated Statement of Financial Position

Particulars	31.12.2021	31.12.2022	31.12.2023	31.12.2024	31.12.2025
CASH	**309.60%**	**185.05%**	**186.35%**	**214.49%**	**210.77%**
Cash in Hand (including foreign currencies)	85.00%	88.73%	92.80%	93.55%	108.41%
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	224.60%	96.32%	93.55%	120.95%	102.35%
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	**478.41%**	**159.04%**	**64.27%**	**76.19%**	**149.00%**
In Bangladesh	205.37%	65.36%	32.35%	14.47%	65.20%
Outside Bangladesh	273.03%	93.69%	31.92%	61.71%	83.80%
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
INVESTMENTS IN SHARES & SECURITIES	**3.20%**	**10.76%**	**8.68%**	**8.03%**	**10.02%**
Government	21.41%	130.84%	97.32%	75.11%	62.26%
Others	45.32%	100.19%	102.63%	75.86%	100.75%
INVESTMENTS	**130.91%**	**306.29%**	**145.61%**	**213.94%**	**174.02%**
General investments etc.	99.50%	92.04%	93.07%	94.64%	97.89%
Bills Purchased and Discounted	31.41%	214.24%	52.54%	119.30%	76.13%
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	**106.67%**	**105.49%**	**100.30%**	**106.33%**	**100.07%**
OTHER ASSETS	**94.04%**	**90.28%**	**90.16%**	**124.44%**	**115.74%**
NON-BANKING ASSETS					
TOTAL PROPERTY & ASSETS	**97.37%**	**96.26%**	**91.88%**	**94.01%**	**94.00%**
LIABILITIES & CAPITAL					
LIABILITIES					
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	**62.94%**	**93.21%**	**127.91%**	**71.74%**	**78.65%**
DEPOSITS AND OTHER ACCOUNTS	**579.76%**	**592.75%**	**532.50%**	**602.72%**	**516.35%**
Al-Wadeeah Deposits & Other Deposits	114.09%	76.47%	80.10%	88.95%	97.57%
Bills Payable	121.00%	97.73%	66.13%	113.33%	75.24%
Mudaraba Savings Deposits	81.53%	106.80%	98.58%	102.76%	95.37%
Mudaraba Short Term Deposits	67.86%	103.95%	81.39%	103.92%	81.81%
Mudaraba Term Deposits	112.44%	97.92%	87.96%	94.27%	102.03%
Mudaraba Deposit Schemes	82.85%	109.88%	118.33%	99.49%	64.34%
OTHER LIABILITES	**92.41%**	**90.47%**	**89.93%**	**96.66%**	**101.82%**
TOTAL LIABILITIES	**97.33%**	**96.23%**	**91.55%**	**93.62%**	**93.70%**
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	97.56%	97.09%	97.56%	97.56%	100.00%
Statutory Reserve	96.32%	95.58%	93.97%	94.63%	96.38%
General Reserve					
Revaluation Reserve on Investment	0.00%	0.00%	0.00%	0.00%	0.00%
Retained earnings	124.44%	101.70%	93.03%	1946.62%	30.18%
TOTAL SHAREHOLDERS' EQUITY	**97.97%**	**96.67%**	**96.06%**	**99.33%**	**98.18%**
Non-controlling Interest	97.01%	96.34%	96.95%	98.65%	100.00%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**97.37%**	**96.26%**	**91.88%**	**94.01%**	**94.00%**

VERTICAL ANALYSIS

For the last 5 years
Consolidated Statement of Comprehensive Income

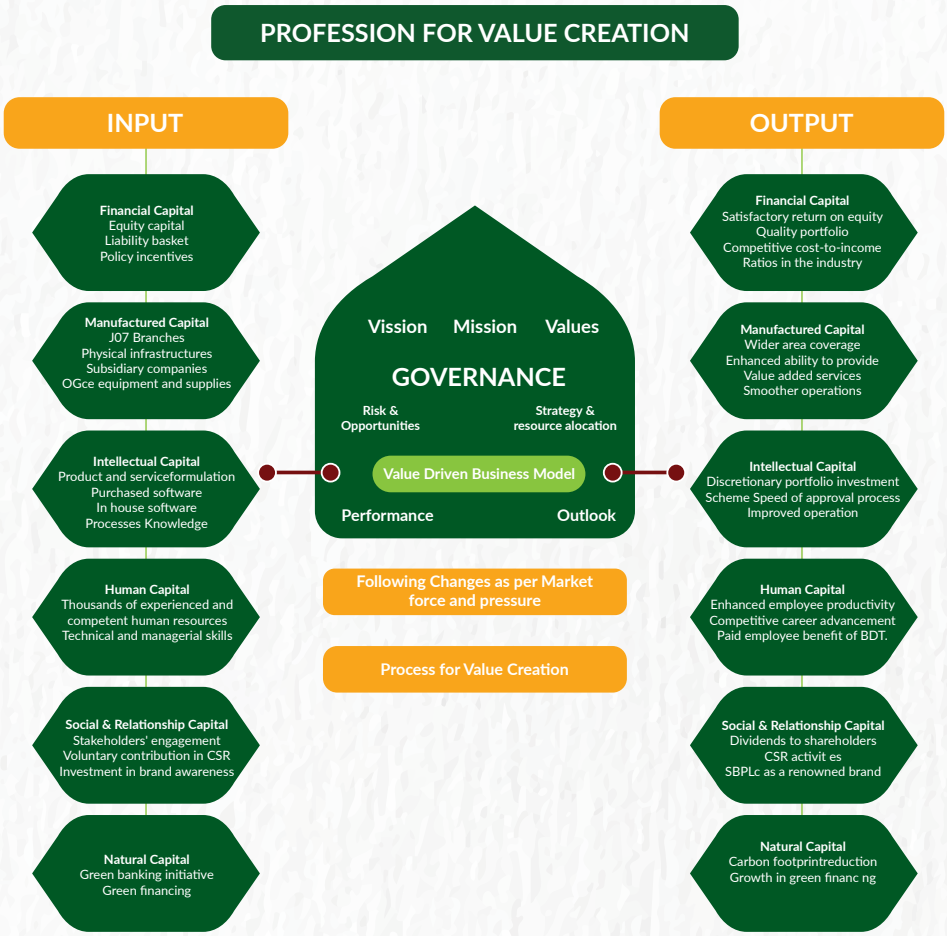
Particulars	31.12.2021	31.12.2022	31.12.2023	31.12.2024	31.12.2025
Investment Income	86.76%	80.26%	78.58%	77.03%	73.22%
Less: Profit paid on Deposits & Placement etc.	63.44%	62.34%	67.06%	75.43%	79.84%
Profit on Investments	**31.28%**	**25.15%**	**21.06%**	**15.81%**	**0.25%**
Income from investments in shares & securities	2.56%	7.04%	6.12%	5.34%	11.16%
Commission, Exchange Earnings & Brokerage	7.94%	10.55%	11.26%	15.08%	13.47%
Other Operating Income	2.74%	2.16%	4.04%	2.54%	2.14%
TOTAL OPERATING INCOME (A)	**44.53%**	**44.89%**	**42.47%**	**38.78%**	**27.03%**
Salary & Allowances	23.87%	25.30%	22.85%	15.98%	13.19%
Rent, Taxes, Insurance, Electricity etc.	4.71%	4.63%	4.21%	3.53%	3.41%
Legal Expenses	0.26%	0.24%	0.17%	0.12%	0.12%
Postage, Stamp, Telecommunication etc.	0.16%	0.15%	0.12%	0.12%	0.08%
Stationery, Printing, Advertisement etc.	0.47%	0.46%	0.45%	0.40%	0.29%
Managing Director's salary & fees	0.14%	0.13%	0.10%	0.06%	0.08%
Directors' Fee & Other benefits	0.03%	0.04%	0.04%	0.04%	0.04%
Shari'ah Supervisory Committee's Fees & Expenses	0.00%	0.00%	0.00%	0.00%	0.00%
Audit Fees	0.01%	0.01%	0.01%	0.01%	0.02%
Charges on Investment losses	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and Repair of Bank's Assets	3.51%	2.81%	2.23%	1.92%	1.21%
Zakat Expenses	0.14%	0.06%	0.05%	0.00%	0.00%
Other Expenses	3.26%	3.82%	2.72%	2.39%	1.73%
TOTAL OPERATING EXPENSES (B)	**36.56%**	**37.66%**	**32.94%**	**24.57%**	**20.16%**
Specific Provision	0.19%	0.19%	1.39%	11.27%	2.54%
General Provision	0.20%	0.00%	0.00%	0.00%	0.00%
Provision for Off-Balance Sheet items	1.94%	1.12%	0.00%	0.00%	0.00%
Provision for diminution in value of investments	1.05%	0.00%	0.00%	0.34%	0.07%
Provision for impairment of client margin investment	0.06%	0.11%	0.00%	0.21%	0.22%
Other Provision	0.17%	0.29%	0.15%	0.00%	0.05%
Total Provision (D)	**3.61%**	**1.50%**	**1.55%**	**11.81%**	**2.88%**
Total Profit / (Loss) before Taxes (E)=(C - D)	**9.40%**	**10.27%**	**12.88%**	**9.25%**	**5.97%**
Provision for Taxation	**5.84%**	**3.15%**	**5.39%**	**6.74%**	**2.74%**
Current Tax	6.95%	3.79%	6.29%	6.78%	2.77%
Deferred Tax	-1.10%	-0.64%	-0.90%	-0.05%	-0.04%
Net Profit / (Loss) after Taxation :	**4.29%**	**7.48%**	**8.25%**	**3.78%**	**3.47%**

HORIZONTAL ANALYSIS

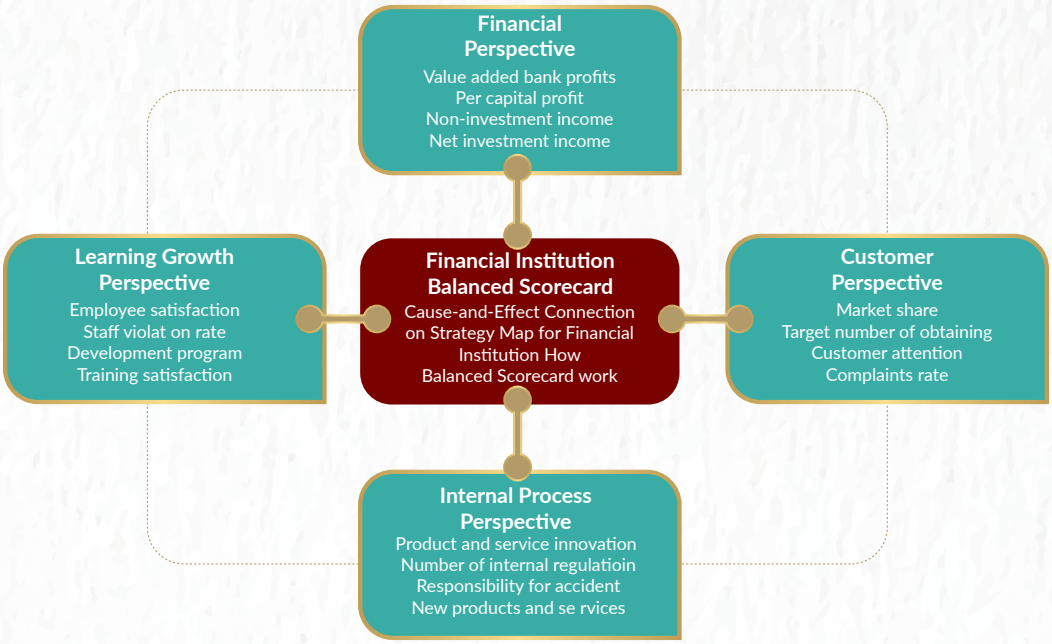
For the last 5 years
Consolidated Statement of Comprehensive Income

Particulars	31.12.2021	31.12.2022	31.12.2023	31.12.2024	31.12.2025
Investment Income	113.72%	100.48%	91.49%	77.91%	99.23%
Less: Profit paid on Deposits & Placement etc.	149.59%	93.56%	85.82%	71.77%	79.13%
Profit on Investments	**-35.87%**	**6.92%**	**5.67%**	**6.15%**	**20.10%**
Income from investments in shares & securities	1176.37%	33.86%	103.07%	87.46%	45.13%
Commission, Exchange Earnings & Brokerage	100.19%	69.94%	83.88%	57.02%	105.59%
Other Operating Income	79.83%	118.19%	47.89%	121.21%	111.86%
TOTAL OPERATING INCOME (A)	**125.74%**	**92.21%**	**94.68%**	**83.64%**	**135.31%**
Salary & Allowances	101.16%	86.73%	102.23%	115.41%	101.52%
Rent, Taxes, Insurance, Electricity etc.	107.14%	93.37%	101.71%	96.05%	86.72%
Legal Expenses	58.55%	99.22%	130.05%	114.09%	87.19%
Postage, Stamp, Telecommunication etc.	118.25%	94.48%	114.02%	83.88%	116.98%
Stationery, Printing, Advertisement etc.	148.48%	95.22%	93.23%	91.52%	116.22%
Managing Director's salary & fees	94.46%	100.00%	125.05%	132.14%	63.79%
Directors' Fee & Other benefits	110.51%	68.00%	105.87%	80.65%	81.08%
Shari'ah Supervisory Committee's Fees & Expenses	150.38%	27.88%	87.43%	0.00%	0.00%
Audit Fees	95.45%	96.00%	100.01%	90.20%	43.36%
Charges on Investment losses					
Depreciation and Repair of Bank's Assets	86.60%	114.75%	116.47%	93.86%	132.20%
Zakat Expenses	153.69%	78.50%	129.66%	91.61%	116.06%
Other Expenses	105.20%	89.25%	105.53%	108.23%	102.07%
TOTAL OPERATING EXPENSES (B)	**178.01%**	**100.70%**	**73.09%**	**57.61%**	**206.52%**
Profit / (Loss) Before Provision (C) = (A - B)	**178.01%**	**100.70%**	**73.09%**	**57.61%**	**206.52%**
Specific Provision	2826.88%	93.07%	12.57%	9.99%	371.41%
General Provision	76.93%	0.00%	0.00%	0.00%	0.00%
Provision for Off-Balance Sheet items	42.51%	159.47%	0.00%	0.00%	0.00%
Provision for diminution in value of investments	-62.09%	0.00%	0.00%	0.00%	413.65%
Provision for impairment of client margin investment	254.92%	45.78%	2218.62%	1.82%	76.98%
Other Provision	106.50%	54.65%	181.16%	6255.49%	3.20%
Total Provision (D)	**211.28%**	**221.24%**	**89.52%**	**10.58%**	**343.14%**
Total Profit / (Loss) before Taxes (E)=(C - D)	**-33.28%**	**-120.54%**	**-16.42%**	**47.03%**	**-136.62%**
Provision for Taxation	**315.73%**	**326.27%**	**121.64%**	**1623.82%**	**311.79%**
Current Tax	152.78%	168.43%	55.61%	74.91%	204.75%
Deferred Tax	162.95%	157.84%	66.03%	1548.91%	107.04%
Net Profit / (Loss) after Taxation :	**185.83%**	**53.34%**	**81.23%**	**166.64%**	**102.96%**
Net Profit available for distribution	185.83%	53.34%	81.23%	166.64%	102.96%
Appropriations :					
Statutory Reserve	**195.86%**	**83.33%**	**65.78%**	**106.22%**	**142.97%**
Retained Earnings carried forward	**179.55%**	**43.53%**	**87.98%**	**221.83%**	**82.00%**
Earning per Share (EPS):	**181.03%**	**56.31%**	**81.10%**	**171.07%**	**102.95%**

HOW
WE CREATE VALUE



BALANCED SCORECARD



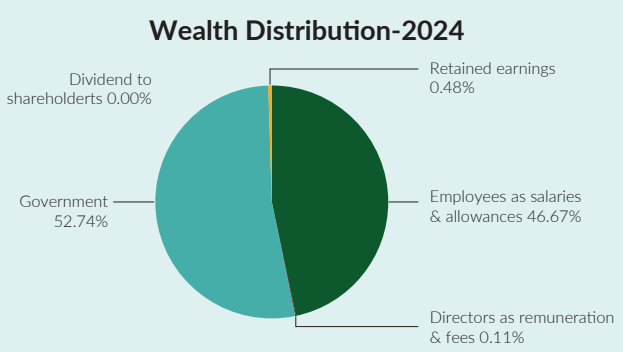
VALUE ADDED STATEMENT

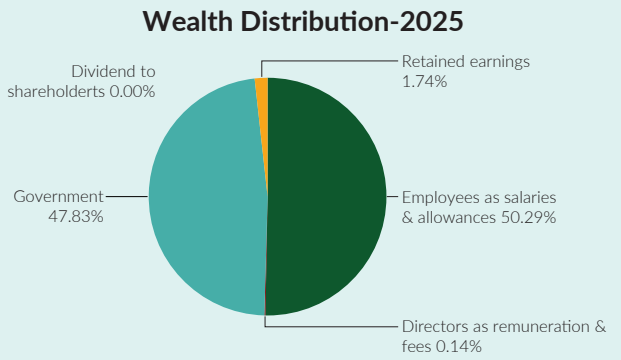
for the Year ended 31 December 2025

Value added statement shows exactly how much value (wealth) has been created by the bank during 2025 through its banking activities i.e. utilization of its capacity, capital, workforce and other resources and how it is allocated among different stakeholders i.e. employees, directors, shareholders, government in the form of salaries & allowances, remuneration, dividend, duties & taxes respectively and also indicates value of use of fixed assets through depreciation.Now a days the most complex and modern business environment does not earn profit for itself only rather it cares to the society and thus is committed to contribute to the economic growth. Such value is being added due to spill over economic impact due to operation of the business houses. SBPLC as a commercial bank, has a large-scale of spill over economic impact side by side its financial impact through creating values for distributions to the society year to year.The Statement shows how the total wealth has been created and distributed among the stakeholders of the Bank in the year.

Value Added Statement for the year ended 31st December 2025

Particulars	31.12.2025	31.12.2024
	Taka	Taka
Wealth creation:		
Revenue from Banking services	23,228,457,136	21,908,141,507
Less: Cost of services & supplies	(18,232,367,277)	(14,744,200,257)
	4,996,089,859	7,163,941,250
Non-banking income	-	-
Provision for investments & other assets	550,133,299	2,053,803,773
Total wealth creation	**5,546,223,157**	**9,217,745,023**
Wealth distribution:		
Employees & Directors		
Employees as salaries & allowances	2,815,918,749	2,852,450,426
Directors as remuneration & fees	8,076,927	6,548,622
Government	**2,678,373,697**	**3,223,799,676**
Corporate tax	(1,813,922,396)	(815,507,630)
Service tax/ Value added tax	4,352,973,855	3,711,736,806
Excise duties	139,322,238	327,570,500
Shareholders		
Dividend to shareholders	-	-
Retention for future business growth		
Retained earnings	97,482,324	29,417,351
Depreciation and amortization	174,013,619	178,138,198
Total Wealth Distribution	**5,773,865,315**	**6,290,354,273**



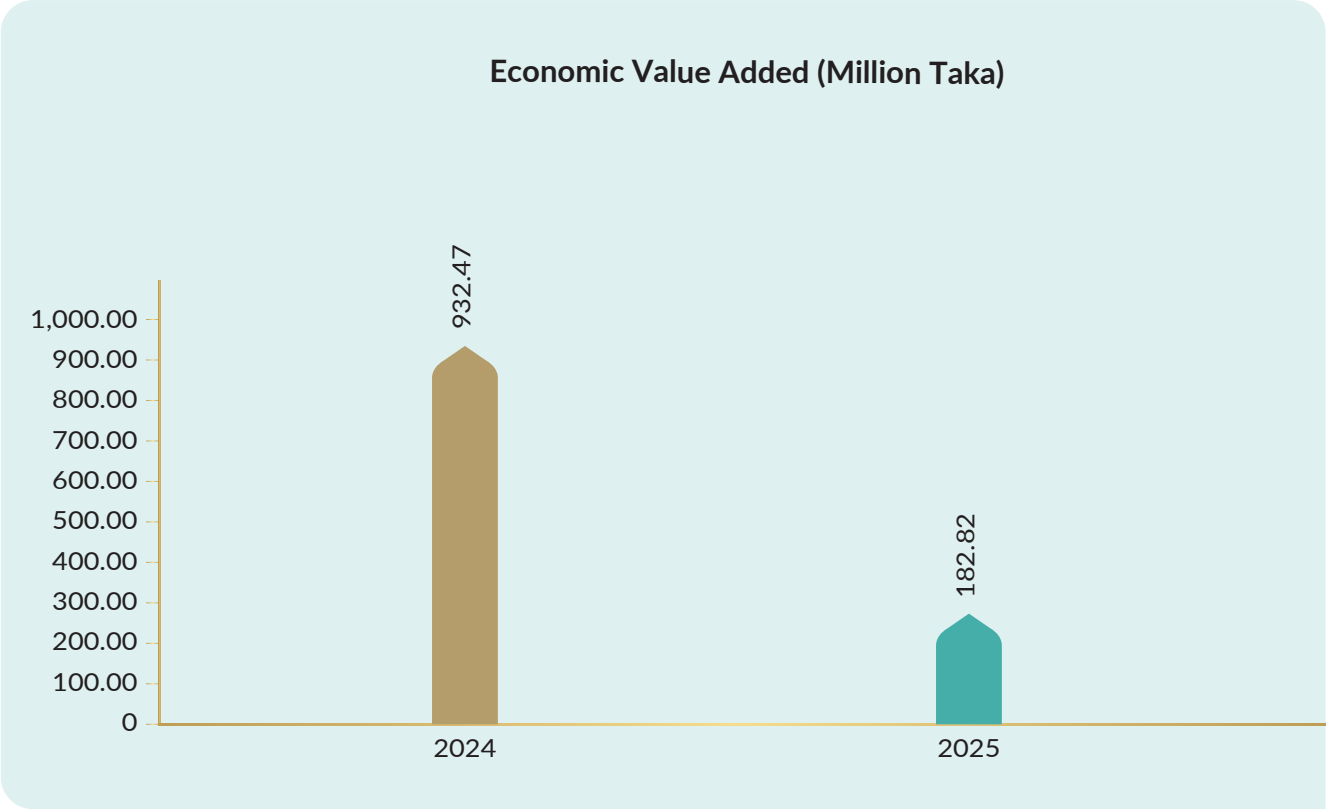


ECONOMIC VALUE ADDED (EVA) STATEMENT

for the Year ended 31 December 2025

EVA statement indicates the true economic profit of a company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risk. It is based on the principle that since a company's owner employs equity capital to earn a profit, it must pay for the use of this equity capital. This management tool is useful to shareholders in particular and other stakeholders in general to take decision for increasing wealth. As a commercial bank, SBPLC is deeply concerned for distribution of value to all of its Shareholders.

Particulars	31.12.2025	31.12.2024
	Taka	Taka
Shareholders equity	18,897,435,451	18,552,658,648
Add: Accumulated provision for investments & advances and other assets	9,162,478,560	8,103,560,865
Capital Employed	**28,059,914,011**	**26,656,219,513**
Average Capital Employed / Shareholders' equity	18,725,047,050	18,490,382,833
Earnings:		
Profit after tax	804,612,847	828,388,505
Add:Provision for investments & advances and other assets charged during the year	612,183,517	2,100,645,222
Less: Written off investments during the year	-	593,143,342
Net earnings	**1,416,796,364**	**2,335,890,385**
Cost of equity:		
Average cost of equity (Based on weighted avergae rate of 10 years treasury bond issued by the Bangladesh Government) Plus 2% risk premium	6.59%	7.59%
Capital charge (Cost of average equity)	1,233,980,601	1,403,420,057
Economic Value Added (EVA)	**182,815,763**	**932,470,328**

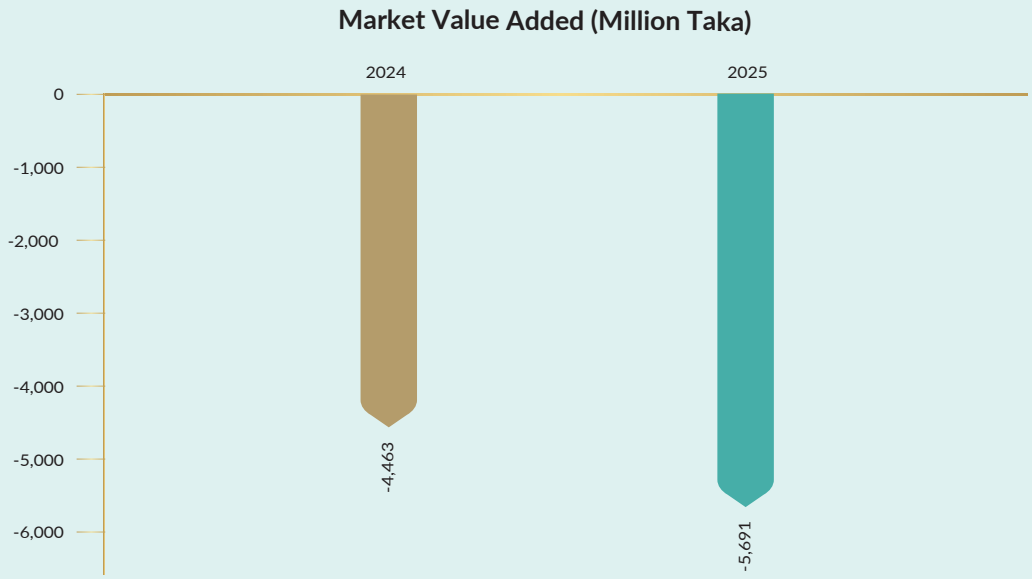


MARKET VALUE ADDED (MVA) STATEMENT

for the Year ended 31 December 2025

Market Value Added (MVA) is the difference between the current market value of the Bank and the capital contributed by shareholders. It reflect the banks performance which is evaluated on market price of its own shares. This amount is derived from the difference between market capitalization and book value of the shares outstanding. It signifies the enhancement of financial solvency as perceived by the market. Positive and higher MVA indicate that the bank has created substantial wealth for its shareholders. On the other hand negative MVA indicate that wealth of the bank is lower than the capital contributed by the investors.

Particulars	31.12.2025	31.12.2024
Face value per share (BDT)	10.00	10.00
Market value per share (BDT)	4.90	6.00
Number of shares outstanding	1,115,842,308	1,115,842,308
Total market capitalization (BDT million)	5,468	6,695
Book value of paid up capital (BDT million)	11,158	11,158
Market value added (BDT million)	(5,691)	(4,463)

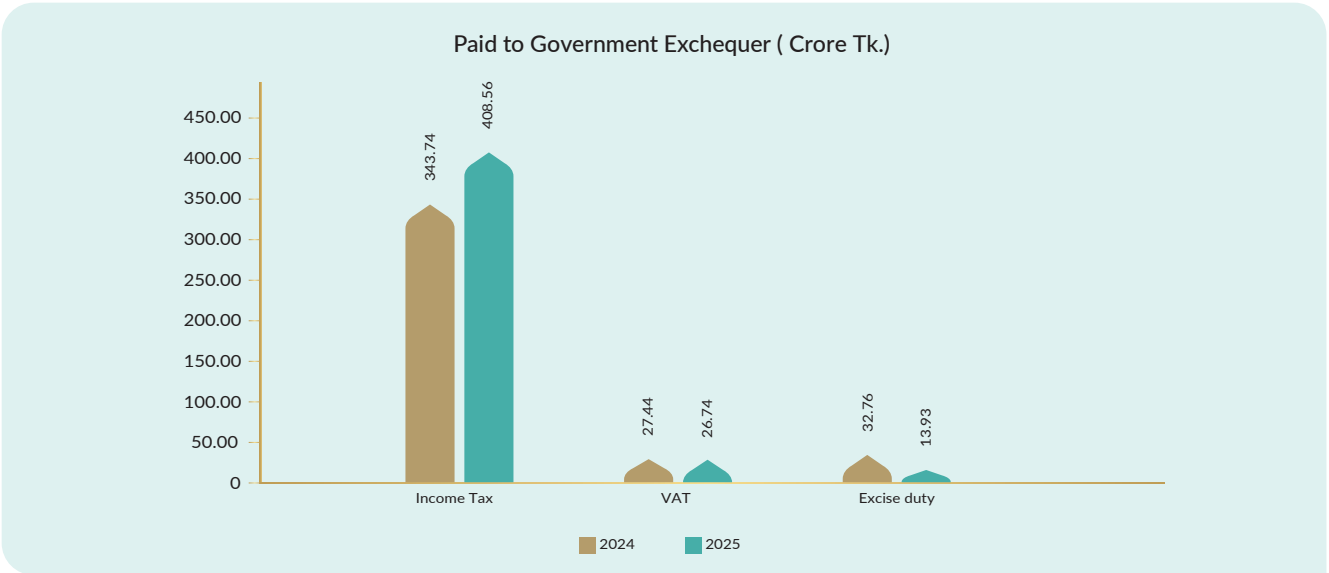


STATEMENT ON CONTRIBUTION TO GOVERNMENT EXCHEQUER

for the Year ended 31 December 2025

Management Discussion and Analysis Statement on Contribution to Government Exchequer Government is considered as one of the most important stakeholders which play a critical role in the economic development of the country. Being a legitimate and ethical company, Standard Islami Bank PLC. contributes to the Government Exchequer when the necessary amounts fall due.

GOVERNMENT EXCHEQUER		
Particulars	31.12.2025	31.12.2024
Income Tax	**4,085,611,030**	**3,437,357,524**
Salary	80,136,847	79,089,337
Profit on deposit	1,872,801,292	1,645,177,189
Payment on Supplier	22,258,725	56,006,846
House rent	24,937,723	16,188,737
IT on subordiate bond	70,462,103	39,743,650
Advance IT on LC commission	26,535,108	23,814,628
Advance Corporate Tax	971,404,375	702,095,136
Return for Professional & Technical Service	17,897,249	13,889,890
IT on Local LC	7,140,920	10,643,769
Others	992,036,689	850,708,342
VAT	**267,362,825**	**274,379,282**
House rent	55,479,600	52,278,517
LC Commission	69,825,202	70,716,278
Procurement of goods and Service	51,501,770	59,030,710
Legal , Professional & Technical Fees	5,393,659	3,167,830
Director Fees	542,117	610,951
VAT on Banking Service	83,854,608	88,419,101
Indenting	765,869	155,895
Excise duty	**139,322,238**	**327,570,500**
Total Paid to Government Exchequer	**4,492,296,093**	**4,039,307,306**



STAKEHOLDERS' INFORMATION

STANDARD ISLAMI BANK PLC.
FIVE YEARS FINANCIAL HIGHLIGHTS

(Figure in million Taka)

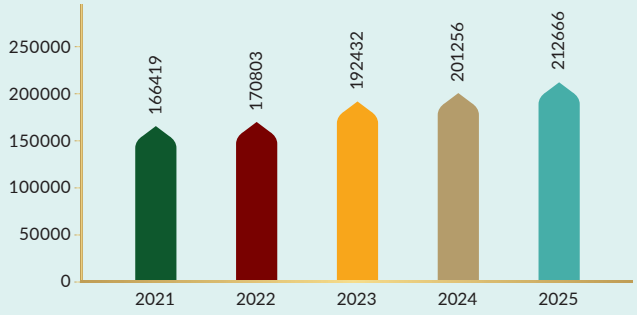
Particulars	2021	2022	2023	2024	2025
Profit Income	12,087	12,030	13,149	16,876	17,008
Profit Expenses	7,624	8,261	9,625	13,412	16,949
Net Profit Income	4,463	3,769	3,523	3,464	58
Investment Income	306	1,055	1,024	1,170	2,593
Commission, Exchange Earnings & Brokerage	1,113	1,581	1,884	3,305	3,130
Other Operating Income	375	323	675	557	498
Non-Profit Income	1,794	2,959	3,583	5,032	6,221
Non-Profit Expense	4,454	4,990	4,729	4,370	4,281
Net Non-Profit Income	(2,660)	(2,031)	(1,146)	663	1,940
Profit before Provision & Tax	1,803	1,738	2,378	4,127	1,998
Provision for Investments & Assets	443	199	222	2,101	612
Profit after provision before Tax	1,361	1,539	2,155	2,026	1,386
Provision for Tax (Including Deferred Tax)	582	417	774	1,198	581
Profit after Tax	779	1,122	1,381	828	805
Balance Sheet					
Authorised Capital	15,000	15,000	15,000	15,000	15,000
Paid-up Capital	10,311	10,621	10,886	11,158	11,158
Shareholders' Equity (Capital & Reserve)	17,253	17,702	18,428	18,553	18,897
Borrowings	19,076	20,466	16,000	11,033	18,076
Deposits	166,419	170,803	192,432	201,256	212,666
Other Liabilities	22,337	24,954	27,747	28,707	28,193
Liquid Assets	40,053	37,001	40,264	50,292	63,648
Money At Call & On Short Notice	-	-	-	-	-
Investment	167,538	178,128	193,882	203,616	209,418
Investments in Shares & Securities	24,236	20,302	20,457	27,140	37,606
Fixed Assets	3,618	3,430	3,420	3,216	3,214
Other Assets	13,876	15,366	17,043	13,695	11,833
Total Assets (Excluding off-balance sheet items)	225,085	233,925	254,608	270,819	288,113
Net Asset Value (NAV)	17,253	17,703	18,428	18,553	18,898
Off-Balance Sheet exposure	52,660	49,353	61,678	74,749	80,741
Others Business					
Import Business	70,522	74,581	93,015	142,474	165,470
Export Business	44,593	49,160	52,155	68,949	79,099
Foreign Remittance	12,527	12,565	49,291	62,667	62,934
Capital Measures					
Total Risk Weighted assets	201,433	188,874	204,652	195,280	235,100
Core Capital (Tier I)	21,249	20,083	22,540	27,531	27,533
Supplementary Capital (Tier II)	7,184	6,291	5,587	6,770	5,780
Total capital	28,433	26,374	28,127	34,301	33,313

Particulars	2021	2022	2023	2024	2025
					(Figure in million Taka)
Tier I Capital Ratio	10.55%	10.63%	11.01%	14.10%	11.71%
Tier II Capital Ratio	3.57%	3.33%	2.73%	3.47%	2.46%
Risk Weighted CAR	14.12%	13.96%	13.74%	17.56%	14.17%
Internal Capital Generation Ratio	0.00%	3.05%	3.17%	0.16%	0.52%
Leverage Ratio	6.74%	7.83%	6.74%	7.94%	7.69%
Credit Quality					
Volume of Non-performing Investment	10,155	13,840	13,797	59,686	61,213
SMA investment outstanding	4,038	842	2,813	490	8,375
% of NPLs to Total Investments	6.06%	7.77%	7.12%	29.31%	29.23%
Gross NPL Coverage	46.85%	35.49%	38.91%	13.12%	14.61%
SMA to Credit Portfolio	2.41%	0.47%	1.45%	0.24%	4.00%
Provision for Unclassified Investments	-	-	-	-	-
Provision for Classified Investments	4,758	4,912	5,368	7,829	8,941
Provision for Off-Balance Sheet Items	297	-	-	-	-
Share Information					
Number of Share Outstanding	1,031	1,062	1,089	1,116	1,116
Earning Per Share (Taka)	0.73	1.06	1.24	0.52	0.72
Book Value Per Share (Taka)	10.00	10.00	10.00	10.00	10.00
Market Price Per Share (Taka)	10.50	8.80	8.60	6.00	4.90
Price Earning Ratio (Times)	14.32	8.33	6.95	11.62	6.80
Net Asset Value Per Share (Taka)	16.73	16.67	16.51	16.63	16.94
Cash Dividend ('%)	2.50%	2.50%	2.50%	0.00%	0.00%
Bonus Share ('%)	2.50%	2.50%	2.50%	0.00%	0.00%
Rights Share Issue					
Operating Performance Ratio					
Net Profit Margin on average earning assets	2.58%	2.05%	1.81%	1.81%	0.03%
Net Non-Profit Margin on average earning assets	-1.54%	-1.11%	-0.59%	0.35%	1.03%
Total operating expenses to average total assets	2.00%	2.17%	1.94%	1.66%	1.53%
Net operating income to average total assets	0.81%	0.76%	0.97%	1.57%	0.71%
Investment / Deposit Ratio(%)	83.89%	93.64%	91.10%	95.07%	93.08%
Return On Equity(ROE) %	4.51%	6.34%	7.49%	4.47%	4.26%
Return On Average Equity (ROAE) After Tax	4.58%	6.42%	7.65%	4.48%	4.30%
Return On Assets (ROA)%	0.35%	0.49%	0.57%	0.32%	0.29%
Return On Average Assets (ROAA) Before Tax	0.61%	0.67%	0.88%	0.77%	0.50%
Return On Investment (ROI)	1.96%	4.74%	5.02%	4.92%	8.01%
Price Earning Ratio (times)	14.32	8.33	6.95	11.62	6.80
Yield on Average Investment (%)	7.54%	7.54%	7.08%	7.54%	8.68%
Return On Average RWA	0.39%	0.59%	0.67%	0.42%	0.34%
Liquid Assets Ratio	1.15	1.15	1.06	1.15	1.11
Efficiency Ratio	87.01%	88.41%	85.79%	81.16%	91.40%
Debt to Equity Ratio	12.05	12.21	12.82	12.99	13.70
Net Income Ratio	6%	7%	8%	4%	3%

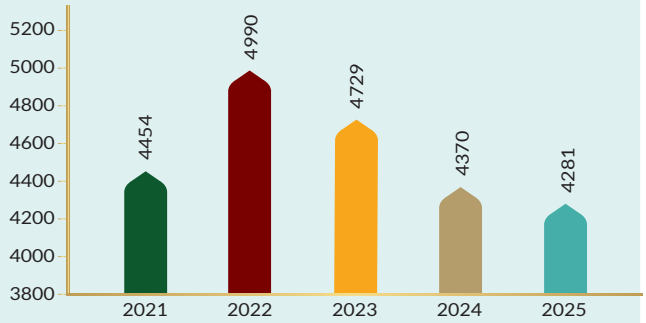
Particulars	2021	2022	2023	2024	2025
					(Figure in million Taka)
Operating Income Ratio	45%	45%	42%	39%	27%
Debt to Total Assets Ratio	92.33%	92.43%	92.76%	88.99%	89.87%
Asset Turnover ratio	6.25%	6.53%	6.85%	8.34%	8.31%
Times ProfitEarned Ratio	1.82	1.81	1.74	1.63	1.37
Debt Service Coverage Ratio	1%	1%	1%	2%	1%
Quick Ratio	1.07	0.83	0.87	1.12	1.21
Average Branch wise Workforce	16	16	16	16	16
Total Operating Profit to Total Income	13%	12%	14%	19%	9%
Profit expense to Total Expenses	63%	62%	67%	75%	80%
Profit Income to Total Income	87%	80%	79%	77%	73%
Operating profit per branch	13.07	12.59	17.23	29.90	14.48
Operating profit per employee	0.81	0.78	1.09	1.93	0.93
Per employee Income	6.24	6.69	7.68	10.22	10.81
Per employee expenses	5.43	5.92	6.59	8.30	9.88
Per employee Advances	75.30	79.56	89.02	95.01	97.45
Per employee Assets	101.16	104.48	116.90	126.37	134.07
Per employee Deposit	74.80	76.29	88.35	93.91	98.96
Burden Coverage Ratio	33%	38%	54%	88%	85%
NFI to Total Operating Income	13%	20%	21%	23%	27%
Cost income ratio	87%	88%	86%	81%	91%
Equity-to-Assets	7.67%	7.57%	7.24%	6.85%	6.56%
Operating profit as % of working funds	1.05%	0.94%	1.23%	2.10%	0.96%
Net Profit Income as % of working funds	2.59%	2.04%	1.83%	1.77%	0.03%
Total cost of Fund	7.15%	7.85%	7.56%	8.40%	8.97%
Cost of Deposit(%)	4.60%	4.72%	5.22%	6.43%	7.24%
Administrative cost (%)	2.55%	3.13%	2.34%	1.98%	1.73%
Other Information					
Number of Branches	138	138	138	138	138
Urban	83	83	83	83	83
Rural	48	48	48	48	48
Number of SME & Agriculture Branches	7	7	7	7	7
Number of Employees	2225	2239	2178	2143	2149
Number of Shareholders	23134	22029	21527	20299	18862
Number of Foreign Correspondents	21	21	21	21	21
Average earning assets	172,752	183,548	194,196	191,125	187,690
Average Total assets	222,179	229,505	244,267	262,564	279,466
Average Deposits	168,029	168,611	181,618	196,844	206,961
Average Advance	164,967	172,833	186,005	198,749	206,517
Average Investment	15,622	22,269	20,379	23,798	32,373
Average Equity	17,009	17,478	18,065	18,490	18,725

GRAPHICAL PRESENTATION

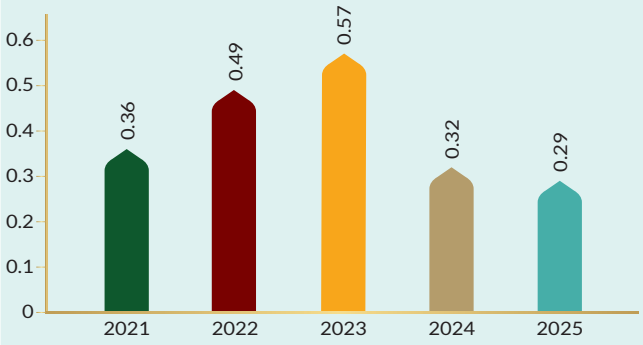
DEPOSIT (MILLION TAKA)



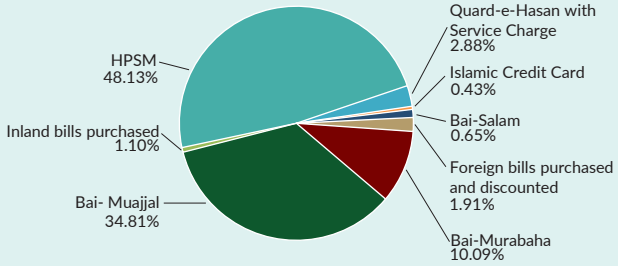
OPERATING EXPENSE (MILLION TAKA)



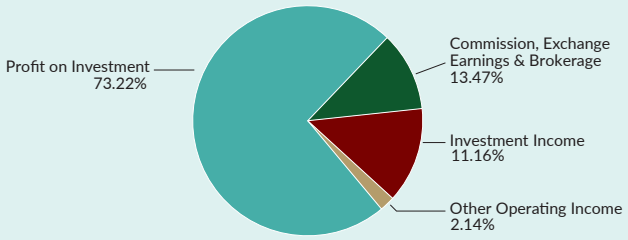
RETURN ON ASSETS (PERCENTAGE)



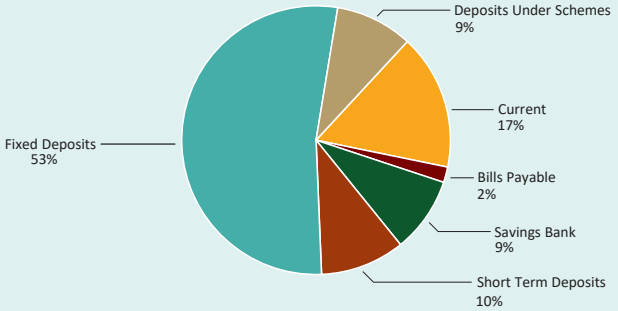
INVESTMENT PORTFOLIO MIX- 2025



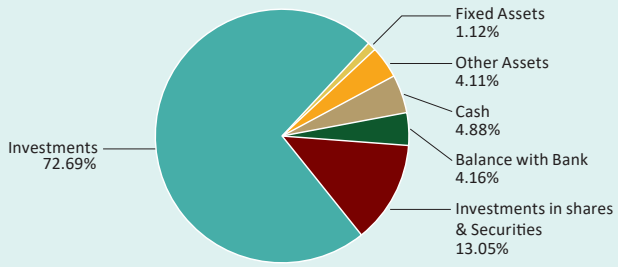
TOTAL REVENUE MIX- 2025



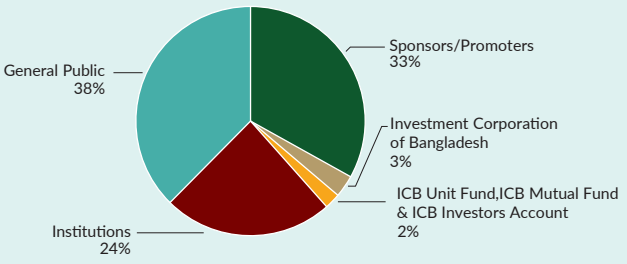
DEPOSIT PORTFOLIO MIX- 2025



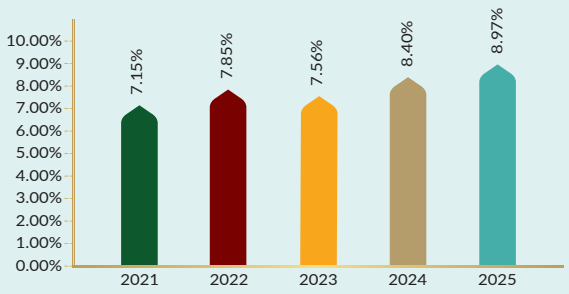
ASSETS MIX- 2025



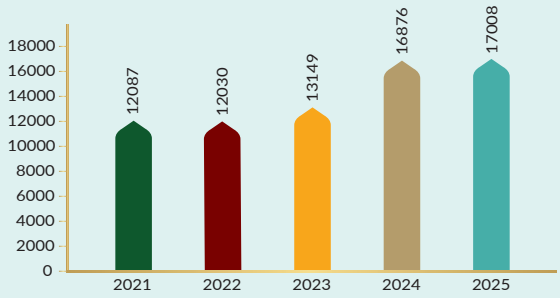
TYPES OF SHAREHOLDING (MILLION TAKA)



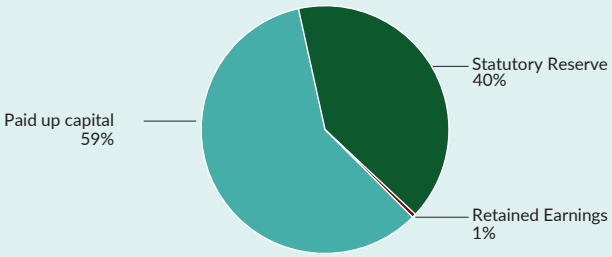
COST OF FUND



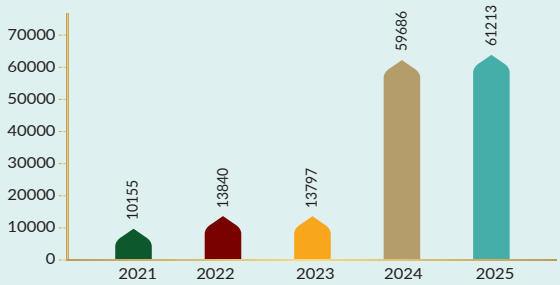
PROFIT ON INVESTMENT (MILLION TAKA)



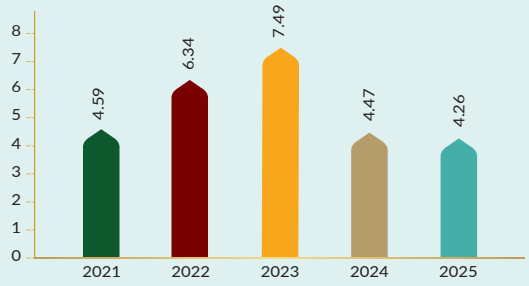
TIER- I CAPITAL



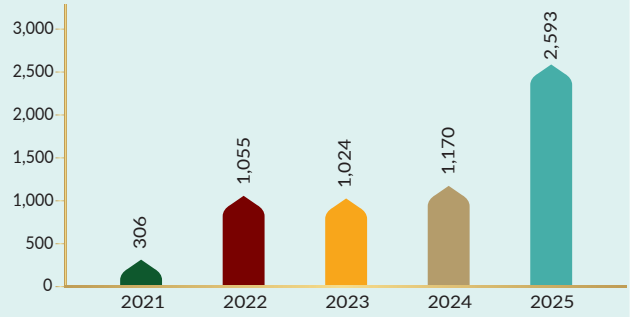
NON PERFORMING ASSETS (MILLION TAKA)



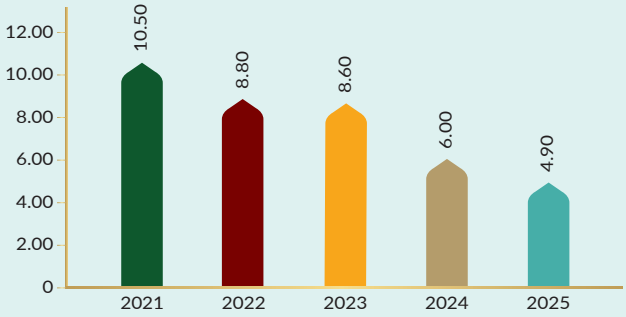
RETURN ON EQUITY (MILLION TAKA)



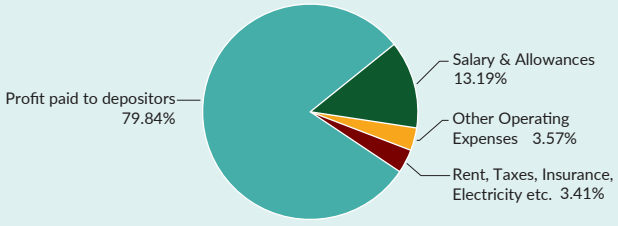
INVESTMENT INCOME FROM SHARE & SECURITIES (MILLION TAKA)



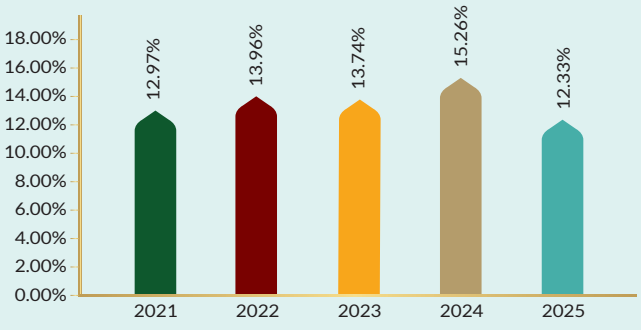
MARKET PRICE PER SHARE (TAKA)



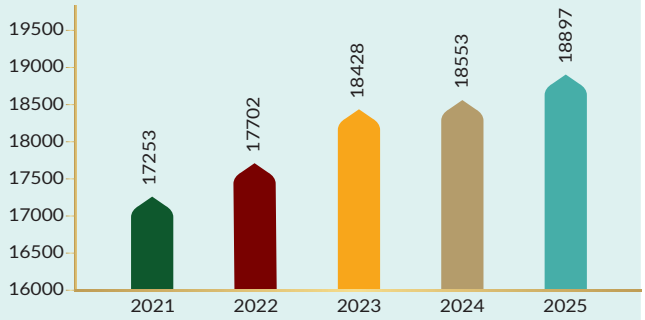
TOTAL EXPENSE MIX- 2025



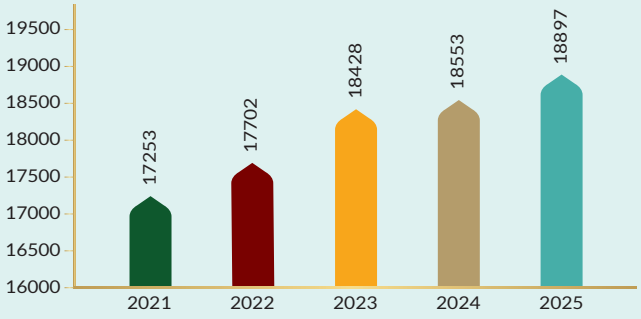
CRAR (PERCENTAGE)



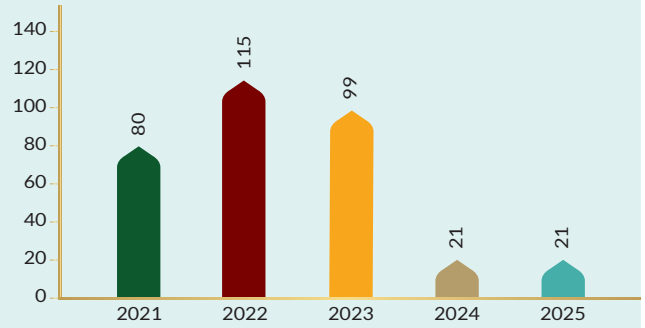
SHAREHOLDERS EQUITY (MILLION TAKA)



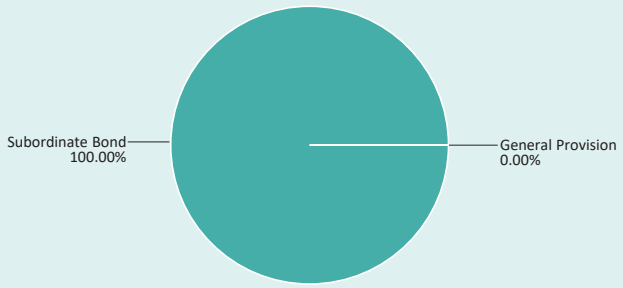
NET ASSETS VALUE (MILLION TAKA)



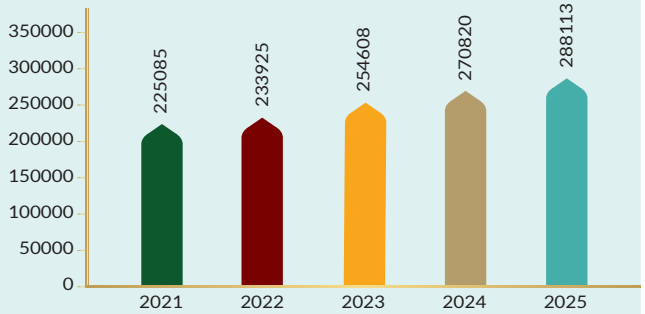
CSR EXPENSE (MILLION TAKA)



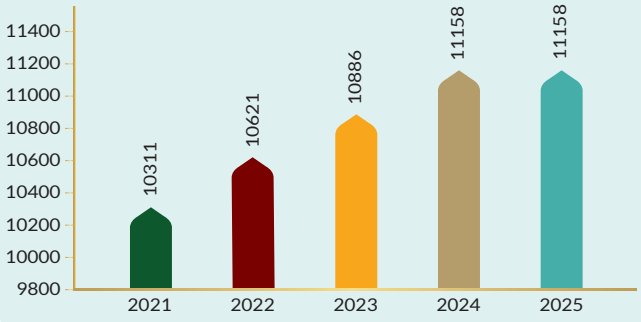
TIER- II CAPITAL



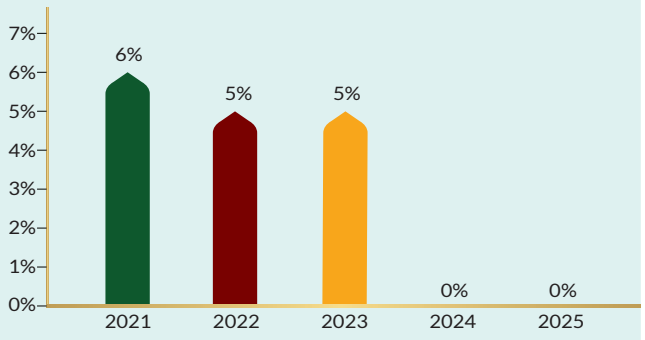
TOTAL ASSETS (MILLION TAKA)



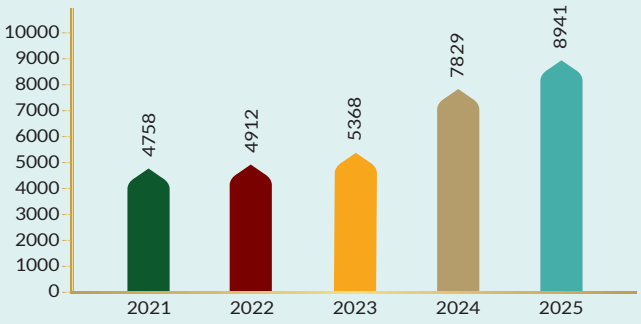
PAID UP CAPITAL (MILLION TAKA)



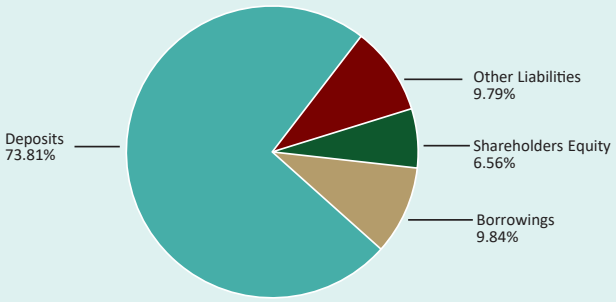
DIVIDEND (PERCENTAGE)



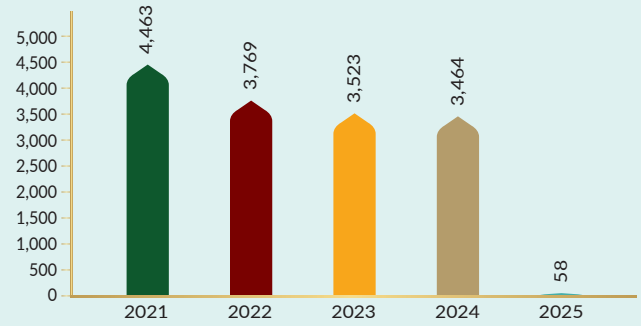
PROVISION FOR INVESTMENTS (MILLION TAKA)



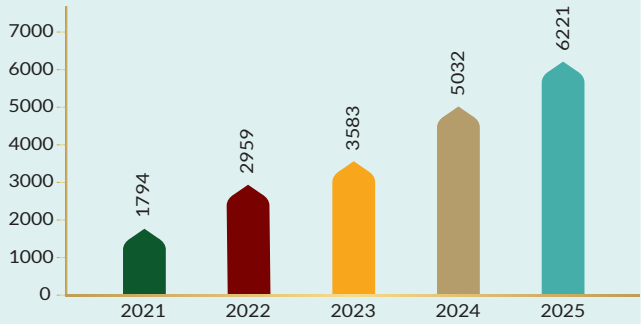
ASSETS FUNDING MIX- 2025



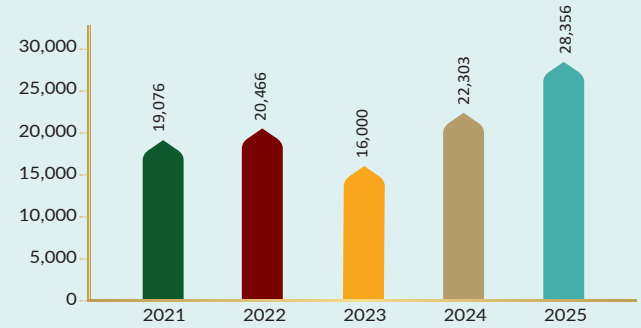
NET PROFIT INCOME (MILLION TAKA)



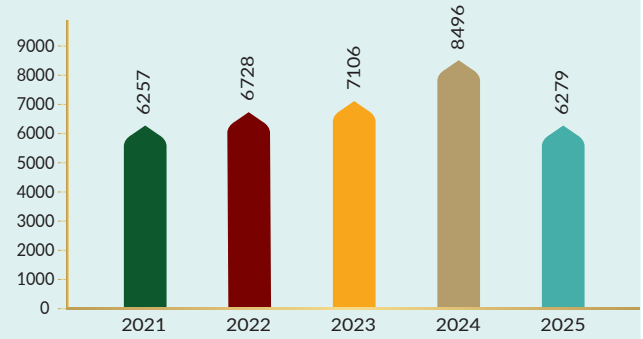
NON PROFIT INCOME (MILLION TAKA)



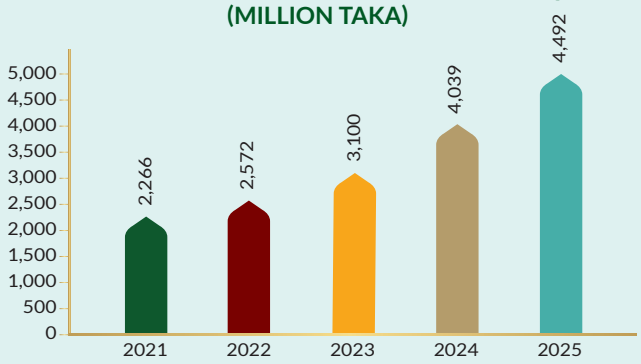
BORROWING (MILLION TAKA)



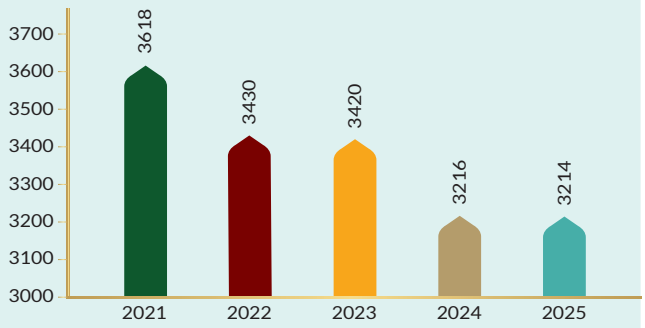
OPERATING INCOME (MILLION TAKA)



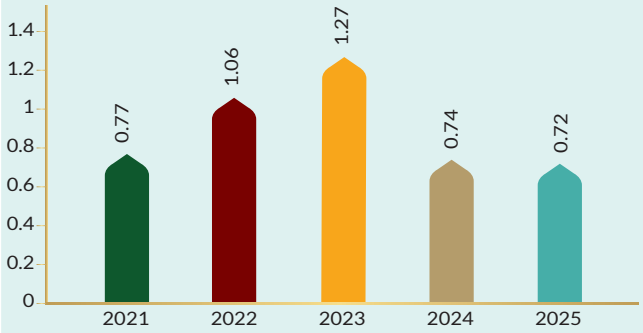
TOTAL CONTRIBUTION TO NATIONAL EXCHEQUER (MILLION TAKA)



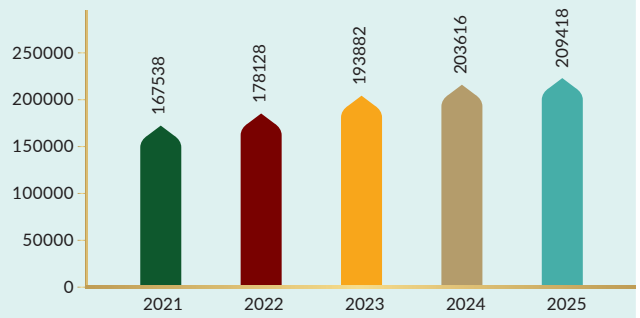
FIXED ASSETS (MILLION TAKA)



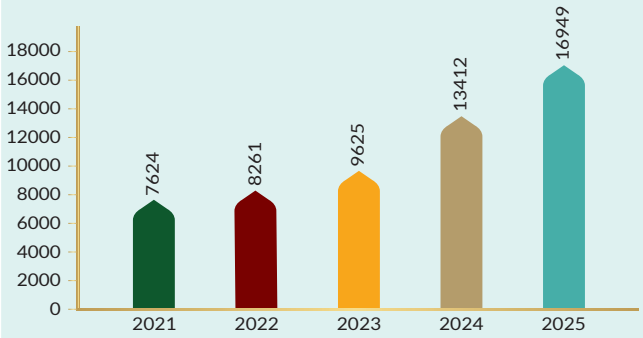
EARNINGS PER SHARE (TAKA)



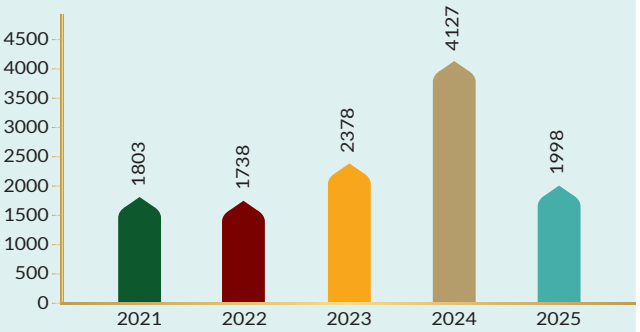
INVESTMENT (MILLION TAKA)



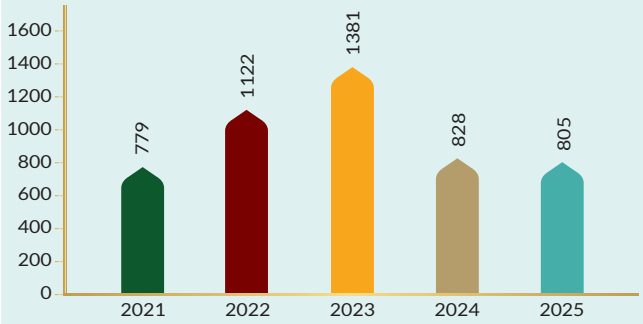
PROFIT PAID TO DEPOSITORS (MILLION TAKA)



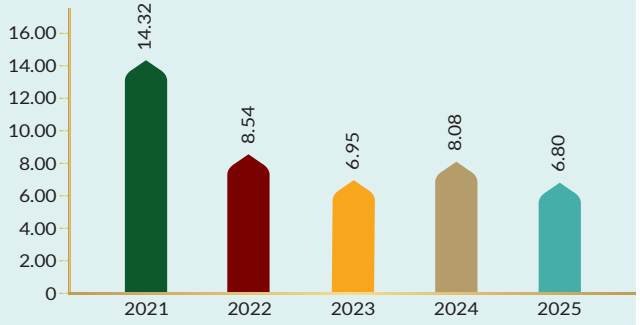
OPERATING PROFIT (MILLION TAKA)



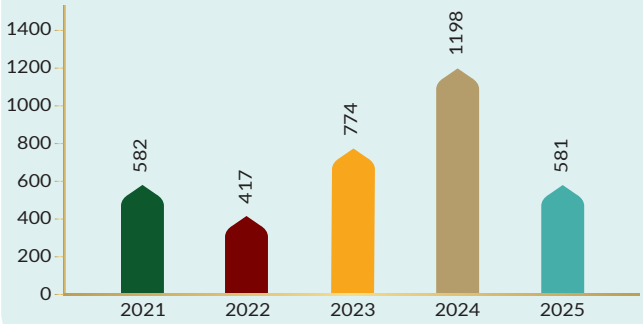
PROFIT AFTER TAX (MILLION TAKA)



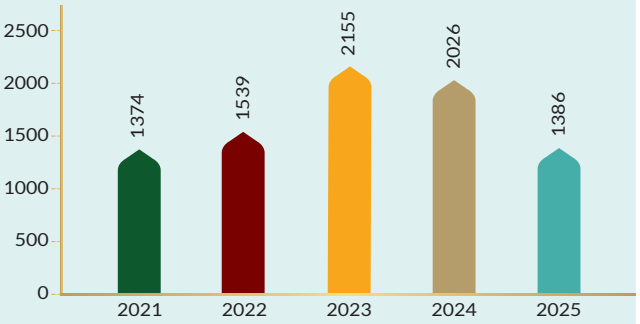
PRICE EARNING RATIO (TIMES)



PROVISION FOR TAX (MILLION TAKA)

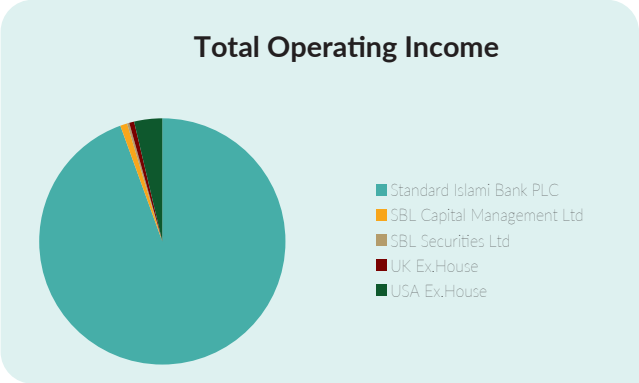


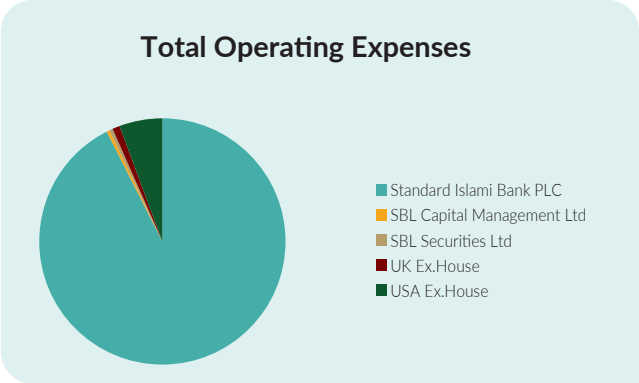
PROFIT BEFORE TAX (MILLION TAKA)

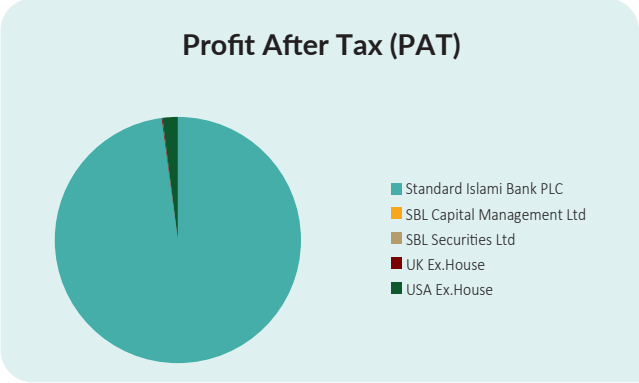


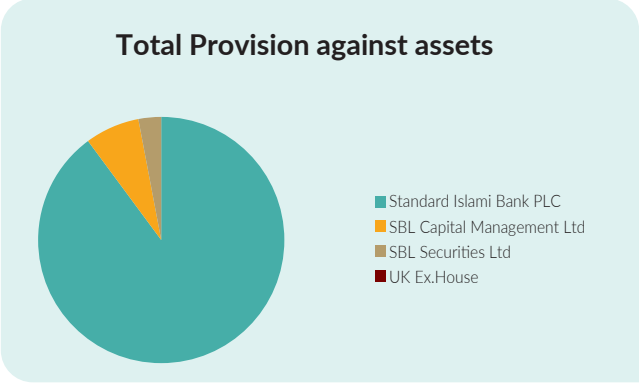
SEGMENT ANALYASIS

Particulars	Standard Islami Bank PLC	Subsidiaries		Overseas		Total
		SBL Capital Management Ltd.	SBL Securities Ltd.	UK Ex.House	USA Ex.House	
Profit on Investments	13,585,104	14,915,713	26,760,259	-	3,038,977	58,300,053
Total Operating Income	5,405,729,300	52,450,876	16,872,377	36,714,311	211,027,375	5,722,794,239
Total Non Operating Income	475,934,380	4,989,200	61,087	5,711,964	11,365,640	498,062,271
Total Operating Expenses	3,961,556,336	16,746,944	19,032,942	41,536,100	242,203,676	4,281,075,998
Profit before Provision	1,933,692,448	55,608,845	24,660,781	890,174	(16,771,684)	1,998,080,564
Total Provision against assets	550,133,299	43,800,298	18,249,920	-		612,183,517
Profit before Tax (PBT)	1,383,559,150	11,808,547	6,410,861	890,174	(16,771,684)	1,385,897,047
Provision for Taxation	563,064,794	11,808,545	6,410,861	-		581,284,200
Profit After Tax (PAT)	820,494,356	1.40	0.47	890,174	(16,771,684)	804,612,848
Segment Assets	285,406,429,244	1,890,088,314	286,583,204	30,361,146	499,376,233	288,112,838,141
Segment Liabilities	285,406,429,244	1,890,088,314	286,583,204	30,361,146	499,376,233	288,112,838,141









CREDIT RATING REPORT

EXECUTIVE SUMMARY
2ND SURVEILLANCE RATING OF STANDARD ISLAMI BANK PLC.

Declaration Date	24.06.2026	24.06.2025
Long Term Entity Rating	AA (Double A)	AA (Double A)
Short Term Entity Rating	ST-2	ST-2
Outlook	Developing	Stable
Expiry Date	23.06.2027	23.06.2026

FINANCIAL HIGHLIGHTS:

(TK in Million)

Particulars	2025	2024
Total Assets	285,455.60	268,227.74
Total Equity	18,898.19	18,535.90
Deposit	212,645.46	201,232.68
Borrowing	28,356.31	22,303.16
Gross Finance	204,776.46	199,192.71
Impaired lending	61,212.80	59,686.20
Total Operating Income	5,895.25	8,071.76
Net Income	820.49	812.58
Impaired lending / Gross Investment (%)	29.89%	29.96%
Finance / Deposit (%)	98.13%	100.48%
ROE (%)	4.38%	4.40%
ROA (%)	0.30%	0.31%
NIM (%)	0.01%	1.68%
Equity to Total Assets (%)	6.62%	6.92%
Spread	1.23%	2.29%
CRAR (%)	12.59%	15.65%

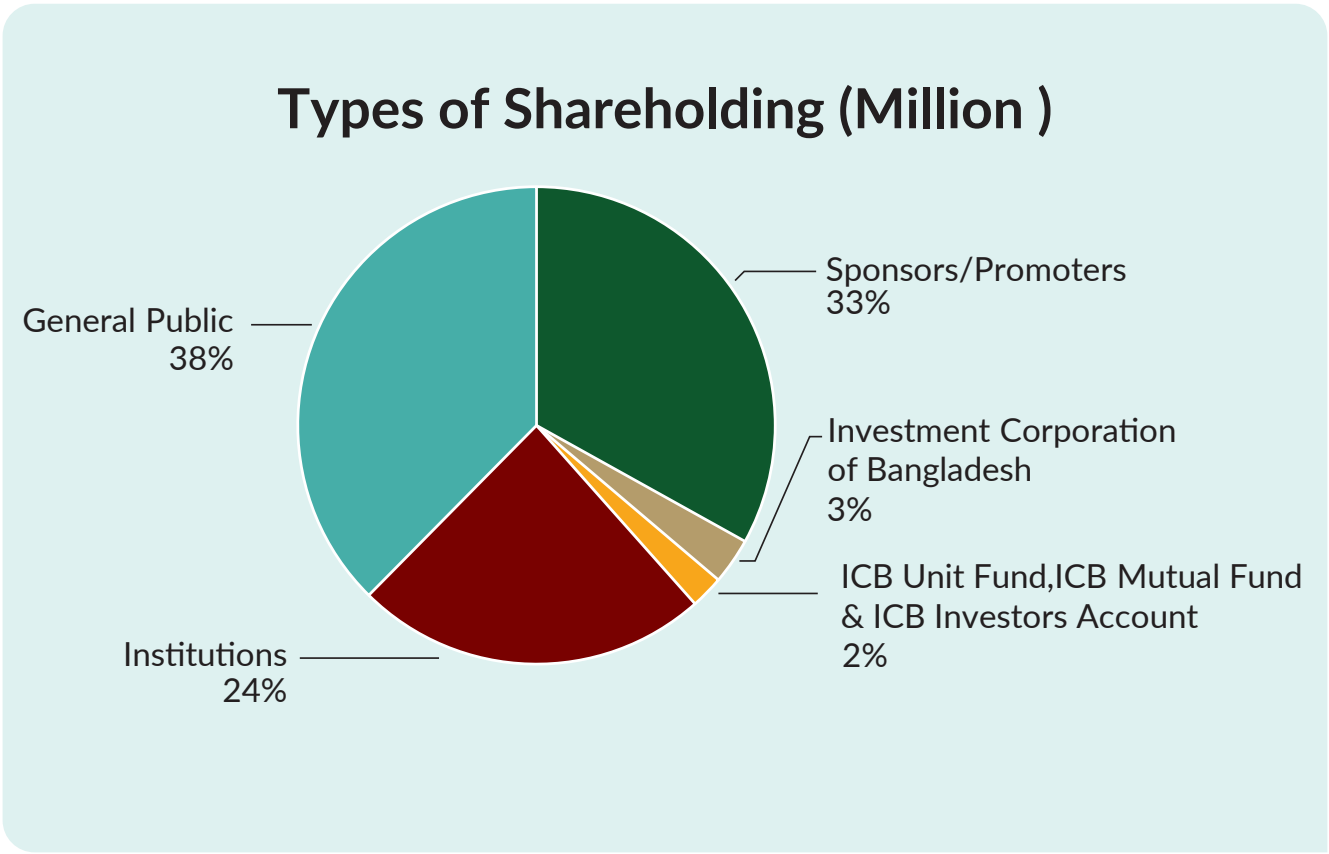
Strengths
Experienced & proficient BoD
Experienced and qualified management team
Maintained CRAR with surplus
Maintained CLR & SLR
Diversified investment portfolio.
Good compliance and risk management
Use "Hikmah20" banking software
Challenges
To decrease impaired lending.
Increasing net profit after taxation
Maintaining standard finance to deposit ratio.
Maintaining provision against Investment & Advance
Strengthening security against cyber crime
Transparency and reliability of information

DISTRIBUTION OF SHAREHOLDING

Sl No	Designation	No of Shares		No Of Shares in (%)	
		31.12.2025	31.12.2024	30.12.2025	31.12.2024
1	Sponsors/Promoters/Directors	369,098,955	383,335,018	33.08%	34.35%
2	ICB, ICB Unit Fund, ICB Mutual Fund & ICB Investors Account	59,815,379	30,699,633	5.36%	2.75%
3	Institutions	267,387,198	285,964,653	23.96%	25.63%
4	General Public	419,540,776	415,843,004	37.60%	37.27%
	Total	**1,115,842,308**	**1,115,842,308**	**100.00%**	**100.00%**

TYPES OF SHAREHOLDING

SL No.	Particulars	% of shareholding
1	Sponsors/Directors	33.08%
2	ICB, ICB Unit Fund, ICB Mutual Fund & ICB Investors Account	5.36%
3	Institutions	23.96%
4	General Public	37.60%
	Total	100.00%



REDRESSAL OF INVESTORS' GRIEVANCES

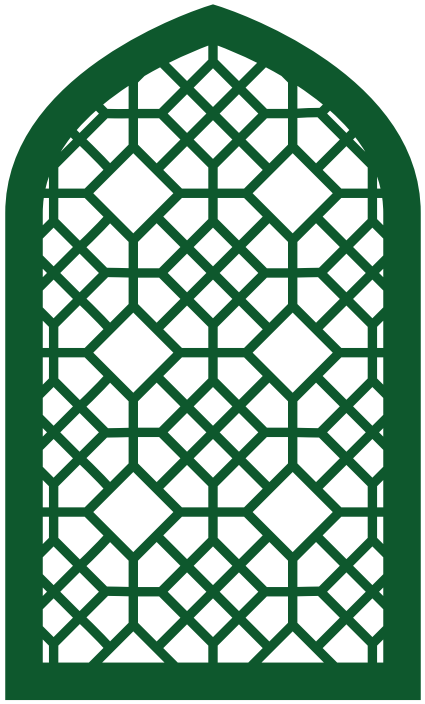
Standard Islami Bank PLC. is committed to ensuring equal treatment for all shareholders, regardless of their status. The bank provides proxy forms for shareholders who cannot attend meetings, enabling them to vote on each agenda item. Shareholder meetings are conducted according to a predefined agenda, without the introduction of new items or sudden alterations. The bank recognizes the significance of addressing transactions that may involve conflicts of interest and adheres to strong corporate governance principles.

Minority shareholders have the right to propose issues for consideration at the annual general meeting and to nominate candidates for director positions. The complaint redressal process is supported by a review mechanism designed to minimize recurrence. SBPLC upholds principles such as fair treatment, timely resolution of complaints, clear avenues for raising concerns, and a commitment to acting in the best interest of investors.

Investors can submit complaints via email or letter, and the bank keeps a grievance file for this purpose. Two designated individuals are responsible for promptly addressing investor grievances, while the Audit & Compliance Department gathers all necessary information for thorough investigation. The bank ensures regular communication with shareholders through performance updates and other pertinent information. Inquiries regarding shareholdings, such as share transfers, changes in name and address, and dividend payments, should be directed to the specified address.

- Mr. Md. Sahriaz Hossain Khan, FAVP
  Mobile: +8801999055536
- Mr. Farhad Bin Amin, Officer Share Department

Metropolitan Chamber Building (1st floor)
122-124, Motijheel C/A, Dhaka-1000
Phone: +8802-223357913



COMMUNICATION TO STAKEHOLDERS

The Annual Report 2025 and additional information about SBPLC can be accessed on SBPLC's website at www.standardbankbd.com. SBPLC also provides copies of its annual reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, the Dhaka Stock Exchange, and the Chittagong Stock Exchange for their reference.

Any questions regarding shareholdings, such as the transfer of shares, changes in name and address, or payment of dividends, should be directed to the following address:

- **Mr. Md. Sahriaz Hossain Khan, FAVP**
- **Mr. Farhad Bin Amin, Officer**

Contact Numbers:
Mobile: +8801999055536
Phone: 88-02-223357913, 223385106, 223358385
Fax: 88-02-223390321
Web: www.standardbankbd.com
E-mail : share@standardbankbd.com

PHOTO GALLERY

PHOTO GALLERY

414th Meeting (Special) of the Board of Directors.

420th Meeting of the Board of Directors.

149th Meeting of the Executive Committee of the Board of Directors.

PHOTO GALLERY

39th Meeting of the Risk Management Committee of the Board of Directors.

51st Meeting of the Shari'ah Supervisory Committee.

125th Meeting of the Audit Committee of the Board of Directors.

PHOTO GALLERY

51st Meeting of the Board of Directors of Standard Bank Securities Limited.

59th Meeting of the Board of Directors of SBL Capital Management Limited.

Launching of NPSB-IBFT Service.

PHOTO GALLERY

Inauguration of Goalabazar Branch and Biswanath Branch at New Addresses.

Inauguration of Chashara Branch at New Address.

Inauguration of Haj Booth at Haj Camp, Ashkona, Dhaka.

PHOTO GALLERY

Annual Business Conference-2025.

Half Yearly Business Review Meeting 2025

Annual Risk Conference-2025.

PHOTO GALLERY

26th Annual General Meeting.

Stakeholders at 26th Annual general Meeting

Stakeholders at 26th Annual general Meeting

PHOTO GALLERY

Celebration of 26th Founding Anniversary.

Launching of Smart Banking and Remittance Service Campaign.

Launching of 24/7 Call Center.

PHOTO GALLERY

Agreement Signing with D-local to Expand Remittance Service.

Agreement Signing with Bangladesh Bank to Promote Financial Inclusion.

Banker-SME Women Entrepreneur Fair 2025.

PHOTO GALLERY

MoU Signing with National Pension Authority.

Distribution of Blanket & Winter Clothes among the cold Struck People.

Workshop on Shari'ah Compliance in Banking Operation.

PHOTO GALLERY

Orientation Program for 11th Batch MTOs.

Shari'ah Awareness Program.

Rally of Youth Festival 2025

PROJECT FINANCE

PROJECTS FINANCED BY
STANDARD ISLAMI BANK PLC.

Shipra Fashions Limited, Sreepur, Gazipur

Financed by Green Road Branch

Esprit Apparels Ltd., Tongi, Gazipur

Financed by Banani Branch

PROJECTS FINANCED BY
STANDARD ISLAMI BANK PLC.

Jeans & Polo Limited, Tongi, Gazipur

Financed by Banani Branch

PROJECTS FINANCED BY
STANDARD ISLAMI BANK PLC.

M&A Composite Limited, Ashulia, Dhaka

Financed by Banani Branch

AWARDS

AWARDS

Standard Islami Bank PLC. Limited has been awarded with the Best Bank for Sustainable Business Transformation- Bangladesh 2021.

Business Transformation Award-2021 in the Sustainable Business category of Global Sustainability Leadership Award 2021 by World Marketing Congress in India

ESQR's Quality Choice Prize 2022

Standard Islami Bank PLC. has been awarded GOLD RANK in Asia Sustainability Reporting Rating

Shari'ah Based Standard Islami Bank PLC. Wins Silver Award at "ICSB National Award 2022"

Standard Islami Bank PLC. Obtanied national Tax Card Aeard from NBR

Honors and Acculades

SUSTAINABILITY

SUSTAINABILITY REPORT-2025 OF STANDARD ISLAMI BANK PLC.

1. STANDARD ISLAMI BANK'S COMMITMENT TO SUSTAINABILITY STRATEGIES

Sustainability has been a much talked about and widely known term over the world since 1992, when the Rio Process began at the Earth Summit-1992 in Rio de Janeiro, Brazil and it placed the concept of sustainable development on the international agenda formally. Sustainability is the long-term maintenance of ecological, social and economic system by balancing resource consumption with regeneration. It ensures that present needs are met without compromising future generations ability to meet theirs.

Standard Islami Bank PLC. assumes sustainability as its holistic approach of works and business as the planet & people would not be safe if the ways of doing and achievement of productivity become harmful and go beyond interest of any segment of the total creation. Being a financial organization, the SBPLC is committed to its direct stakeholders i.e. depositors, sponsors, investment clients, regulatory bodies as well as indirect stakeholders i.e. surroundings, natural establishments, general people, physical infrastructure, nonmaterial & spiritual issues, etc.

Meanwhile the drive of sustainability has become strengthened over the world through initiation of the Sustainable Development Goals (SDGs) by the United Nations in 2015. SDGs are meant a global framework for achieving a better future for all, encompassing economic, social, and environmental aspects. These goals aim to end poverty, protect the planet, and ensure prosperity for all by 2030. The SDGs are a call to action for all countries, regardless of their development status, and they are designed to be integrated, recognizing that actions in one area can affect outcomes in others.

Keeping the Shari'ah principles at the height, the SBPLC has been operating all of its activities to uphold trust of people on the Bank with efficient financial management in the productive & value generating sectors without damaging ecosystem.

2. SUSTAINABILITY STRATEGY OF STANDARD ISLAMI BANK PLC.

The SBPLC has been pursuing all out efforts to have a sustainable environment with promoting eco-friendly banking preserving natural resources. Sustainable finance generally refers to the process of taking due account of environmental, social and governance (ESG) considerations when making investment decisions in the financial sector.

The Banking sector is trying to implement at least 12 SDGs directly out of total 17 SDGs as per Bangladesh Bank Policy: No poverty (SDG 1), Zero hunger (SDG 2), Gender equality (SDG 5), Clean water and sanitation (SDG 6), Affordable and clean energy (SDG 7), Decent work and economic growth (SDG 8), Industry, innovation and infrastructure (SDG 9), Reduced inequalities (SDG 10), Responsible consumption and production (SDG 12), Climate action (SDG 13), Life below water (SDG 14), and Partnerships for the goals (SDG 17).

Other 05 SDGs are: These are also interconnected

Good health and well-being (SDG 3), Quality education (SDG 4), Sustainable cities and communities (SDG 11), Life on land (SDG 15), Peace, justice, and strong institutions (SDG 16).

3. ALIGNMENT OF SUSTAINABLE FINANCE OF THE BANK WITH SDGs:

Different SDGs can be achieved through different financing sectors as demonstrated below:

A. SUSTAINABLE FINANCING - DIRECTLY

SUSTAINABLE FINANCE SECTORS

Green Finance:

1. Renewable Energy
2. Energy & Resource Efficiency
3. Alternative Energy
4. Liquid Waste Management
5. Solid Waste Management
6. Circular Economy & Eco- Projects Financing
7. Environment Friendly Brick Production
8. Green/ Environment Friendly Establishments
9. Green Agriculture
10. Green CMSME
11. Green Social Responsible Financing (SRF)
12. Blue Economy Financing
13. Information and Communication Technology
14. Miscellaneous

B. SUSTAINABLE LINKED FINANCE:

SUSTAINABLE FINANCE SECTORS

Sustainable Linked Finance:

1. Sustainable Agriculture
2. Sustainable MSME
3. Socially Responsible Finance (SRF)
4. Financing in educational institution, scholarship programs or edtech startups
5. Financing projects and business that promote gender equity

Others Sustainable Linked Finance

1. Health & Healthcare Service in Climate –vulnerable and Disaster prone areas
2. Products of Broadband Networks and IT solutions using Eco-friendly Supply Chain
3. Working capital and demand Investment of Green Products/ projects/ initiatives.
4. Products of Maritime Transport sector under Blue Economy Finance with Low Rated ESDD

4.1 ECONOMIC SUSTAINABILITY REPORT 2025 OF SBPLC.

1 NO POVERTY

Employee wages

BDT. 2,815.92 million.

2 ZERO HUNGER

Total payment to Government exchequer

BDT. 4,492.30 million.

5 GENDER EQUALITY

Investments disbursed in SME business segment

BDT 21,626.20 million investment disbursed against 3,736 clients.

6 CLEAN WATER AND SANITATION

Social investment in the community

BDT 3,251.78 million invested in community support program through MFI linkage program. Around 39,283 clients received the support.

8 DECENT WORK AND ECONOMIC GROWTH

Total investment in Sustainable Finance

BDT 22,845.30 million invested in sustainable finance. A total of 10,151 nos. accounts received financial services under Sustainable Finance.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Employees received sustainable finance related training

No formal training was arranged in 2025. However, Sustainable Finance Division held discussions on sustainable financing with Branch officials informally for several times.

DEVELOPMENT OF RURAL ECONOMY IN 2025:

Sl.	Particulars	Target & Achievement-2025		% of Achievement
		Target	Achievement	
01.	Agriculture & Rural Investment	Tk. 4,460.00 mn	Tk. 3,761.60 mn	84.34%
02.	Special Priority Sector	Tk. 22.30 mn	Tk. 35.80 mn	160.54%

Note: In Special priority sector 4% rate is applicable for cultivation of some special crops like Pulses, Oil seeds, Spices and others like maize.

FINANCIAL INCLUSION

A major portion of population of Bangladesh has limited access to financial services as they are living in rural areas. Financial literacy among the underprivileged population is essential for implementation of government's different development planning and achievement of the United Nations Sustainable Development Goals by 2030 to ensure financial inclusion for all. SBPLC has formed Financial Literacy Wing (FLW) to achieve the stated goals. The Bank successfully conducted 64 (sixty four) financial literacy programs during the year 2025 at different branches along with celebrating "Financial Literacy Day 2025" on March 03, 2025.

HELP DESK FOR WOMEN ENTREPRENEURS

As per Bangladesh Bank guideline, Women Entrepreneur's Dedicated Desks have been set up at Head Office as well as Branches to help women entrepreneurs and to make banking environment friendly for them and to provide them maximum support to fulfill formalities and render them special services. We are doing investment for Women Entrepreneurs @5% Rate against refinance facility from Bangladesh Bank as per guideline of Bangladesh Bank.

4.2 ENVIRONMENTAL SUSTAINABILITY REPORT 2025 OF SBPLC.

For developing an environmental management system within the Bank, data management plays a vital role therein. Managing stored data effectively increases efficiency in decision making and helps finding more solutions to streamline energy consumption patterns. Historical data is therefore crucial to identify scope for future decision-making on sustainable business operations. In 2025, SBPLC organized different training and workshop programs for its employees to create awareness regarding ethical work place behavior.

Consumption of non-renewable energy (Octane & Diesel) (in Liter)

Year 2023	Year 2024	Year 2025
1,65,205	1,15,000	81,820

Consumption of Electricity (in KWh)

Year 2023	Year 2024	Year 2025
42,58,465	46,00 ,000	46,20,000

Waste generation (in kg)

Year 2023	Year 2024	Year 2025
9,000	8,500	8,700

Water Consumption pattern

All of our premises consume supply water for sanitary & drinking purpose only.

ENVIRONMENTAL & SOCIAL DUE DILIGENCE

- 596 nos. customers have been appraised for Environmental & Social Due Diligence (ESDD) during 2025.
- BDT 71,355.20 million have been financed based on Environmental & Social Risk Rating (ESRR) during 2025 as mentioned in the following table:

BDT in million

Agriculture	Small Sector	Medium Sector	Large Sector	Project Finance	Total
42 clients BDT 126.17	267 clients BDT 10,163.47	251 clients BDT 23,315.74	32 clients BDT 35,458.68	4 clients BDT 2,291.14	596 Clients BDT 71,355.20

ONLINE BANKING

100% online Banking facility is provided by Standard Islami Bank PLC. covering all of its branches.

SBPLC DIGI BANKING APP/INTERNET BANKING:

SBPLC Digi banking App/Internet Banking:				
Particulars	2024	2025	Net Increase / Decrease	% Growth
Total No. of Customers in Mobile App	34,457	49,912	15,455	44.85%
No. of Transactions	4,41,435	6,99,139	2,57,704	58.38%
Amount of Transactions	Tk.709 Crore	Tk.1,162.28 Crore	Tk.453.28 Crore	63.93%

4.3 SOCIETAL SUSTAINABILITY REPORT 2025 OF SBPLC

Total Workforce: 2149

- Male employees- 1859
- Female employees- 290
- Female representation of entire workforce-13.49%.

Types of Employees:

- Permanent employees- 1902
- Contractual employee- 214
- Daily basis- 33

Employee Turnover:

1. Turnover in 2025- 8.90%
2. Turnover in 2024-5.46%
3. Number of male employees-161
4. Number of female employees- 30
5. Percentage of female employees representing overall turnover- 15.71%

TRAINING & WORKSHOPS

For development of employees' skill and professionalism, the bank has a well-equipped learning center at Head Office. Throughout the year, SBPLC arranges required trainings for its valued employees. These trainings include Banking Foundation, Investment Risk Management, Foreign Exchange Operation & Risk Management, ICT/Technical skills development, core banking software, customer services, product and services, marketing & sales, relationship management, audit & compliance, AML & CFT, team building, managerial and leadership, Ethics, ESRM etc. The bank also arranges external training in order to develop employees with required banking and organizational skills.

TRAINING & WORKSHOP HELD IN 2025

Training Type	Number of Training Programs				Number of Participants			
	2024	2025	Net Increase /Decrease	% change	2024	2025	Net Increase /Decrease	% change
Internal	28	17	(11)	-39.29%	2284	4263	1979	86.64%
External	100	69	(31)	-31.00%	222	129	(93)	-41.89%
Total	128	86	(42)	-32.81%	2506	4392	1886	75.25%

INTERNAL TRAINING HELD IN 2025 ARRANGED BY SBPLC

SL	Target Group	Particulars/Topics	No. of Training	Duration (Days)	Total Days	No. of Participants
1	Head of Branches	Yearly Budget-2025 of SBPLC Review Meeting/Workshop	1	1	1	40
2	Head of Division of Head Office	Shari'ah Awareness Program	1	1	1	26
3	Branch Officials	Workshop on "Standard Portal" Operating Procedure	1	1	1	528
4	Head of Branches	Review Meeting/Workshop with Dhaka Based 40 Branches	1	1	1	37
5	Foreign Trade Desk Officials	Online Import & Export Monitoring System	1	1	1	37
6	GB Desk Officials	AML & CFT Compliance Batch # 01	1	1	1	163
7	Newly Recruited MTO	MTOs Day One in Banking Operations	1	1	1	39
8	Newly Recruited MTO	Orientation Program of 11th Batch MTO	1	1	1	50
9	Head of Branches	Shari'ah Awareness Programm	1	1	1	30
10	Head of Branches, Investment Incharge, Manager Operations	AML & CFT Compliance Batch # 02	1	1	1	286
11	Manager Operations and Concern desk Officials	New Website,Interface and Refund Module of A-Challan System	1	1	1	414
12	Newly Recruited MTO	Foundation Training Course for 11th Batch MTOs	1	21	21	34
13	Newly Recruited TAO	Foundation Training Course for TAO-2025 Batch # 01	1	10	10	30
14	Newly Recruited TAO	Foundation Training Course for TAO-2025 Batch # 02	1	10	10	31
15	Head of Branches, Investment Incharge, Manager Operations	Shari'ah Compliance In Banking Operations	1	1	1	30
16	Branch Officials	Live Streaming of Knowledge Sharing on SBPLC Deposit & Investment Products (8 Sessions)	8	1	8	2213
17	BACH Desk officials	BACH (BACPS & BEFTN) & RTGS Operations	1	1	1	275
		Total	24	55	62	4263

MATERNITY LEAVE:

Maternity Leave in the year-2025					
Year	**No. of Female Employees availed the leave (A)**	**Days of Leave at a time (B)**	**Total Days (A*B)**	**Employees returned to work**	**Employees retained after getting back to work**
2025	18	180	3240	All	All
2024	26	180	4680	All	All

Training on gender equality/ awareness program:

Number of Attendees- 88 Employees

Total male participants- 77 Employees

Total Female Participants- 11 Employees

5. CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF SBPLC IN 2025

TOTAL AMOUNT DISTRIBUTED UNDER CSR: BDT 8.62 MILLION

SBIPLC emphasizes its motto of keeping contribution to the lives of people through playing role in crucial moments, supporting to healthcare of poor people, nurturing talents of insolvent families through helping in quality education, steps for mitigation and adaptation of climate changes, disaster management and other development works for socially excluded people providing income generating activities and contributing to cultural & sports uplift in the country. The Bank has been following Bangladesh Bank guidelines on CSR for Banks & Financial Institutions – 2022 and onward circulars of regulatory authorities issued from time to time.

1) Education: BDT 0.47 Million

Standard Islami Bank PLC. arranged different programs at different educational institutions for creating awareness on Financial Products and financial literacy among students. Besides, the SBPLC intends to stand with meritorious students from low-income family in reputed academic and vocational training institutions by granting scholarships/stipends in the future.

2) Health Care: BDT 0.80 Million

Support of corporate houses would certainly beneficial for healthcare of the underprivileged segment of our country. In 2025, BDT 0.80 million was distributed in the sector.

3) Other Sectors: BDT 7.35 million

Standard Islami Bank PLC. donated total 23,330 pcs of blankets with cost of BDT 7.35 million to the honorable Chief Adviser's Relief & Welfare Fund and others to stand by the cold affected people of the country in 2025.

Grand Total amount of CSR of Standard Islami Bank PLC. was BDT 8.62 million in 2025.

INTEGRATED REPORT 2025

CREATING SUSTAINABLE VALUE THROUGH SHARI'AH-BASED BANKING

INTRODUCTION

Standard Islami Bank PLC. Entered 2025 with a renewed commitment to creating sustainable value for all stakeholders through ethical, inclusive, and Shari'ah-compliant banking. As a full-fledged Islamic financial institution, the Bank continues to align its business strategy with the principles of Islamic finance, responsible banking, environmental stewardship, social well-being, and sound corporate governance.

The Integrated Report 2025 presents how Standard Islami Bank creates, preserves, and enhances value over time by utilizing financial, human, intellectual, social, natural, and technological capital. It demonstrates the interconnectedness between strategy, governance, risk management, sustainability, and financial performance, providing stakeholders with a comprehensive understanding of the Bank's long-term value creation journey.

OUR VALUE CREATION MODEL

The Bank's value creation process is founded on the principles of Shari'ah, integrity, transparency, accountability, and sustainability. By mobilizing deposits, extending ethical financing, supporting entrepreneurship, investing in digital transformation, and promoting financial inclusion, the Bank contributes to economic growth while safeguarding stakeholder interests.

CAPITALS UTILIZED

Financial Capital

- Deposits and investment funds
- Capital adequacy and liquidity resources
- Sustainable and green finance portfolios

Human Capital

- Skilled and motivated workforce
- Leadership development initiatives
- Continuous professional and Shari'ah training

Intellectual Capital

- Digital banking infrastructure
- Product innovation
- Risk management systems

Social and Relationship Capital

- Customer trust and loyalty
- Community engagement
- Strategic partnerships

Natural Capital

- Green banking initiatives
- Resource efficiency measures
- Sustainable finance practices

STRATEGIC PRIORITIES FOR 2026

During the reporting year, the Bank focused on five strategic priorities:

1. Strengthening Shari'ah-compliant banking operations.
2. Accelerating digital transformation and customer experience.
3. Expanding sustainable and green financing.
4. Enhancing governance and risk management practices.
5. Promoting financial inclusion and social impact.

These priorities guide decision-making across all business segments and support the Bank's long-term vision of becoming a leading Islamic financial institution in Bangladesh.

GOVERNANCE AND ETHICAL LEADERSHIP

Strong governance remains the cornerstone of Standard Islami Bank's sustainability agenda. The Board of Directors provides strategic oversight, while Board Committees and the Shari'ah Supervisory Committee ensure compliance with regulatory requirements and Islamic banking principles.

The Bank maintains a governance framework based on:

- Accountability and transparency
- Regulatory compliance
- Ethical conduct and integrity
- Risk-based decision-making
- Stakeholder engagement

Through regular monitoring, internal controls, and independent assurance mechanisms, the Bank continues to strengthen confidence among shareholders, customers, regulators, and the wider community.

SUSTAINABLE BANKING AND ESG INTEGRATION

Sustainability is embedded into the Bank's operational and financing activities. The Bank recognizes that long-term business success depends on balancing economic growth with environmental and social responsibility.

Key sustainability focus areas include:

Environmental Responsibility

- Promotion of green financing solutions
- Reduction of operational carbon footprint
- Efficient utilization of energy and resources
- Digitalization to minimize paper consumption

Social Impact

- Financial inclusion for underserved communities
- SME and women entrepreneur financing
- Financial literacy programs
- Community welfare and humanitarian initiatives

Governance Excellence

- Ethical business conduct
- Effective risk oversight
- Transparent reporting practices
- Responsible stakeholder management

The Bank's Sustainable Finance Division continues to advance environmental, social, and governance (ESG) considerations throughout the organization and financing portfolio.

CUSTOMER-CENTRIC INNOVATION

Customer expectations are rapidly evolving, requiring banks to provide seamless, secure, and convenient banking services. Throughout 2025, Standard Islami Bank PLC. continued investing in digital channels and technology-enabled solutions.

Strategic initiatives included:

- Enhanced mobile and internet banking services
- Strengthened cybersecurity infrastructure
- Improved customer service delivery
- Digital account opening and transaction capabilities
- Expansion of alternative delivery channels

These initiatives support operational efficiency while improving accessibility and convenience for customers across Bangladesh.

RISK MANAGEMENT AND RESILIENCE

The Bank maintains a comprehensive enterprise risk management framework designed to identify, assess, monitor, and mitigate emerging risks.

Priority risk areas include:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk
- Information security risk
- Climate-related and sustainability risks

Regular stress testing, scenario analysis, and risk assessments enable management to maintain resilience amid evolving economic and regulatory environments.

PEOPLE AND CULTURE

Employees remain central to the Bank's success. Standard Islami Bank PLC. continues to invest in talent development, leadership cultivation, diversity, and employee well-being.

Key people priorities include:

- Professional development programs
- Shari'ah banking education
- Performance management enhancement
- Employee engagement initiatives
- Inclusive workplace practices

The Bank believes that a motivated and capable workforce is essential for delivering sustainable value to customers and stakeholders.

COMMUNITY DEVELOPMENT AND SOCIAL RESPONSIBILITY

Guided by the principles of Maqasid al-Shari'ah and responsible banking, the Bank remains committed to contributing to social and economic development.

Areas of community support include:

- Education assistance programs
- Healthcare initiatives
- Disaster relief and humanitarian support
- Financial literacy campaigns
- Support for marginalized communities

These initiatives reflect the Bank's commitment to creating positive and lasting societal impact.

LOOKING AHEAD

As Standard Islami Bank PLC. advances toward the future, the institution remains focused on sustainable growth, responsible banking, and stakeholder value creation. The Bank will continue strengthening its Islamic banking model, embracing innovation, integrating sustainability into strategic decision-making, and supporting Bangladesh's economic development aspirations.

Through strong governance, ethical banking practices, digital innovation, and sustainable finance, Standard Islami Bank PLC. is well-positioned to create enduring value for customers, shareholders, employees, communities, and future generations.

CONCLUSION

The Integrated Report 2025 demonstrates how Standard Islami Bank PLC. combines financial performance with social responsibility, environmental stewardship, and Shari'ah compliance to achieve sustainable success. By maintaining a balanced approach to growth and value creation, the Bank remains committed to fulfilling its purpose of serving stakeholders while contributing meaningfully to a more inclusive and sustainable economy.

FINANCIAL INFORMATION

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF STANDARD ISLAMI BANK PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

OPINION

We have audited the consolidated financial statements of Standard Islami Bank PLC. and its subsidiaries (the "Group") as well as the separate financial statements of Standard Islami Bank PLC. (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2025, and consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view as per disclosure in Note no. 7.9, 7.10, 12.2, 12.4, 12.7, 12.8, 13.9 (a), 18.3 and 34 (a) of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as explained in note 2.00.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Bangladesh. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We would like to draw the attention of the users of this report to the following issues:

1. Based on the tripartite meeting among Bangladesh Bank, External Auditors and the Bank held on 12 April 2026 and as per Bangladesh Bank letter no. BSD-12/SBPLC/2026-390 dated 26 April 2026 and BSD-12/SBPLC/2026-397 dated 28 April 2026, the Bank's total required provision for investments, off-balance sheet exposures, investments in share/bond, and other assets stands amount to Tk. 6,831.61 crore as at 31 December,2025 as disclosed in note # 7.9, 7.10, 12.7, 12.8, and 13.9(a). Against this, the Bank has maintained provision of Tk. 927.16 crore only, resulting in an aggregate shortfall of Tk. 5,904.45 crore representing NPI ratio 29.89% of the investments of the bank. Had the Bank made full provision as required, the total loss after tax would have been impacted with a consequential negative impact on the Capital to Risk-Weighted Assets Ratio (CRAR), EPS & others.
2. As disclosed in Note #18.3, the Bank reported total investment income of Tk. 1,696.29, crore during the year after revising Tk. 90.00 crore from investment income as per Bangladesh Bank letter no. BSD-12/SBPLC/2026-397 dated 28 April 2026. However, during the year ended 31 December 2025, the Bank recognized investment income amounting to Tk. 247.75 crore on classifiable investments, which is required to be transferred to the profit suspense account and compensation account. Had the Bank made these transfers as required, the reported profit would have been negatively affected.
3. As disclosed in note no. #6.2(b), Standard Islami Bank PLC. holds an investment of Tk. 149.99 crore & Tk.79.99 crore in shares of SBL Capital Management Ltd. and Standard Bank Securities Ltd., respectively. Although the reported NAV remains relatively high due to deferred provisioning under BSEC directives, the underlying financial condition of the investee, including significant provision shortfall Tk. 250.73 crore and Tk. 47.37 crore respectively for SBL Capital Management Ltd. and Standard Bank Securities Ltd. due to fall in share price.

Our opinion is not modified in respect of these above matters.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. 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 below our description of how our audit addressed the matter is provided in that context.

Description of key audit matters	Our response and result to key audit matters
Measurement of provision for investments	
The process for estimating the provision for investment portfolios associated with credit risk is significant, judgmental, and complex. The process for estimating the provision for investment portfolio associated with credit risk is significant and complex. For the individual analysis for large exposure, the provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions. For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed, which deal with voluminous databases, assumptions, and estimates. Due to the high level of judgment involved and the use of the manual process in estimating the provision for investment, we considered this to be a key audit matter. At year end, the Group and the Bank reported total gross investments of BDT 20,941.83 Crore (2024: BDT 20,361.56 Crore) and BDT 20,477.65 Crore (2024: BDT 19,919.27 Crore) respectively, and provision for investments of BDT 894.09 Crore (2024: BDT 782.90 Crore). As per Bangladesh Bank letter no. BSD-12/SBPLC/2026-390 dated 26 April 2026 and BSD-12/SBPLC/2026-397 dated 28 April 2026, the classified investments of the Bank of BDT 6,121.28 crore in 2025 representing 29.89% of total investments. The Bank's provision estimates involve complex calculations and rely heavily on management's judgment. Multiple exposures exceeded the prescribed regulatory limits for single borrower or group exposure. We have focused on the following significant judgements and estimates which could give rise to material misstatement or management bias: • Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD Circular No. 15 dated 27 November 2024 and BRPD circular no. 05 dated 25 June 2025 and BRPD circular no. 22 dated 13 October 2025 and BRPD circular no. 16 dated 18 July 2022 and BRPD circular letter no. 33 dated 03 August 2022 and BRPD circular no. 07 dated 16 September 2025 and BRPD Circular No. 01 dated 16 January 2022 and BRPD circular letter no. 26 dated 24 November 2025; and • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.	We tested the design and operating effectiveness of key controls focusing on the following: • Credit appraisal, investment disbursement procedures, monitoring and provisioning process; • Completeness of appropriate documentation before disbursement of investments as well as recording of investment balance; • Alternate procedures applied by management to assess new investment/renewal of existing investments where latest audited financial statements of the borrower are not available; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of investments (CL); Our substantive procedures in relation to the provision for investments portfolio comprised the following: • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, reviewed the amount of provision requirement as determined by Bangladesh Bank inspection team and the External audit team. Accordingly, Bangladesh Bank has given certain flexibility from classification requirement for investments vide issuing various circulars such as BRPD circular no. 07 dated 16 September 2025, BRPD circular letter no. 26 dated 24 November 2025, BRPD Circular No. 15 dated 27 November 2024, BRPD circular no. 05 dated 25 June 2025, BRPD circular no. 22 dated 13 October 2025 BRPD circular no. 16 dated 18 July 2022 and BRPD circular letter no. 33 dated 03 August 2022 and BRPD Circular No. 01 dated 16 January 2022. The Bank has a shortfall in provision against investments and others as per Bangladesh Bank, letter no. BSD-12/SBPLC/2026-390 dated 26 April 2026 and BSD-12/SBPLC/2026-397 dated 28 April 2026, vide which permitted to finalize the audited financial statements without additional provision during the year that addressed in Emphasis of matter paragraph.
See notes no. 7, 7(a) and 12.2 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
Non-Performing Investments	
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. Investments disbursement requires robust documentation followed by approval from appropriate level of authority. 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. At year end, the Group and the Bank reported total gross investments of BDT 20,941.83 Crore (2024: BDT 20,361.56 Crore) and BDT 20,477.65 Crore (2024: BDT 19,919.27 Crore). Furthermore, as per Bangladesh Bank letter no. BSD-12/SBPLC/2026-390 dated 26 April 2026 and BSD-12/SBPLC/2026-397 dated 28 April 2026, the required provision against investments and Off-Balance Sheet Items is Tk. 6,201.04 crore, while the Bank reported Tk. 894.09 crore, resulting in a shortfall of BDT. 5,306.95 crore, against an NPI ratio of 29.89%.	We have tested the design and operating effectiveness of key controls focusing on investment appraisal, investment disbursement procedures and monitoring process as well as the percentage of non-performing investment of comparing to the total investments. Besides, 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. On sample basis verification of selected Investments, we have observed some documentation and procedural discrepancy and security gap against some investments, not aligning with the expected level. In addition, we have performed procedure to check whether the investments are recorded completely and accurately and that are existed at the reporting date. Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines and the Bangladesh Bank letter ref. No. BSD-12/SBPLC/2026-390 dated 26 April 2026 and BSD-12/SBPLC/2026-397 dated 28 April 2026.
See note no 7.8 and 7(a) to the financial statements.	

Description of key audit matters	Our response and result to key audit matters
Recognition of investment income	
Reognition of Investment income has a significant and wide influence on financial statements. Recognition and measurement of Investment income has involvement of complex IT environments. 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 the recognition of Investment income by management to meet specific targets or expectations. At year end the Group and the Bank reported total gross investment income of BDT 1,700.76 Crore (2024: BDT 1,687.59 Crore) and BDT 1,696.29 Crore (2024: BDT 1,678.23 Crore).	We tested the design and operating effectiveness of key controls over the recognition and measurement of investment income. We performed tests of operating effectiveness on automated controls in place to measure and recognize investment income. We have also performed substantive procedures to check whether investment income is recognized completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines. We performed several analytical and substantive procedures to check whether the calculations relating to the investment income, profit paid on deposits and borrowings etc. and the EPS are accurate or not. We reviewed Bangladesh Bank Letter No. BSD-12/SBPLC/2026-390 dated 26 April 2026. Finally, the Bank reported total investment income of Tk. 1,696.29 crore for the year after incorporating profit reversal of Tk. 90.00 crore in accordance with Bangladesh Bank Letter No. BSD-12/SBPLC/2026-397 dated 28 April 2026. We have also assessed the adequacy of disclosure in light of the relevant Bangladesh Bank guidelines and the above-mentioned letters. Finally, we also conducted substantive analytical procedures to asses reasonableness of investment income recognized during the year with reference to the product wise outstanding Investment balances.
See note no. 18.3(a) & 18.1 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
Measurement of deferred tax assets (DTA)	
At year end the Bank reported total deferred tax assets of BDT 48.41 Crore (2024: BDT 47.63 Crore) and deferred tax income of Taka 0.78 Crore (2024: Taka 0.83 Crore) respectively Significant judgment is required in relation to deferred tax assets, as their recoverability is dependent on forecasts of future profitability over a number of periods. Accordingly, this area has been considered as key audit matter.	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. We also assessed the completeness and accuracy of the data used. We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTAs. Finally, assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
See note no. 9.6 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
Impairment assessment of unquoted investments and others	
In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds is determined using valuation techniques that rely on unobservable market data and significant judgment. At year-end, the Bank reported total unquoted shares of BDT 544.44 crore (2024: BDT 543.93 crore). Investments in SBL Capital Management Ltd. and Standard Bank Securities Ltd., along with related entities, amounting to BDT 149.99 crore and BDT 79.99 crore, respectively, are reflected at relatively high NAV due to deferred regulatory provisioning and carry potential impairment risk. The underlying financial condition of the investees, along with provision shortfalls of BDT Tk. 250.73 crore and Tk. 47.37 crore respectively for SBL Capital Management Ltd. and Standard Bank Securities Ltd. due to fall in share price. There are also MSND, perpetual bond, subordinated bonds amounting to BDT 348 crore extended to stressed counterparties experiencing significant liquidity challenges, which increases the risk associated with recoverability.	We reviewed Management's impairment assessment process, focusing on the analysis of the recoverable values and the continued appropriateness of the value. We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process. We tested a sample of investments valuation as at 31 December 2025 and compared our results to the recorded value. We assessed the Bank's classification and measurement process for these financial instruments and reviewed the valuation techniques applied. To further assess the adequacy of the provisions, we tested a sample of the assets held by the Bank, focusing on the liquidity and recoverability of these investments. We reviewed the inputs and assumptions used in the valuation and compared them with available market data and external sources. We obtained and reviewed the portfolio of quoted shares, verified market prices as of the reporting date, and assessed management's provisioning policy. We evaluated whether the provision reflects the fair value loss in accordance with applicable financial reporting standards. We reviewed available supporting documents, and assessed management's controls in the absence of a formal fixed asset register and Lease accounting incomplete. We reviewed the composition of other assets, assessed the provisioning made, and inquired with management regarding ageing and recoverability. Furthermore, we noted that, in accordance with the deferral granted by the Bangladesh Securities and Exchange Commission (BSEC), the Bank's subsidiaries have not fully provided for client margin investments and investments in shares and securities, as required under BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/659 dated November 16, 2025 for SBL Capital Management Limited and BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/676 dated November 27, 2025 for Standard Bank Securities Limited. These directives permit stock-brokers to defer recognition of such provisions up to 31 December 2030, subject to the requirement that provisions are made annually in accordance with the respective BSEC directives. Consequently, additional provisions are expected to be recognized in subsequent periods. Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 6.2 to the financial statements	

Description of key audit matters	Our response and result to key audit matters
IT systems and controls	
Our audit procedures have a focus 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. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. Lease accounting incomplete; Fixed Asset Register not properly maintained within IT systems. 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. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We reviewed the reconciliation process between CL summaries and underlying schedules and evaluated the Bank's manual adjustments. Additionally, we tested the implementation of Bangladesh Bank's guidance for investment classification in the IT system. We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms, and segregation of incompatible duties relevant to application and database change management. We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. Our findings on the IT system have been communicated to those charged with governance.

Description of key audit matters	Our response and result to key audit matters
Legal, regulatory matters and Contingent Liabilities	
We focused on legal and regulatory matters because the Group and the Bank operate 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. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities. 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. The Bank has disclosed contingent liabilities amounting to BDT 8,074.14 Crore at the year ended on December 31, 2025 (2024: BDT 7,474.95 Crore). As per IAS 37 Contingent liabilities are not required to be recognized but disclosed in the financial statements.	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. We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. 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. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. 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.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual 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.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND INTERNAL CONTROLS

Management is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the IASB as explained in note 2.00 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 Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and 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.

AUDITORS' 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 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- 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 Group's and 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 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group 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, actions taken to eliminate threats or safeguards applied.

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 period and are therefore the key audit matters. We describe these matters in our auditor's 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 (as amended up to date), the Securities and Exchange Rules 2020, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, and 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. in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;

iii. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

iv. the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account and returns;

v. 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 as explained in note 2.00;

vi. provisions have been made for investment and others for the year ended on 31 December 2025 which are in our opinion, doubtful of recovery based as per Bangladesh Bank letter no. BSD-12/SBPLC/2026-390 dated 26 April 2026 and BSD-12/SBPLC/2026-397 dated 28 April 2026, as addressed in point 1 of the Emphasis of Matters section of this report;

vii. based on our checking of sample, no investments in excess of the amount determined by Bangladesh Bank from time to time has been sanctioned or allowed;

viii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section in forming the above opinion on the consolidated financial statements 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 Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls:

   a. internal audit, internal control and risk management arrangements of the Group 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 its related entities other than matters disclosed in these financial statements;

ix. financial statements for the year ended 31 December 2025 of subsidiary companies of the Bank namely SBL Capital Management Ltd. (SCML) and Standard Bank Securities Limited have been audited. The financial statements of Standard Exchange Company (UK) Limited and Standard Express (USA) Limited were unaudited. These accounts have been properly reflected in the consolidated financial statements;

x. the information and explanations required by us have been received and found satisfactory;

xi. We have reviewed over 80% of the Risk Weighted Assets of the Bank, covering 22 branches as well as the Head office, and spent over 8,000 person hours;

xii. Capital to Risk-weighted Asset Ratio (CRAR), Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as required by Bangladesh Bank has been maintained as at 31 December 2025 without considering the shortfall as discussed in point 1 in Emphasis of Matters;

xiii. As part of our going concern assessment, no maturity mismatch between assets and liabilities were reported; however, considering the shortfall in point 1 of the Emphasis of Matter, the Bank's liquidity position may be negatively affected; and

xiv. No non-banking assets have been accounted.

For and on behalf of

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Firm Registration No.:11970 E.P.
FRC Enlistment No.: CAF-001-085

Md. Kamruzzaman FCA
Partner
Enrolment Number: 2073
FRC Enlistment Number: CA-001-527
DVC: 2604292073AS515718
Place: Dhaka, Bangladesh
Date: 29 April, 2026

STANDARD ISLAMI BANK PLC. & IT'S SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
PROPERTY & ASSETS			
CASH	**3(a)**	**14,065,334,998**	**14,545,100,249**
Cash in Hand (including foreign currencies)		2,454,250,597	2,660,678,261
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		11,611,084,401	11,884,421,988
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	**4(a)**	**11,976,773,946**	**8,607,124,747**
In Bangladesh		7,686,402,263	5,011,859,138
Outside Bangladesh		4,290,371,683	3,595,265,609
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	**5**	-	-
INVESTMENTS IN SHARES & SECURITIES	**6(a)**	**37,606,011,868**	**27,139,679,084**
Government		27,924,102,500	17,385,356,300
Others		9,681,909,368	9,754,322,784
INVESTMENTS	**7(a)**	**209,418,256,589**	**203,615,557,132**
General investments etc.		203,100,324,121	198,805,410,808
Bills Purchased and Discounted		6,317,932,468	4,810,146,324
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	**8(a)**	3,213,757,749	3,216,127,510
OTHER ASSETS	**9(a)**	11,832,702,991	13,695,238,324
NON-BANKING ASSETS		-	-
TOTAL PROPERTY & ASSETS		**288,112,838,141**	**270,818,827,046**
LIABILITIES & CAPITAL			
LIABILITIES			
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	**10(a)**	18,076,310,973	11,033,161,617
Mudaraba bond	**10.2**	10,280,000,000	11,270,000,000
DEPOSITS AND OTHER ACCOUNTS	**11(a)**	**212,665,784,978**	**201,255,763,933**
Al-Wadeeah Deposits & Other Deposits		34,740,930,484	33,896,364,874
Bills Payable		3,972,316,562	2,988,660,121
Mudaraba Savings Deposits		19,333,529,492	18,438,038,101
Mudaraba Short Term Deposits		21,631,025,072	17,695,585,464
Mudaraba Term Deposits		113,224,034,957	115,521,757,932
Mudaraba Deposit Schemes		19,763,948,410	12,715,357,441
OTHER LIABILITES	**12(a)**	**28,193,306,739**	**28,707,242,848**
TOTAL LIABILITIES		**269,215,402,690**	**252,266,168,398**
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	**13**	11,158,423,080	11,158,423,080
Statutory Reserve	**14**	7,641,357,989	7,364,646,159
General Reserve	**15**	-	-
Revaluation Reserve on Investment		-	-
Retained earnings	**16(a)**	97,482,324	29,417,351
Non-controlling Interest	**16.1(b)**	172,058	172,058
TOTAL SHAREHOLDERS' EQUITY		**18,897,435,451**	**18,552,658,648**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**288,112,838,141**	**270,818,827,046**
Net Asset Value (NAV) per share (previous year's figure restated)	**42(a)**	**16.94**	**16.63**

STANDARD ISLAMI BANK PLC. & IT'S SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES	**17 (a)**		
Acceptances and Endorsements		19,538,750,665	23,455,549,474
Letters of Guarantee		22,037,496,934	18,021,913,799
Irrevocable Letters of Credit		31,180,129,583	22,929,933,060
Bills for Collection		7,984,983,458	10,342,088,795
Other Contingent Liabilities		-	-
TOTAL:		**80,741,360,640**	**74,749,485,128**
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 OFF - BALANCE SHEET ITEMS		**80,741,360,640**	**74,749,485,128**

These financial statements should be read in conjunction with annexed notes

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Kamruzzaman, FCA
Partner
Enrolment No: 2073
Firm Registration: 11970 E.P.
DVC:2604292073AS515718

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC. & IT'S SUBSIDIARIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the Year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
Investment Income	**18.3(a)**	17,007,600,627	16,875,876,468
Less: Profit paid on Deposits & Placement etc.	**19(a)**	16,949,300,574	13,411,780,682
Profit on Investments		**58,300,053**	**3,464,095,786**
Income from investments in shares & securities	**20(a)**	2,593,062,889	1,170,365,749
Commission, Exchange Earnings & Brokerage	**21(a)**	3,129,731,350	3,304,754,400
Other Operating Income	**22(a)**	498,062,271	557,144,890
		6,220,856,509	5,032,265,039
TOTAL OPERATING INCOME (A)		**6,279,156,562**	**8,496,360,825**
Salary & Allowances	**23(a)**	2,799,268,749	2,841,829,459
Rent, Taxes, Insurance, Electricity etc.	**24(a)**	724,736,263	628,465,097
Legal Expenses	**25(a)**	24,511,379	21,370,289
Postage, Stamp, Telecommunication etc.	**26(a)**	17,991,400	21,047,025
Stationery, Printing, Advertisement etc.	**27(a)**	61,109,019	71,021,439
Managing Director's salary & fees	**28**	16,650,000	10,620,967
Directors' Fee & Other benefits	**29(a)**	8,076,927	6,548,622
Shari'ah Supervisory Committee's Fees & Expenses	**29.2**	328,505	378,229
Audit Fees	**30(a)**	3,668,638	1,590,684
Charges on Investment losses	**31(a)**	-	-
Depreciation and Repair of Bank's Assets	**32(a)**	257,820,905	340,844,357
Zakat Expenses	**32.1**	-	-
Other Expenses	**33(a)**	366,914,214	425,840,653
TOTAL OPERATING EXPENSES (B)		**4,281,075,998**	**4,369,556,821**
Profit / (Loss) Before Provision (C) = (A - B)		**1,998,080,564**	**4,126,804,004**
Provision for investments	34(a)		
Specific Provision for Classified Investments		539,523,299	2,003,863,773
General Provision for Unclassified Investments		-	-
Special General Provision		-	-
Provision for Off-Balance Sheet items		-	-
Provision for diminution in value of investments		14,457,305	59,803,254
Provision for impairment of client margin investment		47,592,913	36,638,195
Other Provision		10,610,000	340,000
Total Provision (D)		**612,183,517**	**2,100,645,222**
Total Profit / (Loss) before Taxes (E)=(C - D)		**1,385,897,047**	**2,026,158,782**
Provision for Taxation		581,284,200	1,197,770,277
Current Tax	**12.1(a)**	589,071,633	1,206,106,098
Deferred Tax	**9.6**	(7,787,433)	(8,335,821)
Net Profit / (Loss) after Taxation :		**804,612,847**	**828,388,505**
Retained earnings brought forward		**29,417,351**	**29,400,487**
Appropriations :			
Statutory Reserve	**14(a)**	276,711,830	395,620,035
General reserve		-	-
Capital Reserve		-	4,437,661
Dividend		-	-
Retained Earnings carried forward		**557,318,368**	**457,731,296**
Attributable to			
Equity Holders' of Bank		99,113,425	32,001,195
Coupon Paybale to Mudaraba perpetual Bond		450,000,000	417,600,000
Provision for Start-up Fund		8,204,944	8,125,833
Non-controlling interest		-	4,268
Consolidatd Earning per Share (EPS):	**36(a)**	**0.72**	**0.74**
(Previous year's figure restated)			
Bank Earning per Share (EPS):		**0.74**	**0.73**
(Previous year's figure restated)			

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Kamruzzaman, FCA
Partner
Enrolment No: 2073
Firm Registration: 11970 E.P.
DVC:2604292073AS515718

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC. & IT'S SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT

for the Year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
A) CASH FLOWS FROM OPERATING ACTIVITIES			
Investment Income receipts in Cash		16,733,849,011	17,479,621,632
Profit payments in Cash		(15,688,796,883)	(11,548,266,770)
Dividend receipts		470,745	49,762,974
Fee and commission receipts in Cash		1,330,371,296	1,252,142,502
Recoveries on Investments previously written off		124,060,882	133,210,464
Cash Payments to employees		(2,815,918,749)	(2,852,450,426)
Cash Payments to suppliers		(61,109,019)	(71,021,439)
Income taxes paid		1,813,922,396	(815,507,630)
Receipts from other operating activities	37 (a)	490,060,833	558,882,295
Payments for other operating activities	38 (a)	(1,341,281,651)	(1,227,221,658)
Cash generated from operating activities before changes in operating assets and liabilities	37	**585,628,863**	**2,959,151,943**
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		72,413,416	(2,354,683,892)
Investment to other banks		-	-
Investment to customers		(5,802,699,457)	(9,733,514,996)
Other assets	39(a)	(3,093,380,573)	(624,981,801)
Deposits from other banks		606,290,996	(1,200,212,797)
Deposits from customers		10,803,730,048	10,023,697,684
Other liabilities account of customers		-	-
Trading liabilities		7,043,149,356	4,592,714,167
Other liabilities	40(a)	2,468,747,436	642,493,795
		12,098,251,224	1,345,512,160
Net cash flows from operating activities (A)	***41(a)***	***12,683,880,087***	***4,304,664,103***
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(72,821,109)	(121,966,744)
Sale of property, plant & equipment		8,211,033	281,656
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		**(64,610,076)**	**(121,685,088)**
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Received from issue of Investment capital and debt security		-	3,500,000,000
Received for redemption of Investment capital and debt security		(990,000,000)	(1,790,000,000)
Receipts from issue of ordinary shares		-	-
Dividends paid		-	(272,156,662)
Net cash flow from financing activities (C)		**(990,000,000)**	**1,437,843,338**
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**11,629,270,010**	**5,620,822,353**
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		1,799,360,054	2,052,611,898
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**40,537,581,380**	**32,864,147,045**
G) CASH AND CASH EQUIVALENTS AT END OF THE QUARTER (D+E+F)		**53,966,211,444**	**40,537,581,296**
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER			
Cash in hand (including foreign currencies)		2,454,250,597	2,660,678,261
Balance with Bangladesh Bank and its agent bank(s)(including foreign currencies)		11,611,084,401	11,884,421,988
Balance with other Banks and financial institutions		11,976,773,946	8,607,124,747
Money at Call and Short Notice		-	-
Govt. Security/Reverse repo (Less: Revaluation Reserve on Investment)		27,924,030,000	17,385,280,000
Prize Bonds		72,500	76,300
		53,966,211,444	**40,537,581,296**
Net Operating Cash Flows (NOCF) per Share	**38(a)**	**11.37**	**3.86**
(Previous year's figure restated)			

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC. & IT'S SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the Year ended 31 December 2025

(Amount in Taka)

Particulars	Paid up Capital	Statutory Reserve	Non Controlling Interest	Revaluation gain/loss on investments	Surplus in Profit and Loss Account / Retained earnings	Total
Balance as on 1-1-2025	11,158,423,080	7,364,646,159	172,058	-	29,417,351	18,552,658,648
Prior years adjustment						
Changes in accounting policy	-	-		-	-	-
Restated Balance	**11,158,423,080**	**7,364,646,159**	**172,058**	**-**	**29,417,351**	**18,552,658,648**
Surplus/Deficit on revaluation of properties	-	-		-	-	-
Adjustment of last year revaluation gain on investments				-		-
Surplus/Deficit on revaluation of investment	-	-		-	-	-
Currency translation difference	-	-		-	(1,631,100)	(1,631,100)
Net gains and losses not recongnised in the income statement	-	-	-	-	-	-
Addition during the period	-	-	-	-		-
Adjustment of last year	-	-	-	-		-
Net profit for the period	-	-		-	804,612,847	804,612,847
Dividends (Cash & Bonus shares)	-	-		-	-	-
Non Controlling Interest			-		-	-
Issue of Right Shares	-	-		-	-	-
Coupon Paybale to Mudaraba perpetual Bond	-	-		-	(450,000,000)	(450,000,000)
Start-up Fund	-	-		-	(8,204,944)	(8,204,944)
CSR Fund	-	-		-	-	-
Capital Reserve					-	-
Appropriation made during the year	-	276,711,830		-	(276,711,830)	-
Balance as on 31.12.2025	**11,158,423,080**	**7,641,357,989**	**172,058**	**-**	**97,482,325**	**18,897,435,452**
Balance as on 31.12.2024	**11,158,423,080**	**7,364,646,159**	**172,058**	**-**	**29,417,351**	**18,552,658,648**

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC.

BALANCE SHEET-SOLO BASIS

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
PROPERTY & ASSETS			
CASH	3	**14,065,334,998**	**14,545,100,249**
Cash in Hand (including foreign currencies)		2,454,250,597	2,660,678,261
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		11,611,084,401	11,884,421,988
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4	**11,284,632,477**	**7,934,700,913**
In Bangladesh		7,583,369,230	4,968,512,095
Outside Bangladesh		3,701,263,247	2,966,188,818
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	5	-	-
INVESTMENTS IN SHARES & SECURITIES	6	**40,650,157,036**	**30,106,442,010**
Government		27,924,102,500	17,385,356,300
Others		12,726,054,536	12,721,085,710
INVESTMENTS	7	**204,776,459,744**	**199,192,705,722**
General investments etc.		198,458,527,276	194,382,559,398
Bills Purchased and Discounted		6,317,932,468	4,810,146,324
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8	3,100,622,778	3,201,815,288
OTHER ASSETS	9	11,578,394,040	13,246,973,660
NON-BANKING ASSETS		-	-
TOTAL ASSETS		**285,455,601,074**	**268,227,737,842**
LIABILITIES & CAPITAL			
LIABILITIES			
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	10	18,076,310,973	11,033,161,617
Mudaraba bond	10.2	10,280,000,000	11,270,000,000
DEPOSITS AND OTHER ACCOUNTS	11	212,645,461,016	201,232,675,328
Al-Wadeeah Deposits & Other Deposits		34,720,606,523	33,873,276,269
Bills Payable		3,972,316,562	2,988,660,121
Mudaraba Savings Deposits		19,333,529,492	18,438,038,101
Mudaraba Short Term Deposits		21,631,025,072	17,695,585,464
Mudaraba Term Deposits		113,224,034,957	115,521,757,932
Mudaraba Deposit Schemes		19,763,948,410	12,715,357,441
OTHER LIABILITES	12	25,555,636,224	26,155,997,448
TOTAL LIABILITIES		**266,557,408,213**	**249,691,834,393**
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	11,158,423,080	11,158,423,080
Statutory Reserve	14	7,641,357,989	7,364,646,159
General Reserve	15	-	-
Revaluation Reserve on Investment	15.1	-	-
Retained earnings	16	98,411,792	12,834,210
TOTAL SHAREHOLDERS' EQUITY		**18,898,192,861**	**18,535,903,449**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**285,455,601,074**	**268,227,737,842**
Net Asset Value (NAV) per share	52	**16.94**	**16.61**
(Previous year's figure restated)			

STANDARD ISLAMI BANK PLC.

BALANCE SHEET-SOLO BASIS

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances and Endorsements	**17.1**	19,538,750,665	23,455,549,474
Letters of Guarantee	**17.2**	22,037,496,934	18,021,913,799
Irrevocable Letters of Credit	**17.3**	31,180,129,583	22,929,933,060
Bills for Collection	**17.4**	7,984,983,458	10,342,088,795
Other Contingent Liabilities	**17.5**	-	-
TOTAL:		**80,741,360,640**	**74,749,485,128**
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 OFF - BALANCE SHEET ITEMS		**80,741,360,640**	**74,749,485,128**

These financial statements should be read in conjunction with annexed notes

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Kamruzzaman, FCA
Partner
Enrolment No: 2073
Firm Registration: 11970 E.P.
DVC:2604292073AS515718

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC.

PROFIT AND LOSS ACCOUNT-SOLO BASIS

for the Year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
Investment Income	**18**	16,962,885,678	16,782,318,909
Less: Profit paid on Deposits & Borrowings etc.	**19**	16,949,300,574	13,411,780,682
Net Profit on Investments		**13,585,104**	**3,370,538,227**
Income from investments in shares & securities	**20**	2,540,515,313	1,132,331,228
Commission, Exchange Earnings & Brokerage	**21**	2,865,213,987	3,023,618,137
Other Operating Income	**22**	475,934,380	545,270,749
		5,881,663,680	4,701,220,114
TOTAL OPERATING INCOME (A)		**5,895,248,784**	**8,071,758,341**
Salary & Allowances	**23**	2,666,202,156	2,721,975,148
Rent, Taxes, Insurance, Electricity etc.	**24**	623,222,886	596,789,233
Legal Expenses	**25**	12,946,035	10,265,907
Postage, Stamp, Telecommunication etc.	**26**	14,421,447	16,968,765
Stationery, Printing, Advertisement etc.	**27**	54,432,612	65,889,406
Managing Director's salary & fees	**28**	16,650,000	10,620,967
Directors' Fee & Other benefits	**29**	6,761,939	5,876,926
Shari'ah Supervisory Committee's Fees & Expenses	**29.2**	328,505	378,229
Audit Fees	**30**	3,018,750	853,000
Charges on Investment losses	**31**	-	-
Depreciation and Repair of Bank's Assets	**32**	253,582,829	291,793,750
Zakat Expenses	**32.1**	-	-
Other Expenses	**33**	309,989,177	318,443,061
TOTAL OPERATING EXPENSES (B)		**3,961,556,336**	**4,039,854,392**
Profit / (Loss) Before Provision (C) = (A - B)		**1,933,692,448**	**4,031,903,949**
Provision for Investments	**34**		
Specific Provision for Classified Investments		539,523,299	2,003,863,773
General Provision for Unclassified Investments		-	-
Special General Provision		-	-
Provision for Off-Balance Sheet items		-	-
Provision for diminution in value of investments		-	49,600,000
Other Provision		10,610,000	340,000
Total Provision (D)		**550,133,299**	**2,053,803,773**
Total Profit / (Loss) before Taxes (E)=(C - D)		**1,383,559,150**	**1,978,100,176**
Provision for Taxation		**563,064,794**	**1,165,516,909**
Current Tax	**12.1**	570,852,227	1,173,852,730
Deferred Tax	**9.6**	(7,787,433)	(8,335,821)
Net Profit / (Loss) after Taxation :		**820,494,356**	**812,583,267**
Retained earnings brought forward		12,828,315	21,590,916
Appropriations :			
Statutory Reserve		276,711,830	395,620,035
General reserve		-	-
Coupon Paybale to Mudaraba perpetual Bond		450,000,000	417,600,000
Provision for Start-up Fund		8,204,944	8,125,833
Provision for CSR Fund			
Dividend		-	-
Retained Earnings carried forward		**98,405,897**	**12,828,315**
Earning Per Share (EPS):	**36**	**0.74**	**0.73**
(Previous year's figure restated)			

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC.

CASH FLOW STATEMENT

for the Year ended 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
A) CASH FLOW FROM OPERATING ACTIVITIES			
Investment Income receipts in Cash		16,636,586,486	17,305,531,827
Profit payments in Cash		(16,679,185,431)	(12,308,606,605)
Dividend receipts		470,745	49,762,974
Fee and commission receipts in Cash		1,065,853,933	971,006,239
Recoveries on Investment previously written off		124,060,882	133,210,464
Cash Payments to employees		(2,682,852,156)	(2,732,596,115)
Cash Payments to suppliers		(54,432,612)	(65,889,406)
Income taxes paid		1,819,559,169	872,902,507
Receipts from other operating activities	37	467,932,943	547,008,154
Payments for other operating activities	38	(1,156,793,456)	(1,018,782,919)
Cash generated from operating activities before changes in operating assets and liabilities	**37**	**(458,799,497)**	**3,753,547,120**
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		(4,968,826)	(2,369,649,459)
Investment to other banks		-	-
Investments to customers		(5,583,754,022)	(8,896,170,783)
Other assets	39	(1,867,369,820)	(383,397,893)
Deposits from other banks		606,290,996	(1,200,212,797)
Deposits from customers		10,537,986,690	8,901,236,252
Other liabilities account of customers		-	-
Trading liabilities		7,043,149,356	4,592,714,167
Other liabilities	40	2,391,627,659	(246,173,000)
		13,122,962,033	**398,346,487**
Net cash flow from operating activities (A)		**12,664,162,536**	**4,151,893,607**
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(72,821,109)	(121,966,744)
Sale of property, plant & equipment		8,211,033	281,656
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		**(64,610,076)**	**(121,685,088)**
C) CASH FLOW FROM FINANCING ACTIVITIES			
Received from issue of Investment capital and debt security		-	3,500,000,000
Payments for redemption of Investment capital and debt security		(990,000,000)	(1,790,000,000)
Receipts from issue of ordinary shares		-	-
Dividends paid		-	(272,156,662)
Net Cash flow from financing activities (C)		**(990,000,000)**	**1,437,843,339**
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		**11,609,552,459**	**5,468,051,857**
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		1,799,360,054	2,052,611,898
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		39,865,157,462	32,344,493,707
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		**53,274,069,975**	**39,865,157,462**
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		2,454,250,597	2,660,678,261
Balance with Bangladesh Bank and its agent bank(s)(including foreign currencies)		11,611,084,401	11,884,421,988
Balance with other Banks and financial institutions		11,284,632,477	7,934,700,913
Money at Call and Short Notice		-	-
Govt. Security/Reverse repo (Less:Revaluation Reserve on Investment)		27,924,030,000	17,385,280,000
Prize Bonds		72,500	76,300
		53,274,069,975	**39,865,157,462**
Net Operating Cash Flows (NOCF) per Share	**38**	**11.35**	**3.72**

(Previous year's figure restated)

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the Year ended 31 December 2025

(Amount in Taka)

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Revaluation gain/loss on investments	Surplus in Profit and Loss Account/ Retained earnings	Total
Balance as on 1-1-2025	11,158,423,080	7,364,646,159	-	-	12,834,210	18,535,903,449
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	**11,158,423,080**	**7,364,646,159**	**-**	**-**	**12,834,210**	**18,535,903,449**
Surplus/Deficit on revaluation of properties	-	-	-	-	-	
Adjustment of last year revaluation gain on investments			-	-		-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	-
Currency translation difference	-	-	-	-	-	-
Net gains and losses not recongnised in the income statement			-			-
	-	-	-	-	-	-
Adjustment of last year	-	-		-		-
Net profit for the period	-	-		-	820,494,356	820,494,356
Dividends from SBL Capital Management Ltd.					-	-
Dividends from SBL Securities Ltd.					-	-
Dividends (Cash & Bonus shares)	-			-	-	-
Issue of Right Shares	-	-		-	-	-
Coupon Paybale to Mudaraba perpetual Bond					(450,000,000)	(450,000,000)
Start-up Fund	-	-	-	-	(8,204,944)	(8,204,944)
CSR Fund	-	-	-	-	-	-
Appropriation made during the year	-	276,711,830		-	(276,711,830)	-
Balance as on 31.12.2025	**11,158,423,080**	**7,641,357,989**	**-**	**-**	**98,411,792**	**18,898,192,861**
Balance as on 31.12.2024	**11,158,423,080**	**7,364,646,159**	**-**	**-**	**12,834,210**	**18,535,903,449**

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC.

LIQUIDITY STATEMENT

(Asset and Liability Maturity Analysis)
for the Year ended 31 December 2025

Particulars	Upto 01 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
Assets:						
Cash in hand	2,454,250,597	-	-		-	**TK 2,454,250,597**
Balance with Bangladesh Bank	986,715,000	-	-	-	10,624,369,401	**TK 11,611,084,401**
Balance with other banks and financial institutions	11,284,632,477	-	-		-	**TK 11,284,632,477**
Placement With Banks & Financial Institutions	-					**-**
Investments In Shares & Securities	151,768,945	-	-	-	40,498,388,091	**TK 40,650,157,036**
Investments	20,128,975,568	22,383,093,680	73,152,531,317	68,152,199,002	20,959,660,177	**TK 204,776,459,744**
Fixed Assets Including Premises, Furniture & Fixtures					3,100,622,778	**TK 3,100,622,778**
Other assets	99,380,272	1,760,426,655	4,271,557,938	5,447,029,175	-	**TK 11,578,394,040**
Non-banking assets	-	-	-	-	-	**-**
Total Assets	**35,105,722,859**	**24,143,520,335**	**77,424,089,255**	**73,599,228,177**	**75,183,040,447**	**285,455,601,074**
Liabilities:						
Placement From Banks & Financial Institutions	18,345,832,640	-	690,000,000	3,120,478,333	6,200,000,000	**28,356,310,973**
Deposits And Other Accounts	9,815,179,692	22,604,114,689	70,498,095,312	62,790,354,523	46,937,716,800	**212,645,461,016**
Other Accounts	-	-	-	-	-	**-**
Provision and other liabilities	61,234,844	141,582,649	975,045,304	3,263,932,886	21,113,840,541	**25,555,636,224**
Total Liabilities	**28,222,247,176**	**22,745,697,338**	**72,163,140,616**	**69,174,765,742**	**74,251,557,341**	**266,557,408,213**
Net Liquidity Gap	**6,883,475,683**	**1,397,822,997**	**5,260,948,639**	**4,424,462,435**	**931,483,106**	**18,898,192,861**

These financial statements should be read in conjunction with annexed notes

Managing Director(Acting) | Director | Director | Chairman

Subject to our separate report of even date

Dated, Dhaka
April 29, 2026

STANDARD ISLAMI BANK PLC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1. LEGAL STATUS AND NATURE OF THE COMPANY

Standard Islami Bank PLC. is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated in Bangladesh as a Public Limited Company with limited liability under the Companies Act, 1994 on 11th May, 1999 and commenced commercial operation on 3rd June, 1999. The Bank went for the public issue of shares in 2003 and its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. The registered address of the bank is Metropolitan Chamber Building (3rd Floor), 122-124 Motijheel C/A, Dhaka. The Bank has 138 Branches, 03 (Three) Zonal offices, 123 ATMs and 11Agent outlets all over the country.

Now the bank is operating as full fledged Islamic Shari'ah Based Banking from 1st January,2021

Main Activities and nature of operation
The principal activities of the Bank encompass a wide range of services including accepting deposits, lending to retail, Small Money Enterprise (SME) and corporate customers, trade financing, lease financing, project financing, discounting bills, conducting money transfer and foreign exchange transactions and performing other related services such as safe keeping, collections, issuing guarantees, acceptances and letters of credit dealing in government securities etc complying with Shari'ah principles. There have been significant changes in the nature of the principal activities of the Bank and a biggest business transformation has been taken place as on 1st January 2021 in the history of global business arena. We have migrated our bank from conventional banking to Islamic banking. As a fully operational Shari'ah based commercial bank, we focuses on pursuing unexplored market niches in the Small and Medium Enterprises (SME) business, Corporate Business, RMG & Knitware Sector which hitherto has remained largely untapped within the country. With the view to reaching clients, the Bank has established a wide network of branches, zonal offices and agent banking outlets.

a) Off-Shore Banking Unit (OBU) :
The Bank obtained Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)744(110)/2010-839 dated March 11, 2010 and commenced operation on March 23, 2015. The Off-shore Banking Unit is governed under the rules and guidelines of Bangladesh Bank. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank.

b) Mobile Financial Services 'Spot Cash' & Digi banking:
With the view to bring the unbanked people to the banking facilities SBL started Mobile Banking Services under the title of 'Spot Cash' in 2014. The bank obtained the license from Bangladesh Bank for mobile banking business vide letter no. PSD/37(Q)/2013-1035 dated 3rd September, 2013.
SBL DigiBaning is an app based solution which connects customers to bank's core banking system securely so that customer can carry out the transaction 24/7 from anywhere.This documents clearly describes the day-to-day operational process of SBPLC DigiBanking System.

c) Agent Banking:
Stantard Islami Bank PLC. obtained permission from Bangladesh Bank to commence Agent Banking services. we have 26 Agent Banking Outlets up to reporting period of 31.12.2025 across the country. Services that are currently being dispensed include account opening (savings), cash deposit and withdrawal (agent banking A/C), cash deposits in branch A/C, SME Investments repayment collection, nternet and SMS banking, corporate bill/distributor fee collection etc.

1.1 SUBSIDIARY COMPANIES

1.1(a) SBL Capital Management Ltd. (SCML):
The Bank obtained permission to embark upon Merchant banking from the Bangladesh Securities and Exchange Commission(BSEC) vide its certificate no. SEC/Reg/MB/SUB/13/2010/529 dated January 05, 2011 Under the Securities and Exchange Commission Act,1993. The main objectives of the Company are to carry out the business of full fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc. The audited financial statements is enclosed.

1.1(b) Standard Exchange Company (UK) Limited :
Bangladesh Bank vide their letter No.BRPD(M) 204/15/2009-18 Dated 15th February 2009 has accorded approval to the bank for opening a fully owned subsidiary company in the name and style of Standard Exchange Company (UK) Limited. The company was incorporated 19th March, 2009 under the Companies Act 2006 of UK with the registration number 06851946 as private company limited by shares. The registered office is located at 101 whitechapel Road , London. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.The audited financial statements is enclosed.

1.1(c) Standard Co (USA) Inc.DBA : Standard Express:

"Bangladesh Bank vide their letter No. BRPD(M) 204/15/2009-116 Dated 27th October ,2009 has accorded approval to the bank for opening a fully owned subsidiary company in the name and style of Standard Co (USA) Inc.DBA : Standard Express, in short we presented ""Standard Express (USA) Ltd."". The company was incorporated on 1st February, 2010 with the registration number 27-2118554 as private company limited by shares. The registered office is located at 37-22 73rd street #2B Jackson heights, New York. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses. The audited financial statements is enclosed. "

1.1(d) Standard Bank Securities Limited

Standard Bank Securities Limited was incorporated on November 22,2012 as a public limited company under the Companies Act ,1994 vide certificate of incorporation no. C-105725/12. Standard Bank Securities Limited become member of Dhaka Stock Exchange Limited for brokerage transaction. Standard Bank Securities Limited commenced its operation from 21 June, 2013. The main objectives of the company is to carry on the business of stock broker /stock dealer and other related business in connection with the dealing of listed securities . Other obectives of the company are to buy,sell, hold or otherwise acquire or invest the capital of the company in shares,stocks and fixed income securities etc.The audited financial statements is enclosed.

1.1(e) Summary of shareholding in subsidiaries:

Name of Subsidiaries	Face Value per Share	Total Number of Ordinary Share		No. of Ordinary Shares held by SBL		SBL's Percentage of Shareholding	
		2,025	2,024	2,025	2,024	2025	2024
SCML	Tk 100	15,000,000	15,000,000	14,999,400	14,999,400	100%	100%
SBSL	Tk 100	8,000,000	8,000,000	7,999,400	7,999,400	99.99%	99.99%
UK Exchange	Tk 100	41,548,050	41,548,050	41,548,050	41,548,050	100%	100%
USA Exchange	Tk 100	169,725,000	169,725,000	169,725,000	169,725,000	100%	100%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

"The Bank and its subsidiaries operate in strict compliance with the principles of Islamic Shari'ah. The consolidated and separate financial statements have been prepared in accordance with the Islamic banking guidelines issued by Bangladesh Bank through BRPD Circular No. 15 dated 9 November 2009. These financial statements also comply with the requirements of the First Schedule (Section 38) of the Bank Companies Act, 1991 (as amended up to 2018), International Financial Reporting Standards (IFRSs), and other applicable laws and regulations. These include the Bank Companies Act, 1991 (as amended up to 2018), rules and regulations issued by Bangladesh Bank, the Companies Act, 1994, Bangladesh Securities and Exchange Rules, 1987, Bangladesh Securities and Exchange Ordinance, 1969, Bangladesh Securities and Exchange Act, 1993, Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 (including subsequent amendments), the Income Tax Act, 2023, the Value Added Tax Act, 2012, the Value Added Tax Rules, 2016 (as amended), and the Financial Reporting Act, 2015. In cases where the requirements of the Bank Companies Act, 1991 (as amended), and the provisions and circulars issued by Bangladesh Bank differ from those of IFRSs, the requirements of the Bank Companies Act and the relevant Bangladesh Bank regulations shall prevail."

i) Basis of Preparation for Financial Statements

IFRSs: As per IAS 1 Financial Statements shall comprise statement of financial position, comprehensive income statement, 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 Bank Companies Act, 1991 (amendment upto 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.

Bank's Methodology: The Financial statements of the Bank are made upto 31st December 2025 and are prepared under the historical cost convention and in accordance with the "First Schedule (Sec-38) of the Bank Companies Act, 1991, BRPD Circular # 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Accounting Standards and International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh, Companies Act, 1994, the Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange Listing Regulations and other laws and rules applicable in Bangladesh . In case of the requirement of Bangladesh Bank differs with those of IAS/IFRS ,the requirement of Bangladesh Bank have been applied" .

ii) Investments 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 recognised at cost.

iii) **Revaluation gains/losses on Government securities**

IFRS: As per requirement of IFRS 9 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and Profit income is recognised through the profit and loss account.

As per requirements of IFRS 9, bills can be categorised either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognised in the profit and loss account or other reserves as a part of equity, respectively."

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Profit on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iv) **Provision on Investments & off Balance Sheet items:**

IFRS: As per IFRS 9: Financial Instruments, an entity shall recognise an impairment allowance on Investments based on expected credit losses. At each reporting date, an entity shall measure impairment allowance for Investments at an amount equal to the lifetime expected credit losses, if the credit risk on these Investments has increased significantly since initial recognition, whether assessed on an individual or collective basis, considering all reasonable information (including that which is forward-looking). For those Investments for which credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12-month expected credit losses that may result from default events on such Investments that are possible within 12 months after the reporting date.

Bangladesh Bank: As per BRPD Circular No. 7 dated 21.06.2018,BRPD Circular No. 15 dated 09.11.2009, BRPD Circular No. 19 dated 27.12.2012,BRPD Circular no. 03,Dated 21 April,2019, 14 dated 23 September 2012, and BRPD Circular no. 16 dated 18 November 2014, a general provision @ 0.25% to 5% under different categories of unclassified Investmentss (Standard/SMA Investmentss) should be maintained regardless of objective evidence of impairment. And specific provision for sub-standard/ doubtful/bad-loss Investmentss should be made at 20%, 50% and 100% respectively on Investmentss net off eligible securities (if any). Also, a general provision @ 1% should be provided for certain off-balance sheet exposures except bills for collections. Such provision policies are not specifically in line with those prescribed by IFRS 9.

v) **Recognition of Profit in suspense**

IFRS: Investments to customers are generally classified as 'Investmentss and receivables' as per IFRS 9 and Profit income is recognised through effective Profit rate method over the term of the Investments. Once a Investments is impaired, Profit income is recognised 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 a Investments is classified (other than bad loss), Profit on such Investmentss are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an Profit in suspense account, which is presented as liability in the balance sheet.

vi) **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, elements of OCI, if any, are shown in the statements of changes in equity.

vii) **Financial instruments - presentation and disclosure**

In several cases Bangladesh Bank guidelines categories, recognise, 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.

viii) **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 recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortised 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 14 dated 25 June,2003,& BRPD 15 dated 9 November ,2009 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

ix) **Repo transactions**

IFRS: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a collateralized borrowing and the underlying asset continues to be recognized in the financial statements. This transaction will be treated as borrowing and the difference between selling price and repurchase price will be treated as Profit expense.

Bangladesh Bank: As per BB circulars/guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial assets should be derecognized in the sellers book and recognized in the buyer's book.

x) **Cash and cash equivalent**

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

xi) Non-banking asset

IFRS: No indication of Non-banking asset is found in any IFRS.
Bangladesh Bank: As per BRPD 14, dated 25 June ,2003, BRPD 15 dated 9 November ,2009 & BRPD Circular No. 22 dated 20.09.2021 there must exist a face item named Non-banking asset.

xii) 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, & BRPD 15 dated 9 November ,2009 cash flow is the combination of direct and indirect methods.

Bank's Methodology: Cash Flow Statement is prepared in accordance with IAS-7 "Cash Flow Statement" under direct method and indirect method as recommended in BRPD circular no. 14 dated 25 June ,2003 & BRPD 15 dated 9 November ,2009 issued by Bangladesh Bank.

xiii) 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.
Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.
Bangladesh Bank: As per BRPD 14, dated 25 June ,2003, BRPD 15 dated 9 November ,2009 & BRPD circular No.6 dated 25 April, 2023 off balance sheet items (e.g. Letter of credit, Letter of guarantee etc) must be disclosed separately on the face of the balance sheet.

Bank's Methodology:
Off-Balance Sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank's guidelines.As per BRPD Circular No. 6 dated 25 April 2023, a general provision is required to be maintained against off-balance sheet exposures. The Bank has duly complied with this requirement, and the general provision has been properly calculated for the following off-balance sheet items:

a. Acceptance and endorsements
b. Irrevocable letter of credit
c. Letter of guarantee

xv) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.
Bangladesh Bank: There is no regulation for intangible assets in BRPD 14 dated 25 June ,2003 & BRPD 15 dated 9 November , 2009 hence,it is shown in fixed assets.

xvi) Investments net of provision

IFRS: Investments should be presented net of provision.
Bangladesh Bank: As per BRPD 14, dated 25 June ,2003 & BRPD 15 dated 9 November ,2009 provision on Investments are presented separately as liability and can not be netted off against Investments.
Bank's Methodology: Investments have been shown at gross amounts without Markup profit at 31 December 2025.

xvii) 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 14, dated 25 June 2003,& BRPD 15 dated 9 November ,2009 an appropriation of profit should be disclosed on the face of Profit & Loss Account.

xviii) Provision on undrawn Investments commitments:

IFRS: As per IFRS 9 bank shall recognise credit losses on undrawn Investments commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc. as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.
Bangladesh Bank: As per BRPD Circular no. 07 dated 21 June 2018 and BRPD Circular no.14 dated 23 September 2012, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn Investments commitments).

xix) Name of the financial statements:

IFRS: As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes, comprising significant accounting policies and other explanatory information.

Bangladesh Bank: The forms of financial statements and directives for preparation thereof of the bank companies in Bangladesh are guided by BRPD Circular no. 14, dated 25 June 2003 & BRPD 15 dated 9 November ,2009 and subsequent amendments thereof from time to time. BRPD circular no. 14 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account. [Also refer to (note 2.19) Compliance of International Financial Reporting Standards (IFRS)]

2.2 Basis of Consolidation :

The consolidated financial statements include the financial statements of Standard Islami Bank PLC, Islamic Banking Window, Offshore Banking Units (OBU) and its subsidiaries SBL Capital Management Ltd., Standard Islami Bank PLC. Securities Ltd., Standard Exchange Company (UK) Ltd. and Standard Co (USA) Inc.DBA : Standard Express made up to the end of the financial year. A Banking software system "Stelar" consolidated all transactions of branches as well as head office and produces consolidated Balance Sheet and Profit & Loss Account . These consolidated records are maintained at the Head office of the Bank based on which these financial statements have been prepared.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard 10: consolidated financial statements & IAS 27 Separate Financial Statements. The consolidated financial statements have been prepared to a common reporting period ending in 31 December,2025.

Subsidiaries:

Subsidiaries are that enterprise which are controlled by the Bank. Control exists when the Bank has the power,directly or indirectly , to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. 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. Subsidiary Companies are consolidated using the cost method of accounting.

Transactions eliminated on Consolidation:

All intra-Company balances & transactions, and any unrealised income & expenses (Except for foreign currency translation gain/ losses) arising from intra-company transactions are eliminated in preparing consolidated financial statement. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment. The investments in shares of subsidiaries held by the bank in the separate Financial Statements are eliminated against the corresponding shares capital of subsidiaries in the consolidated financial statements.

2.3 Statement of Cash flows

Statement of cash flows is prepared by using the 'Direct Method' in accordance with IAS 7 "Statement of Cash Flows" and under the guidance of Bangladesh Bank BRPD Circular No. 14 dated 25.06.2003 & BRPD Circular No. 15 dated 09.11.2009 whereby gross cash receipts and gross cash payments on Operating Activities, Investing Activities and Financing Activities have been recognized. Cash and Cash Equivalents comprise short term, highly liquid investments that are readily convertible and are subject to an insignificant risk to changes in value.

2.4 Reporting Period

These financial statements cover one calendar year from January 01 to December 31, 2025.

2.5 Statement of Changes in Equity

Statement of changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and under the guidance of Bangladesh Bank BRPD Circular No. 14 dated 25.06.2003 & BRPD Circular No. 15 dated 09.11.2009

2.6 Statement of Liquidity

Liquidity Statement has been prepared based on the residual/remaining maturity of assets and liabilities as on 31December 2024 as per the guidelines for islamic banking issued by Bangladesh Bank through BRPD Circular No.15 dated 09.11.2009 and BRPD Circular No.14 dated 25.06.2003 as follows:

a. Balance with other banks and financial institutions ,money at call etc are on the basis of their maturity term.
b. Investments are on the basis of their residual maturity.
c. Investments are on the basis of their repayment/maturity schedule.
d. Fixed assets are on the basis of their useful lives.
e. Other assets are on the basis of their realization /amortization.
f. Borrowing from other banks , financial institutions and agents as per their maturity /repayment terms.
g. Deposits and others accounts are on the basis of their maturity term and behavioral past trend.
h. Others Investments term liabilities are on the basis of their maturity term .
i. Provisions and other liabilities are on the basis of their settlement .

2.7 Significant Judgement and Estimates

The preparation of Financial Statements in conformity with Accounting Standards and Statutory requirement which requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity or major areas where assumptions and estimates are significant to the Financial Statements are described in the following:

1. Income Taxes
2. Deferred Taxation
3. Depreciation
4. Provisions for investment & other Assets

2.8 Going Concern

The accompanying financial statements have been prepared on a going concern basis,which contemplates the realization of assets and the satisfaction of liabilities in the normal course of busines. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The rating outlook of the bank, as reported by all the rating agencies is 'Stable'. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

2.9 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT), which is the bank's functional currency. The functional currency of the Bank Off-shore Banking Unit (OBU) and our two subsidiaries, namely USA & UK exchange Limited, is in United States Dollar (USD) and Great Britain Pound (GBP), respectively. Financial statements of the abovementioned unit and subsidiary have been translated into the presentation currency, i.e. Bangladeshi Taka (BDT), following the guidelines of IAS 21: The Effect of Changes in Foreign Exchange Rates. The functional and presentation currency of other subsidiaries is in Bangladeshi Taka (BDT). Except as indicated, figures have been rounded-off to the nearest Taka.

2.10 FOREIGN CURRENCY TRANSACTION

a) Foreign Currencies Transaction

i) Transaction in foreign currencies are converted into taka at the foreign exchange rates ruling on the transaction date.
ii) Monetary assets and liabilities in foreign currency are expressed in taka terms at the rates of exchange ruling on the balance sheet date.
iii) Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

b) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in taka terms at the rates of exchange ruling on the balance sheet date.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign branches, subsidiaries and associates.

2.11 Investmentss write-off

Investmentss are normally written off, when there is no realistic prospect of recovery of these amounts and in accordance with BRPD Circular No.1 (6th February, 2019). A separate Investment Recovery Division (CRD) has been set up at the Banks Head Office which monitors Investmentss written off and legal action taken through the Arth Rin Adalat. These write -offs do not undermine or affect the amount claimed against the borrower by the bank.
The IRD maintains a separate ledger for all individual cases written off by each branch. The IRD follow up on the recovery efforts of these written off Investmentss and reports to management on periodic basis. Written off Investments are reported to the Credit Information Bureau (CIB) of Bangladesh Bank.

2.12 Earning Per Share

The company calculates Earning Per Share (EPS) in accordance with International Accounting Standards (IAS)-33"Earning Per Share" which has been shown on the face of profit and loss account. This has been calculated by dividing the Basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.13 Retirement benefits to the employees

Provident Fund

Provident Fund benefits are given to the employees of the bank in accordance with the locally registered Provident Fund Rules. Separate Board of Trustee of the Bank operates it.

Gratuity

The Bank operates an Employees Gratuity Fund Trust by a Board of Trustees consisting of seven members. All confirmed employees who have been in the service of the Bank should eligible to have the benefit under the gratuity schemes. The Gratuity trust rule got recognised from the National Board of Revenue(NBR). The bank has started making provision against gratuity from the year 2006. Provision for the year ended 31 December 2025 for the scheme has been made and the entire amount of the gratuity fund are transferred to a savings account under the control of the Board of trustee. The balance of the gratuity fund for the year ended 31 December 2025 is Tk. 2,49,07,06,101.

Welfare Fund

Standard Islami Bank PLC. Employees' Welfare Fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund from time to time. The fund is established to cover the accidental coverage in the event of death or permanent disabilities, retirement benefit and stipend to the employees' children.

Workers Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with The Bank Company Act. 1991, no provision has been made for WPPF.

2.14 SBL Foundation

The Bank, as part of corporate social responsibility , has established SBL Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the bank on requirement basis. The fund is governed and administered by the Board of Trustees consisting of seven members.

2.15 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities except otherwise instructed by the Central Bank as prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

Accounting policies of subsidiaries

The financial statements of subsidiaries which are included in the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events in similar nature. The financial statements of subsidiaries have been prepared using the year ended 31 December 2025 which is also same for the Bank. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay Investments.

A ASSETS AND BASIS OF THEIR VALUATION

i) Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand and at ATM, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice and prize bond which are not ordinarily susceptible to change in value.

ii) Investments

All investments (other than government treasury securities) are initially recognized at cost, including acquisition charges associated with the investment. Accounting treatment of government treasury securities (categorized as HFTorHTM) is made following Bangladesh Bank DOS Circular no. 05 dated 26 May, 2008 , BRPD 15 dated 9 November ,2009and subsequent clarifications on 28 January, 2009.

Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as "Held to Maturity". These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Premiums are amortized and discount are accredited, using the effective or historical yield method. Any increase or decrease in value of such investments is booked to equity.

Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked to market weekly and any decrease in the present value is recognized in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account as per Bangladesh Bank DOS Circular no. 05 dated 28 January, 2009.

Investment in Subsidiaries

Investment in subsidiaries are accounted for under the cost method of accounting in the Bank's financial statements in accordance with IAS 27 "Separate Financial Statements and IFRS 10 Consolidated Financial Statements" and IFRS 3 "Business Combination". Impairment of investment in subsidiaries is made as per the provision of IAS 36 "Impairment of Assets".

iii) Investments and provisions

Investments are stated in the balance sheet net off unearned income (Markup profit & profit receivable). Specific provisions were made to adjust all impaired Investments with their expected realizable value as per instructions contained in Bangladesh BRPD Circular No.15 of 27 November, 2024 and BRPD Circular No.29 of 21 December, 2025 respectively at the following rates:

Rate of provision:

Particulars		Short term Agri	Consumer Finance				(M) Under CMSME	(CMS) Under CMSME	Investment to BHs/ MBs/ SDs	All Other Credit
			Other Then HF,LP	HF	LP	Credit Card				
STD-0-STD2	Standard	0.50%	1%	1%	1%	1%	1%	0.50%	1%	1%
SMA	SMA	0.50%	5%	5%	5%	5%	5%	0.50%	5%	5%
Classified	SS	20%	20%	20%	20%	20%	20%	20%	20%	20%
	DF	50%	50%	50%	50%	50%	50%	50%	50%	50%
	BL	100%	100%	100%	100%	100%	100%	100%	100%	100%

iv) Fixed Assets Including Premises,Furniture & Fixtures and Right Of Use Assets.

Recognition and measurement

Application of Lease as per IFRS 16 along with its relevant assumptions and disclosures:

IFRS 16: Standard Islami Bank PLC. applied IFRS 16 from 1 January 2020 where the bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate @ 5% at the date of initial application, and recognized a right-of-use asset at the date of the initial application on a lease by leasebasis.

Right-of-use assets:

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measuredat cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assetsare depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under property, plantand equipment.

Lease liabilities:
At the commencement date of the lease, the bank recognizes lease liabilities measured at the present value of leasepayments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liabilityis measured by increasing the carrying amount to reflect Profit on the lease liability, reducing the carrying amount toreflect the lease payments, and re-measuring the carrying amount to reflect any reassessment or lease modifications.Profit on the lease liability in each period during the lease term shall be the amount that produces aconstant periodicrate of Profit on the remaining balance of the lease liability.

Exemption from Lease as per IFRS 16:
As per IFRS 16 there are some exemptions from application of lease for:-

Short-term leases
A lease will be classified as 'short-term' if it covers a period of 12 months or less at its commencement date. Importantly, a lease cannot qualify as short-term if it contains a purchase option, or if it includes any optional extension periods, unless it is reasonably certain that the lessee will notexercise an option to extend the lease, resulting in the lease period being longer than 12 months.

Low asset-value leases
'Another area of exemption to IFRS 16, which will impact lessees, is that of optional accounting simplifications for lower-value assets. In these cases, the value will be assessed according to the value of the underlying stand-alone asset as if it was new, irrespective of the asset's actual age. The IASB has stated that it considers low-value assets to be those with a value of around US$ 5 000 or less, when new. Leases of assets such as office furniture, laptops and servers would typically qualify for this exemption.
The Standard Islami Bank PLC. has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and shorttermleases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognizes leasepayments associated with these leases as an expense.In case of low value of lease assets,the bank has set a materiality threshold of 'BDT 10 million and above' which is 0.058 % of total shareholders' equity capital of the bank as of 31-12-2022.The reason behind considering the materiality threshold of BDT 10 million and above is that the bank operates many ATM booths and branches with short and single contracts.

Items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost/revaluation.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognized in other income/other expenses in profit or loss.

Subsequent costs
The cost of replacing a component 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 Group 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.

Depreciation
Depreciation is charged at the rates stated below on all fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Bank. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Name of the Assets	Rate of Depreciation	Method of charging depreciation/ amortization
Land	Nil	Not applicable
Building	2.50%	Straight Line Method
Furniture & Fixtures	10.00%	Straight Line Method
Office Appliances	20.00%	Straight Line Method
Computer	20.00%	Straight Line Method
Software	20.00%	Straight Line Method
Vehicles	20.00%	Straight Line Method
Right of Use Asset		Over Lease period

The contacts for premises with all branches, head office, regional offices, data centers and disaster recovery centers are considered for lease calculation.

v) Intangible Assets

a) An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will follow to the entity and the cost of the assets can be measured reliably.

b) Software represent the value of computer application software licensed for use of the bank, other then software applied to the operation software system of computers. Intangible assets are carried at its cost,less accumulated amortization and any impairment losses.

c) Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are in customizing the software for its intended use.

d) Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such cost is recognized as capital improvement and added to the original cost of software.

e) Software is amortized using the straight line method over the estimated useful life of 5(five) years commencing form the date of the application. Software is available for use over the best estimate of its useful economic life.

vi) Impairment of Assets

The carrying amounts of banks assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. Any impairment loss is recognized in the profit and loss account if the carrying amount of an asset exceeds its recoverable amount [IAS 36 Impairment of Assets]. No such impairment loss has been arisen and recognized during the year ended 31 December 2025.

vii) Other assets

Other assets include investment in subsidiaries, Membership of DSE & CSE, advance for operating and capital expenditure, stocks of stationery and stamps, security deposits to government agencies etc. As per BRPD Circular No. 14 dated 25 June 2003& 15dated 9 November,2009 Income & Non-income-generating other assets item(s) have been shown separately in the relevant notes to the financial statements.

viii) Contingent asset

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events .Contingent asset is not recognized rather disclosed in the financial statements.

B LIABILITIES & PROVISION

i) Placement from other banks, financial institutions and agents

Placement from other banks, financial institutions and agents include Profit bearing placement which are stated in the financial statements at principal amount of the outstanding balance. Profit payables on such Placement are reported under other liabilities.

ii) Deposits and other accounts

Deposits and other accounts include non-Profit bearing current deposits redeemable at call, Profit bearing short term deposits, savings deposits and fixed deposits which are initially measured at the consideration received. These items are subsequently measured and accounted for at the gross value of the outstanding balance in accordance with the contractual agreements with the counter parties.

iii) Other liabilities

Other liabilities comprise items such as provision for Investments, provision for taxes, Profit payable on borrowing, Profit suspense and accrued expenses etc. Individual item-wise liabilities are recognized as per the guidelines of Bangladesh Bank and Bangladesh Financial Reporting Standards (IFRS).

iv) Dividend payments

Interim dividend is recognized when it is paid to shareholders. Final dividend is recognized when it is approved by the shareholders in 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 payment is established.

v) 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. 04 dated 29 January 2015, BRPD Circular no. 08 dated 02 August 2015, BRPD Circular No.12, dated 20 August, 2017, BRPD Circular No. 12 dated 20 August, 2017, BRPD Circular No. 01 dated 20 February, 2018, BRPD Circular no. 03 dated 21 April 2019, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no.51& 53 dated 30 December 2021, BRPD Circular no. 14 dated 22 June 2022, BRPD Circular no. 51 dated 18 December 2022, BRPD Circular no. 53 dated 22 December 2022 and BRPD Circular no. 03 dated 02 February 2023.

vi) Provision for investment in capital market

For recognition of loss suffered from investment in capital market, provision has been made on unrealized loss (gain net off) according to DOS Circular No. 04 dated 24 November ,2011 on portfolio basis.

vii) Provision for off-balance sheet exposures

In compliance with Bangladesh Bank guidelines, contingent liabilities have been disclosed under off-balance sheet items. As per BRPD Circular No. 6 dated 25 April 2023, a general provision is required to be maintained against off-balance sheet exposures.

viii) Provision for other assets

Provision for other assets is made as per the guidelines mentioned in the BRPD Circular No. 04 dated 12 April,2022.

ix) Provision for liabilities and accrued expenses

In compliance with IAS 37, provisions for other liabilities and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

x) Provision for Taxation

The company is a publicly traded company as per the Income Tax Act 2023. Provision for Current Income Tax has been made at the existing rate of 37.50% as prescribed in Finance Act 2025 of the accounting profit made by the Bank after considering some of the Taxable add backs of income and disallowances of expenditures.

xi) Deferred Taxation

Deferred Tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. Deferred tax assets are the amount of income taxes recoverable in the future periods in respect of deductible temporary differences. Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary difference. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The bank has recognized deferred tax accounting policy as per International Accounting Standard (IAS)-12.

xii) Contingent Liabilities

Contingent liabilities which include certain guarantees and letters of credit pledged as collateral are possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank. Contingent liabilities are not recognized in the financial statements as per IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. However, disclosure on contingent have been made on the face of balance sheet under 'Off-balance Sheet Items' as per guidelines of BRPD Circular No. 6 dated 25 April 2023.

C SHARE CAPITAL AND RESERVES

i) Authorized and issued capital

The authorized capital of the bank is the maximum amount of share capital that the bank is authorized by its Memorandum and Articles of Association to issue (allocate) among shareholders. Part of the authorized capital can (and frequently does) remain unissued. This number can be changed by shareholders' approval upon fulfill lament of related provisions of Companies Act, 1994. The part of the authorized capital which has been issued to shareholders is referred to as the issued share capital of the bank.

ii) Paid-up capital

The paid-up capital represents the amount of bank's capital that has been contributed by ordinary shareholders. The holders of ordinary shares are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

iii) Asset revaluation reserve

When an assets carrying amount is increased as a result of revaluation, the increased amount is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 Property, Plant and Equipment. The Bank also follows the assets revaluation guidelines issued by BSEC on 18 August 2013.

iv) Statutory reserve

In compliance with the provision of Section 24 of Bank Companies Act 1991, the bank transfers at least 20% of its profit before tax to "Statutory Reserve Fund" each year until the sum of statutory reserve and share premium equal to the paid up capital of the bank.

v) Reserve for Amortization/ revaluation of securities

"When a Financial Asset categorized under HTM or HFT and subsequent value of the asset is increased as a result of amortisation of assets or mark to market revaluation, the net increased amount (for HTM increase or decrease of book value and for HFT loss to P&L but gain to revaluation reserve through P&L) is credited directly to equity under the heading of reserve for amortization/ revaluation of securities as per Bangladesh Bank DOS circular no. 06, dated 15 July, 2010.

vi) Retained Earnings

The surplus amount after appropriation of yearly profit, kept in Retained Earnings.

vii) Non controlling Profit

Non controlling Profit (non-controlling Profit) in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. The magnitude of the Non controlling Profit in Standard Bank Securities Limited & Standard Bank Capital Management Limited ,a majority owned subsidiary (99.99%) of Standard Islami Bank PLC. is very insignificant. Non controlling Profit belongs to a sponsor Director of the Bank and is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, Non controlling Profit is reported on the consolidated income statement as a share of profit belonging to the Non controlling shareholder.

D. REVENUE RECOGNITION

i) Profit income

Profit on unclassified Investments is accounted for as income on accrual basis, Profit on classified Investments is credited to Profit suspense account with actual receipt of Profit there from credited to income as and when received as per instruction contained in BRPD 14 dated 23 September 2012, BRPD 16 dated 18 November, 2014 ,BRPD 3 dated 21 April, 2019 & BRPD 15 dated 9 November ,2009 of Bangladesh Bank.

ii) **Fees and commission income**
Fees and commission income arises on services provided by the Bank and recognized as and when received basis. Commission charged to customers on letters of credit, letters of guarantee and acceptance are credited to income at the time of effecting the transactions except those which are received in advance.

iii) **Profit income from investments**
Profit income on investments in Government and other securities, debentures and bonds is accounted for on accrual basis.

iv) **Income from Exchange**
Exchange income includes all gain and losses from foreign currency day-to-day transactions, conversions and revaluation of Non Monetary items.

v) **Dividend income**
Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established.

vi) **Profit paid on Placement and deposits**
Profit paid on Placement and deposits are calculated on 360 days basis (except for some treasury instruments which are calculated on 364 days basis) in a year and recognized on accrual basis.

vii) **Management and other expenses**
Expenses incurred by the Bank are recognized on actual and accrual basis.

viii) **Taxes**
The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

a. **Current tax**
Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years. Provision for current income tax of the bank has been made on taxable income @ 37.50% considering major disallowances of expenses and concessional rates on certain incomes (0% on gain on trading of govt. securities, 10% on capital gain (net off loss) of shares traded in secondary market and 20% on dividend income) as per Income Tax Act ,2023. Tax provision of the Group entities has been made on taxable income of subsidiaries at different rates applicable as per the ITO ,1984 and the tax authority of the country where it is incorporated.

b. **Deferred tax**
Deferred tax is calculated on taxable/deductible temporary differences between tax base amount and carrying amount of assets and liabilities as required by International Accounting Standard (IAS) 12 'Income Taxes' and BRPD Circular no.11 dated 12 December, 2011.

e. **Zakat Fund**
As per the report of the Shari,ah Supervisory Committee of the Bank for the year ended on 31st December 2025, Bank does not pay any Zakat on behalf of the Depositors and shareholders. It is the responsibility of the Depositors and shareholders to pay Zakat on their deposits and shares respectively.

E. OTHERS:

i) **Materiality and aggregation:**
"Each materiel class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 'Presentation of Financial Statements'.

ii) **Offsetting:**
"Financial assets and financial liabilities are offset and the net amount is presented 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.

iii) **Earnings per share (EPS):**
The company calculates earnings per share (EPS) in accordance with IAS 33 'Earnings Per Share' which has been shown on the face of Profit and Loss Account. Earning Per Share (EPS) has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the year. Details are shown in note 36 to the financial statements.

Basic Earnings per Share:
Basic earnings per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Diluted Earnings per Share:
Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. However, diluted earnings per share are not required to calculate as there are no dilution possibilities during the financial year 2023.

iv) 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 operating decisions. Parties are also considered to be related it 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 & BSEC guidelines. Details of the related party transactions have been disclosed in notes 45.

v) Lending policy for transactions with Bank related person/related parties

Transactions with Bank related person/related parties including Directors are made as per rules and regulations of the Bank Company Act, 1991 as amended and as per circulars issued by Bangladesh Bank time to time including the following general rules:
i) Terms & conditions for financial transaction with bank related person/related parties will not be easier than other persons i.e. other investment clients.
ii) Prior approval from the majority of Board of Directors shall be required for all financial transactions with bank related person/ related parties.
iii) The Bank shall not allow funded facilities exceeding 10% of Tier-I capital to the Bank related persons/related parties; real investment facilities shall be considered deducting encashable securities from funded investment.

vi) Reconciliation of books and account:

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the un reconciled balances within non-material level.

vii) Events after the reporting period:

Where necessary, all the material events after the balance sheet date have been considered and appropriate adjustment/ disclosures have been made in the financial statements as per IAS 10 Events after the Reporting Period. The only material event after the balance sheet date is: the Board of Directors recommended no dividend for the year 2025 in its meeting no.426 held on 29.04.2026.

2.16 Reconciliation of inter-bank /inter-branch account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the un reconciled balances within non-material level.

2.17 Core Risk Management:

The Banking Regulation & Policy Department (BRPD) of Bangladesh Bank vide BRPD circular no.17 dated October 7, 2003 and BRPD circular no.4 dated March 5, 2007,BRPD Circular No. 11 dated 27.10.2013 issued guidelines on managing Core Risk in Banks to ensure sustainable performance in the Banking sector. Bangladesh Bank revised its core risk management guidelines on March-2016. There are six core risks which require banks to put in place an effective risk management system. Bangladesh Bank monitors the progress of implementation of these guidelines through its on-site inspection teams through routine inspection. The risk management systems in place at the Bank are discussed below:

2.17.1 Internal Control & Compliance Risk

Internal Control Mechanism refers to a set of tools aimed at the achievement of organizational overall objectives. It helps an organization to safeguard its assets, check the accuracy and reliability of data. Internal Control & Compliance (ICC) promotes operational efficiency and encourages compliance with managerial policies and procedures, laws and regulations and supervisory requirement. The Compliance Division handles the 'regulatory issues of Bangladesh Bank as well as other regulatory bodies'and submits 'status report on regulatory compliance' quarterly to the Audit Committee as per BRPD Circular No.12 dated 23.12.2002. The ICC comprises the following three units:

i) Internal Audit & Inspection Unit
ii) Monitoring Unit and
iii) Compliance Unit

An effective Internal control System can assure banks to meet the following objectives:
1) To establish an effective and efficient system to identify and detect errors, omission, fraud and forgeries and to take/suggest effective measures to protect repetition thereof.
2) To help to establish reliable, complete adequate and timeliness of financial and management information.
3) To ensure compliance with applicable laws and regulations.
As per the instruction of Bangladesh Bank the Bank has set Internal Control & Compliance (ICC) Division at Head Office to ensure that the internal control process are in place through establishment of Audit Committee. The Committee reviews the internal & external Audit reports without any intervention of the Bank Management and ensures that Management takes effective measures in case of any deficiencies/lapses are found in the reports of Internal Control System.
4) Fraud and forgery
Fraud and forgery have become important issues in recent years. These have a major impact on our country's economy, impeding economic development. Standard Islami Bank PLC. has always been focused in controlling fraud and forgery by establishing and maintaining proper control systems. To prevent fraud and forgery, Standard Islami Bank PLC. has formed an Investigation Unit under the Compliance Department of Internal Control & Compliance Division to deal with such kind of incidents. This wing exclusively deals with all kinds of fraud and forgery and acts independently as the first contact point/information unit where internal and external fraud and forgery incidents are escalated, investigated and reviewed. As a remedial course of action, preventive measures are recommended to the business/functional unit to take necessary action relating to process improvements, recovery of misappropriated amount, adjustment of the operational loss and appropriate action initiated against the perpetrator. Investigation reports are also placed to the Board Audit Committee for their direction and guidance. The Bank has introduced Risk based Internal Audit (RBIA) to assess the business risk as well as the control risk associated with the branches and determine how much care, monitoring & periodicity of comprehensive internal audit would be required to reposition the branches.

Internal Control & Compliance (ICC) Division sets out a Risk based Internal Audit Program each year. The Risk based Internal Audit Program for the year 2020 was chalked by ICC Division which, was duly approved by the Management as well as the Audit Committee of the Board of Directors. The Audit program included the timing and frequency of audit of branches. Accordingly comprehensive audit has been conducted on 134 (One hundred thirty four) branches & 11 (Eleven) Divisions of Head Office, Surprise Inspection has been conducted on 15 (Fifteen) branches and 17 (Seventeen) Special Investigation has been conducted during the year 2020. Moreover, in 2020 we have examined Cash Incentive Payments made by the 10 (Ten) no of AD Branches. ICT Audit has been conducted on 62 (Sixty Two) branches & 03 (Three) Divisions/Departments of Head Office. Major irregularities or lapses of the reports were presented to the Management and the Audit Committee of the Board of Directors. As per directions/ suggestions of the Board Audit Committee as well as the higher Management, corrective measures have been taken so as to stop recurrence of such lapses or irregularities in future.
Besides above, Bangladesh Bank Inspection team also conducted 51 (fifty one) different inspections in the year 2021 on various branches and Departments of Head Office. Details are as under:

Nature of Inspection	Head Office/Division	Branches
Special Inspection on Core Risk	5	2
Comprehensive	1	21
Foreign Exchange Transaction	0	0
Special Inspection	0	0
Surprise Inspection	0	2

To comply with the directives of Bangladesh Bank, ICC Division of the bank takes proper initiative to comply the observations/ suggestions of Bangladesh Bank and also sent the Compliance Report on time.

The Management Committee (MANCOM) of the Bank monitors the effectiveness of Internal Control System time to time. The MANCOM provides certificate on overall adequacy and effectiveness of Internal Control System based on Bank's policy and procedure to the Board of Directors.

2.17.2 Foreign Exchange Risk

Over the last few decades, the Foreign Exchange terminology & market has emerged as the largest market in the world. The behavior and risk pattern also has come forward tremendously due to its multilateral usance within cross border around the globe. Foreign Exchange risk may be defined as an event of potential financial, physical or reputational loss that can commit the business or environment even uncertain and volatile. Standard Islami Bank PLC. has a set of "Foreign Exchange Risk Management Guidelines" in compliance with the Local Regulatory Authorities and Internationally complied authorities which in every aspect mitigate the FX transaction risks covering our Export, Import and Remittance. Our motto is to achieve organizational goal within the harmonized Foreign Exchange risk management frame that comprises the revaluations, reconciliations and other everyday events, activities. Well-built monitoring and recurring follow-up by our management diminishes the risk factors in many cases. Also we have a strong preset 'Contingency Plan' to overcome any undue risk situation.

2.17.3 Asset Liability Risk

The Asset and liability Management Committee (ALCO), comprising of the senior management of the bank, is primarily responsible for managing assets and liabilities under the set ALM Policy. They are also responsible for balance sheet risk management. Managing the assets and liabilities to ensure maximum level of structural balance sheet stability and optimum profitability is an important responsibility of the ALCO.

For better management of asset and liability risk, the Bank has an established Assets Liability Committee (ALCO) which meets at least once a month. The members of ALCO as at 31 December 2025 were as follows:

Mr. Md. Habibur Rahman	MD & CEO		Chairman
Mr. Md. Siddiqur Rahman	DMD & CRO		Member
Mr. Mansoor Ahmed	EVP	Head of BMOD	Member
Mr. Shah Rahat Uddin Ahmed	SVP	Head of Treasury	Member Secretary
Mr. Md. Mushfiqur Rahman	SVP	CITO	Member
Mr. Mohammad Salah Uddin	VP	CFO	Member
Mr. Md. Hasibul Hasan	VP	Head of ID	Member
Mr. Mohammad Amzad Hossain Fakir	VP	Head of SME	Member

The ALCO's primary function is to formulate policies and guidelines for the strategic management of the bank using pertinent information that has been provided through the ALCO process together with knowledge of the individual businesses managed by members of the committee. ALCO regularly reviews the Bank's overall asset and liability position, forward looking asset and liability pipeline, overall economic position, the Banks' liquidity position, capital adequacy, balance sheet risk, Profit risk and makes necessary changes in its mix as and when required.

The Bank has a specified liquidity and funding ratio to maintain to ensure financial flexibility to cope with unexpected future cash demands. ALCO monitors the liquidity and funding ratio on an ongoing basis and ascertains liquidity requirements under various stress situations. In order to ensure liquidity against all commitments, the Bank reviews the behaviour patterns of liquidity requirements. The Bank has an approved Liquidity Contingency Plan (LCP) which is reviewed and updated on an annual basis by the ALCO. All regulatory requirements including CRR, SLR and RWA are reviewed by ALCO.

2.17.4 Credit Risk

Credit risk is a form of performance risk in a contractual relationship. In any contractual situation, performance risk refers to the possibility that one party in the contract will not honor its obligations to the other. Credit risk is usually defined as the performance risk associated with a financial contract (e.g. a Investments, bond, or derivative contract). Hence, the potential failure of a manufacturer to honor a warranty might be called performance risk, whereas the potential failure of a borrower to make good on its payment requirements—which include both the repayment of the amount borrowed, the principal, and the contractual Profit payments, would be called credit risk. A borrower or an obligor is defined as any party to a contract that has to perform a financial obligation to the other.

Indeed, the Basic concepts for measuring credit risk-probability of default, recovery rate, exposure at default, expected loss, loss given default, and unexpected loss-are easy enough to understand and explain. However, even for those involved in risk management who agree on the concepts, it is not always easy to practically implement a method that is fully consistent with an original concept.

Therefore, the Bank's credit risk management activities have been designed to address all these issues.

A thorough risk assessment is done before sanction of any credit facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the branch level and ends at Credit Risk Management division when it is approved /declined by the competent authority. Credit approval authority has been delegated to the individual executives. Proposal beyond their delegation are approved/declined by the Executive Committee and/or the Board of Directors of the Bank.

In determining Single borrower/Large Investments limit, the instructions of Bangladesh Bank BRPD circular no.-02, dated January 16, 2014 is strictly followed. Internal audit is conducted at yearly intervals to ensure compliance of Banks and Regulatory policies. Investmentss are classified as per Bangladesh Bank's BRPD circular no. - 14, dated September 23, 2012 & amendment BRPD circular no.- 19 & 05 dated December 27, 2012 & May 29, 2013 respectively.

2.17.5 Information & Communication Technology Risk

The Bank has successfully implemented core banking system (CBS). The Bank's IT has gone through an enormous transformation from where it started. After several years of continuous efforts, standardization of both back-ends as well as front-end operation of bank is completed. Now through wide array of customizable products and services, IT can bring about equivalent contribution to profits.

Relevant hardware, software and networking gears are in place to support operations of online branches, internet banking, SMS service, call center, Tele Banking, POS and ATM network. These devices are providing superior performance resulting in better end-user satisfaction. To ensure uninterrupted and smooth customer service in all branches and SME centers, IT division continuously work on performance tuning for database and application, networking and server hardware on regular basis. Continuous investments are going on to do the necessary up gradation on hardware and software to increase the Bank's centralized online banking and other peripheral service requirements.

ICT Risk Mitigation:

Cyberattacks are a serious threat and concern for financial institutions. Standard Islami Bank PLC. is committed to high levels of service quality and banking security. Cyber security is a top priority for the Board and management of The Bank. For cyber security and ICT risk mitigation, the bank has aligned its ICT security policy, in line with the latest Bangladesh Bank ICT guidelines and well-established frameworks and international standards and controls. Through Mirroring Military 'war game' to Ethical Hacking, the bank's information security regularly conducts application/system security assessments and vulnerability assessment and penetration testing on own infrastructure/networks by internally-certified ethical hackers to protect data assets. To protect customer and the bank's data The Bank has implemented a comprehensive data leakage prevention solution. Moreover to ensure ethical use of technology, the bank ensures automated content scanning. The bank has also implemented email security to protect the email system from spam-based attacks.

Comprehensive annual maintenance contracts (AMCs), along with service level agreements (SLAs) were signed to ensure 24x7 service for all active equipment of data centre and disaster recovery site.

2.17.6 Money Laundering Risk:

"Bank's Anti Money Laundering Division has been functioning to ensure proper compliance of overall Anti Money Laundering activities under the guidance of Bangladesh Financial Intelligence Unit (BFIU). The AML Division is to strongly implement Bank's AML/CFT Policy to cover all latest AML issues for combating money laundering and terrorist financing maintaining international standard. Bank has adopted Money Laundering Prevention Act-2012 (Amendment-2015), Anti Terrorism Act-2009 ((Amendment-2012 & 2013), BFIU Circular No.19 dated 17/09/2017 and circulated it to all of its branches to cope with latest AML strategies of national and global arena. Bank has its own standard Customer Acceptance Policy, Money Laundering & Terrorist Financing Risk Management Guidelines to provide a framework to the branches to combat money laundering & terrorist financing risk. Bank has appointed Chief Anti Money Laundering Compliance officer (CAMLCO) & Deputy CAMLCO to supervise overall anti money laundering activities of the bank. Branch Anti Money Laundering Compliance officer (BAMLCO) to comply with Anti Money Laundering issues at branch level. In order to maintain national and international standard of AML/CFT functions Bank has policies to comply with all recommendations, accord and sanctions of United Nations (UN), Financial Action Task Force (FATF) and Asia Pacific group (APG). Apart from this, Bank is not to establish any relationship with entity listed by United Nation Security Council (UNSC) resolutions and do not maintain relationship with shell banks.

2.17.7 Environment Risk Management (ERM)

Bangladesh Bank issued Guidelines on Environment Risk Management (ERM) to streamline solutions for managing the environmental risks in the financial sector Ref: BRPD Circular No.01/2011dated 30.01.2011 and BRPD Circular no.02dated 27 February,2011 respectively . Bank accordingly introduced the Guideline on Environment Risk Management which is approved by the Board of Directors in its 198th Board meeting vide memo no.-9955 held on 16.09.2012 and advised the Management to implement the same in our Bank.

As Environmental Risk is related to credit risk hence it has been decided to integrate the same with Credit Risk Management (CRM). As such the concerned Branches are directed to evaluate & assess environmental risks whenever a potential borrower approaches for financing. It is required to calculate the Environmental Risk Rating (EnvRR) correctly while financing to the following sectors:

1) Agri-business (Poultry & Dairy), 2) Cement, 3) Chemicals, 4) Engineering & Basic Metal, 5) Housing, 6) Pulp & Paper, 7) Sugar & Distilleries, 8) Tannery, 9) Textile & Apparels, and 10) Ship Breaking.

Environmental Risk Rating (EvnRR) of any Credit proposal combines both the outcomes of the General and Sector specific environmental Due Diligence (EDD) checklist & should be applied as per the following table:

General EDD	Sector Specific EDD	Overall EnvRR
Low	Low	Low
Moderate & Low	Moderate & Low	Low
If any one or both the General & Sector-Specific EDD checklist is indicated as 'High'		High

EnvAll branches are advised to calculate & assess the EvnRR of a credit proposal (if applicable) and go through the Environmental Risk Management

2.17.8 Highlights on Bangladesh Bank's Inspections of Core Risk Implementation

Bangladesh Bank carried out a comprehensive inspection of SBL Head Office & 45 (Forty Five) branches during the year 2025 & special inspection on four core risk (ALM, CRM, ICCD & ICT) based on 2024 by DBI & two core risk (AML based on 30.06.2023 & Foreign Exchange Risk based on 30.06.2025) by BFIU & Foreign Exchange Inspection department during 2020 for assessing the implementation of the guidelines on core risk as well as to evaluate the effectiveness of risk management practices by the Bank. Major findings of the inspection were discussed in a meeting participated by the Board, Bangladesh Bank representatives and related management personnel of the Bank. The Board took the observations with utmost importance and instructed management to comply with BB suggestions for improvement. BB also conducted several other audits on different units/departments of the bank all over the year which include Treasury Division, Credit Division, Credit Administration Division, ICCD and Foreign Exchange etc. Bank already comply all the findings & observations of core risk as per stipulated time set by Bangladesh Bank. The overall core risk implementation status of the Bank is satisfactory.

2.18 Regulatory and legal compliance

The bank complied with the requirements of the following laws & regulation:

a) The Bank Companies Act 1991 as amended.
b) The Companies Act 1994
c) Income Tax Act,2023 and rules
d) The Value Added Tax (VAT) Act& Supplementary Duty Act 2012.
e) Bangladesh Securities and Exchanges Rules 2020,Bangladesh Securities and Exchanges Ordinance 1969,Bangladesh Securities and Exchanges Act 1993.
f) Rules, Regulations and Circulars issued by the Bangladesh Bank and other regulatory authorities.
g) BRPD Circular No. 14 dated 25 June 2003 and "Guidelines for Islamic Banking" issued by Bangladesh Bank through BRPD Circular No. 15 dated 09 November 2009
h) The Financial Reporting Act 2015
i) Standards issued by AAOIFI
j) The Stamp Act-1899
k) The Customs Act-1969
l) The Money Laundering Prevention Act, 2012
m) The Anti Terrorism (Amendment) Act, 2009 etc.

2.19 Compliance of International Accounting Standard (IASs) and International Financial Reporting Standard (IFRSs)

The bank has complied the following IASs & IFRSs as adopted by ICAB up to the preparation of financial statements as at and for the year ended 31 December 2025.

Name of IASs /IFRSs	IASs/IFRSs	No.	Status
Presentation of Financial Statements	IAS	1	Complied
Inventories	IAS	2	N/A
Cash Flows Statements	IAS	7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS	8	Complied
Events after the Reporting Period	IAS	10	Complied
Income Taxes	IAS	12	Complied
Property, Plant and Equipments	IAS	16	Complied
Employee Benefits	IAS	19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	IAS	20	N/A
The Effect of Changes in Foreign Exchange Rates	IAS	21	Complied
Borrowing Costs	IAS	23	Complied
Related Party Disclosures	IAS	24	Complied
Accounting and Reporting by Retirement Benefit Plans	IAS	26	N/A
Separate Financial Statements	IAS	27	Complied
Investments in Associates	IAS	28	N/A
Financial Reporting in Hyperinflationary Economies	IAS	29	N/A
Financial Instruments: Presentation	IAS	32	Complied *
Earning per share	IAS	33	Complied
Interim Financial Reporting	IAS	34	Complied **
Impairment of Assets	IAS	36	Complied
Provisions, Contingent Liabilities and Contingent Assets	IAS	37	Complied
Intangible Assets	IAS	38	Complied
Investment Property	IAS	40	N/A
Agriculture	IAS	41	N/A
First-time Adoption of Bangladesh Financial Reporting Standards	IFRS	1	N/A
Share-based Payment	IFRS	2	N/A
Business Combinations	IFRS	3	Complied
Insurance Contracts	IFRS	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS	5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS	6	N/A
Financial Instruments: Disclosures	IFRS	7	Complied *
Operating Segments	IFRS	8	Complied
Financial Instruments: Recognition and Measurement	IAS	9	Complied *
Consolidated Financial Statements	IFRS	10	Complied
Joint Arrangements	IFRS	11	N/A
Disclosure of Profits in Other Entities	IFRS	12	Complied
Fair Value Measurement	IFRS	13	Complied
Regulatory Deferral Accounts	IFRS	14	Complied
Revenue	IFRS	15	Complied
Leases	IFRS	16	Complied

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect.

** Complied in the preparation of interim financial reports of the bank.

Reason for departure from IFRS

The Central Bank of Bangladesh ('Bangladesh Bank'), as regulator of the banking industry, has issued a number of circulars/ directives which are not consistent with the requirements specified in IAS/IFRS, as referred above. In such cases, the bank has followed regulatory requirements specified by Bangladesh Bank.

Standards issued but not yet effective

A number of new standards and amendments to standards are issued but not yet effective for annual periods beginning after 1 January 2022 and earlier application is permitted. However, the Bank has not adopted early the following new or amended standards in preparing these financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group and the separate financial statements of the Bank when they become applicable.

2.20 Operating segments:

Business segments report consists of products and services whose risks and returns are different from those of other business segments. The Bank has ten segments, as described below, which are the Bank's strategic business units. The strategic business units offer different products and services, and are managed separately based on the Bank's management and internal reporting structure. Each of the strategic business units of the Bank are periodically reviewed by the Management Committee. The following summary describes the operations in each of the Bankers reportable segments:

Segment Name	Description
Corporate Banking	This unit Focuses on large corporate groups including structured/syndicated finance with a variety of investments & deposit products and other transactions .
SME Banking	Includes Investmentss, deposits and other transactions and balances with SME customers.
Consumer Banking	Includes Investmentss, deposits and other transactions and balances with retail customers.
Treasury	Treasury unit undertakes the Bank's funding and maintenance of SLR, Asset-liability management through money market operation, Fx. Market dealings. investing in derivatives including forwards, Futures and swaps.
Investment Banking	Includes the Bank's trading, investment in equities and other capital market activities.
Offshore Banking	This unit aims to provide all kinds of commercial banking services to its customers in freely convertible currencies. Presently the Bank has one unit in Dhaka.
Card and Alternate Delivery Channel	This includes offering a variety of debit card and credit card to the customers according to their needs
Mobile Financial Services	Mobile Financial services came up the aim to cover a large number of people under banking channel through mobile network facilitating convenient cash in/out, bill payment. POS purchase etc.
SBL Capital Management Limited	The principal activity of the Co. is to act as a TREC Holder of DSE & CSE to carry on the business of stock brokers in relation to shares and securities dealings and other services
SBL Securities Limited	The objective of the company is in underwriting, managing and distributing the issue of shares, bonds and other securities, portfolio management. share transfer agent, fund management etc .
Standard Exchange Company (UK) Limited	The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.
Standard Co (USA) Inc.DBA : Standard Express	The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.

2.21 General

a) Figures appearing in the financial statements have been rounded off to the nearest Taka
b) Figures and account titles of previous year have been rearranged whenever considered necessary including capital to risk weighted adequacy ratio (CRAR) as per Bangladesh Bank Letter No. BRPD (P-1)/661/13/2020-3370 to confirm with current year's presentation.
c) Expenses irrespective of capital or revenue nature accrued but not paid have been provided for in the books of account of the Bank.

Comparative information

Comparative information in respect of the previous year has been presented from the financial statements audited by current year auditors for the year ended 31 December 2025. Figures of previous year have been rearranged whenever necessary to confirm the current year/period presentation.

Approval of financial statements

The financial statements have been approved by the Board of Directors of the bank in its 426th meeting held on April 29,2026.

2.22 Changes in accounting policies

As per IAS 8" Accounting policies,Cahnges in Accounting Estimates and Errors" Accounting Policies are applied consistently for comparability between financial statements of different accounting periods. Changes in Accounting Policies are applied retrospectively in the financial statements . Comparative amounts presented in the financial statements affected by changes in accounting policy for each period presented.

2.23 Credit Rating of Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the audited financial statements as at and for the year ended 31 December 2025. The following ratings have been awarded:

Particulars	Date of Rating	Long term	Short term
Surveillance Rating	24-Jun-26	AA	ST-2
		(Very strong credit quality)	(above average ability)
Outlook		Developing	

2.24 Director's Responsibilities on Statement

The Board of Directors is responsible for the preparation and presentation of the Financial Statements of the Bank and its Subsidiaries in compliance with the regulations.
These Financial Statements comprise
- Consolodated Profit or Loss
- Consolodated Balance Sheet
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flows
- Notes to the Financial Statements

			Amount in Taka	
			31.12.2025	31.12.2024
3.	**CASH**			
3.1	**Cash in hand**			
	In local Currency		2,424,760,515	2,633,872,338
	In Foreign Currency		29,490,082	26,805,923
		Total	**2,454,250,597**	**2,660,678,261**
3.2	**Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)**			
	In local Currency		9,387,320,708	10,358,602,082
	In Foreign Currency		2,044,023,270	1,364,229,042
			11,431,343,978	11,722,831,124
	Sonali Bank as agent of Bangladesh Bank			
	Local currency		179,740,423	161,590,864
			11,611,084,401	**11,884,421,988**
		Total	**14,065,334,998**	**14,545,100,249**

3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33,35 of Bank Companies Act 1991(amendment upto 2013) , the instruction of Bangladesh Bank order 1972,Article,36 Clause-1, DOS circular No. 01 dated January 19, 2014, DOS Circular Letter No. 26 dated August 19, 2019 and MPD circular No. 02 dated December 10, 2013 and MPD circular No.01 dated April 03, 2018, MPD circular No.01 dated March 23, 2020 & MPD circular No.03 dated April 09, 2020, MPD circular No.01 dated March 04, 2025.

The Cash Reserve Ratio on the Bank's time and demand liabilities at the rate of 4.00% on bi-weekly basis and minimum 3.00% on daily basis has been calculated and maintained with Bangladesh Bank in current account and 5.50% Statutory Liquidity Ratio, on the same liabilities has also been maintained in the form of BGIIB, SUKUK, Cash in hand, Balance with Sonali Bank as an agent of Bangladesh Bank, Excess reserve of CRR and FC balance with Bangladesh Bank. Both the reverses maintained by the Bank are in excess of the statutory requirements as shown below:

ii) Cash Reserve Ratio (CRR):		
(4% of Average Demand and Time Liabilities)		
Required Reserve		
Required Reserve	8,080,097,000	7,821,500,000
Actual Reserve maintained (as per Bangladesh Bank Statement)	9,066,812,000	10,169,567,000
Surplus/(Deficit)	**986,715,000**	**2,348,067,000**
iv) Statutory Liquidity Ratio (SLR) :		
(5.5% of Average Demand and Time Liabilities)		
Required Reserve	11,110,133,000	10,754,563,000
Actual Reserve maintained	20,439,471,000	17,081,930,000
Surplus/(Deficit)	**9,329,338,000**	**6,327,367,000**

3.4 Held for Statutory Liquidity Ratio

Cash in hand	2,454,250,000	2,660,678,000
Balance with Sonali Bank	179,740,000	161,590,000
Excess of CRR	986,715,000	2,348,067,000
BGIIB	10,600,000,000	5,750,000,000
Ijara Sukuk	17,324,030,000	11,635,280,000
	31,544,735,000	**22,555,615,000**

3(a)	**Consolidated cash**		
i.	**Cash in hand**		
	Standard Islami Bank PLC. (note-3.1)	2,454,250,597	2,660,678,261
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		2,454,250,597	**2,660,678,261**
ii.	**Balance with Bangladesh Bank and its agent bank(s)**		
	Standard Islami Bank PLC. (note-3.2)	11,611,084,401	11,884,421,988
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		11,611,084,401	**11,884,421,988**
		14,065,334,998	**14,545,100,249**

		Amount in Taka	
		31.12.2025	31.12.2024
4.	**Balance with other Banks and financial institutions**		
	In Bangladesh **(note 4.1)**	7,583,369,230	4,968,512,095
	Outside Bangladesh **(note 4.2)**	3,701,263,247	2,966,188,818
		11,284,632,477	**7,934,700,913**
4.1	**In Bangladesh**		
		-	-
	Al-wadeeah Current deposits		
	Agrani Bank PLC.	6,140,417	124,866
	Basic Bank PLC.	2,160	1,162
	BRAC Bank PLC.	341,184	341,184
	Dutch Bangla Bank	1,000	1,000
	Eastern Bank PLC.	1,253	1,253
	Islami Bank bd PLC.	41,663	57,665
	Janata Bank PLC.	59,303	5,173,812
	Sonali Bank PLC.	23,680,300	60,150,198
	Standard Chartered Bank	15,727,874	17,276,013
	Trust Bank PLC.	2,954,626	1,903,537
	Mudaraba Short Notice Deposit (MSND)		
	Exim Bank PLC.	1,979,053,878	1,783,222,655
	The City Bank PLC.	63,860	63,860
	Prime Bank PLC.-Ibw (Msnd)	54,382	54,382
	Jamuna Bank PLC.	69,019	69,019
	Dhaka Bank PLC.-Ibw (Msnd)	67,914	71,489
	Al-Arafah Islami bank	1,004,930,397	-
	Bengal Commercial Bank Plc	1,050,100,000	1,000,000,000
	Shahjalal Islami Bank PLC. (Msnd)	80,000	
	Rajshahi Krishi Unnayan Bank (Snd)	-	500,000,000
	Mudaraba Short Term Placements		
	IDLC Islamic Wing	2,300,000,000	1,450,000,000
	DBH Islamic Wing	1,200,000,000	150,000,000
		7,583,369,230	**4,968,512,095**
	Savings Deposit	-	-
	Fixed Deposits		
	Hajj Finance Company Ltd.	-	-
		-	-
		7,583,369,230	**4,968,512,095**
4.2	**Outside Bangladesh**		
	In Current account		
	Profit Bearing		
	Habib American Bank Ltd. New York	132,511,939	181,151,995
	Mashreq Bank Psc, New York	392,397,910	1,170,585,578
	Non Profit Bearing		
	Standard Chartered Bank, New York	1,789,733,885	541,180,257
	AXIS Bank Limited, Mombai,India	38,828,570	60,003,932
	ICICI Bank Ltd., Mumbai, India	193,837,068	113,217,796
	A.B. Bank LTD. MUMBAI	14,247,236	74,563,534
	Standard Chartered Bank Ltd., Mumbai, India	-	-
	Standard Chartered Bank Ltd.,Frankfurt	43,720,419	241,351,523
	Standard Chartered Bank Ltd., Tokyo	17,856,607	21,046,884
	ICICI Bank Ltd., Hongkong	22,236,961	13,620,314
	Nepal Bangladesh Bank Ltd., Kathmundu	14,092,075	16,921,464
	Bhutan National Bank, Bhutan	24,935,306	5,811,806
	Commerz Bank, Frankfurt	49,155,625	58,790,367
	Habib Metropolitan Bank Ltd. Karachi,Pakistan	28,689,316	18,178,666
	Bank Al-Jazira, KSA	11,902,378	11,695,139
	Bank Aljaria,KSA, USD	27,749,611	70,622,839
	Commerzbank, Frankfurt(GBP)	7,346,635	7,843,222
	Standard Chartered Bank, LONDON (GBP)	67,328,948	106,959,609
	Standard Chartered Bank,Mumbai India	475,345,023	212,771,666
	Sonali Bank (UK) Ltd.	39,732,312	18,623,384
	Total Nostro Accounts	**3,391,647,824**	**2,944,939,975**

		Amount in Taka	
		31.12.2025	31.12.2024
	FDR		
	Standard Chartered Bank Ltd., Mumbai, India	7,352,100	7,352,100
	Others		
	Habib American Bank Ltd., New York (OBU)	302,263,323	13,896,743
	Total Outside Bangladesh	**3,701,263,247**	**2,966,188,818**
	Total	**11,284,632,477**	**7,934,700,913**
	(Annexure-A for details)		
4.3	**Maturity grouping of balance with other banks and financial institutions**		
	Payable on demand	-	-
	Up to 1 month	11,284,632,477	7,934,700,913
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	-	-
	Over 1 year but not more than 5 years	-	-
	Over 5 years	-	-
		11,284,632,477	**7,934,700,913**
		-	**-**
4.4	**Net Balance with other banks and financial institutions**		
	Balance with other banks and financial institutions(note-4)	11,284,632,477	7,934,700,913
	Add: Lending to other banks and financial institutions(note-05)	-	-
	Less: Borrowing from other banks and financial institutions(note-10)	28,356,310,973	22,303,161,617
		(17,071,678,496)	**(14,368,460,704)**
4.5	**Consolidated Net Balance with other banks and financial institutions**		
	Balance with other banks and financial institutions(note-4.4)	(17,071,678,496)	(14,368,460,704)
	Less: Borrowing from other banks and financial institutions	-	-
		(17,071,678,496)	**(14,368,460,704)**
4(a)	**Consolidated Balance with other banks and financial institutions**		
	In Bangladesh		
	Standard Islami Bank PLC. (note-4.1)	7,583,369,230	4,968,512,095
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	79,558,973	11,679,072
	Standard Bank Securities Ltd.	23,474,060	31,667,971
		7,686,402,263	**5,011,859,138**
	Outside Bangladesh		
	Standard Islami Bank PLC. (note-4.2)	3,701,263,247	2,966,188,818
	Standard Exchange Co.(UK) Ltd.	13,872,029	11,697,321
	Standard Express(USA) Ltd.	575,236,407	617,379,470
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		4,290,371,683	**3,595,265,609**
		11,976,773,946	**8,607,124,747**
5.	**Placement with Banks & Financial Institutions**		
	Banking Company		
		-	**-**
		-	**-**
	Non-Banking Financial Institutions		
		-	**-**
	Short Notice Money		
		-	-
		-	-
	Total	**-**	**-**
5.1	**Maturity grouping of Money at Call and Placements:**		
	Payable on demand	-	-
	Up to 1 month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	-	-
	Over 1 year but not more than 5 years	-	-
	Over 5 years	-	-

		Amount in Taka	
		31.12.2025	31.12.2024
6.	**Investments**		
	Government securities	27,924,102,500	17,385,356,300
	Others Investment	12,726,054,536	12,721,085,710
		40,650,157,036	**30,106,442,010**
		-	-
	a) Government Bond & Sukuk		
	SUKUK	17,324,030,000	11,635,280,000
	BGIIB	10,600,000,000	5,750,000,000
	Total Government Bond	**27,924,030,000**	**17,385,280,000**
	Prize bonds	72,500	76,300
	Total Prize bonds	**72,500**	**76,300**
	Total Government Securities	**27,924,102,500**	**17,385,356,300**
		-	-
	b) Other Investments		
	Quoted Shares	151,696,445	151,767,255
	Unquoted Shares	5,444,358,679	5,439,319,043
	Subordinated Bonds	2,629,999,412	2,629,999,412
	Perpetual Bond	4,500,000,000	4,500,000,000
	Total Others Investment	**12,726,054,536**	**12,721,085,710**
6.1	**Government Securities classified as per Bangladesh Bank Circular:**		
	Held for trading (HFT)	-	-
	Held to maturity (HTM)	27,924,030,000	17,385,280,000
	Other Securities (Prize Bond)	72,500	76,300
		27,924,102,500	**17,385,356,300**
		-	-
6.2	**Maturity grouping of Investments :**		
	On demand	151,768,945	151,843,555
	Up to 1 month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	10,600,000,000	5,750,000,000
	Over 1 year but not more than 5 years	-	-
	Over 5 years	29,898,388,091	24,204,598,455
		40,650,157,036	**30,106,442,010**
		-	-
6.2	**Other Investments :**		
	a) Quoted Shares		
	First Bangladesh Fixed Income Fund	146,779,000	146,779,000
	Bangladesh Steel Re-Rolling Mills Ltd.	2,493,010	2,493,010
	Runner Automible Limited	676,745	676,745
	Robi Axiata Limited	811,880	811,880
	Craftsman	25,770	25,770
	Web Coats PLC.	35,040	35,040
	Best Holdings Ltd.	875,000	875,000
	Bd Paints Ltd.	-	50,500
	MK Footwear PLC	-	20,310
	Total Quoted Shares	**151,696,445**	**151,767,255**
	b) Unquoted Shares		
	Central Depository Bangladesh Limited (CDBL)	156,548,164	156,548,164
	Central Counterparty Bangladesh Limited (CCBL)	37,500,000	37,500,000
	SWIFT	3,001,185	3,003,185
	Standard Exchange Co.(UK) Ltd.	49,171,830	45,072,330
	Standard Express(USA) Ltd.	188,247,500	184,450,000
	SBL Capital Mgt. Ltd.	1,499,940,000	1,499,940,000
	Standard Bank Securities Ltd.	799,950,000	799,940,000
	SBL Capital Mgt. Ltd.(Investment)	2,710,000,000	2,712,865,364
	Total Unquoted Shares	**5,444,358,679**	**5,439,319,043**

		Amount in Taka	
		31.12.2025	31.12.2024
	c) Subordinated Bond		
	Zero Coupon Bond	99,999,412	99,999,412
	Beximco Green-Sukuk Al Istisna'A	10,000,000	10,000,000
	SJIBL 3rd Mudaraba Subordinated Bond	1,250,000,000	1,250,000,000
	Exim Bank 6th Subordinated Bond	1,250,000,000	1,250,000,000
	Golden Harvest Agro Industries Ltd.	20,000,000	20,000,000
	Total Subordinated Bond	**2,629,999,412**	**2,629,999,412**
	d) Perpetual Bond		
	Exim Bank Mudaraba Perpetual Bond	1,500,000,000	1,500,000,000
	SJIBL Mudaraba Perpetual Bond	694,160,000	694,160,000
	IBBL 2nd Mudaraba Perpetual Bond	2,305,840,000	2,305,840,000
	Total Perpetual Bond	**4,500,000,000**	**4,500,000,000**
	Total Other Investments	**12,726,054,536**	**12,721,085,710**
	(Annexure-E may kindly be seen for details)		
6(a)	**Consolidated Investments**		
	Government		
	Standard Islami Bank PLC. (note-6)	27,924,102,500	17,385,356,300
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		27,924,102,500	**17,385,356,300**
	Others		
	Standard Islami Bank PLC. (note-6)	12,726,054,536	12,721,085,710
	Standard Capital Mgt. Ltd. (Share Capital & Investment to SCML)	(4,209,940,000)	(4,212,805,364)
	Standard Exchange Co.(UK) Ltd.	(49,171,830)	(45,072,330)
	Standard Express(USA) Ltd.	(188,247,500)	(184,450,000)
	SBL Capital Mgt. Ltd.	1,698,087,687	1,768,620,599
	Standard Bank Securities Ltd.	505,076,475	506,884,169
	Standard Bank Securities Ltd. (Share Capital to SSL)	(799,950,000)	(799,940,000)
		9,681,909,368	**9,754,322,784**
		37,606,011,868	**27,139,679,084**
7.	**Investments**		
	As per classification into the following broad categories:		
	I) General Investments		
	Inside Bangladesh		
	Bai - Murabaha	21,122,800,805	21,867,469,028
	Bai - Muajjal	68,260,607,183	71,100,075,522
	Bai - Salam	1,351,291,678	1,076,683,074
	HPSM	100,794,595,829	94,363,335,923
	Qard - e - Hasan with Service Charge	6,027,337,235	5,094,457,356
	Islamic Credit Card	901,894,546	880,538,495
		198,458,527,276	**194,382,559,398**
	Outside Bangladesh	**-**	**-**
		198,458,527,276	**194,382,559,398**
	ii) Bills purchased and discounted		
	Payable inside Bangladesh		
	Inland bills purchased	2,312,890,740	1,490,304,046
	Payable outside Bangladesh		
	Foreign bills purchased and discounted	4,005,041,728	3,319,842,278
		6,317,932,468	**4,810,146,324**
	Total	**204,776,459,744**	**199,192,705,722**
7.1	**Net Investments**		
	Investments(note-7)	204,776,459,744	199,192,705,722
	Less:		
	Non-performing Investments(note-7.8)	61,212,796,130	59,686,200,000
	Profit suspense Account (note-12.5)	8,666,081,867	5,605,389,042
	Provision for Investments (note-12.2)	8,940,875,014	7,829,030,000

		Amount in Taka	
		31.12.2025	31.12.2024
		78,819,753,011	73,120,619,042
		125,956,706,733	**126,072,086,680**
7.2	**Residual maturity grouping of Investments including bills purchased and discounted**		
	Repayable on demand	-	-
	Up to 1 month	20,128,975,568	20,969,893,588
	Over 1 month but not more than 3 months	22,383,093,680	24,018,576,042
	Over 3 months but not more than 1 year	73,152,531,317	70,230,289,461
	Over 1 year but not more than 5 years	68,152,199,002	63,979,238,970
	Over 5 years	20,959,660,177	19,994,707,661
		204,776,459,744	**199,192,705,722**
		-	-
7.2(i)	**Investments under the following broad categories :**		
	General Investment	198,458,527,276	194,382,559,398
	Bills purchased and discounted	6,317,932,468	4,810,146,324
		204,776,459,744	**199,192,705,722**
7.3	**Investments on the basis of significant concentration including bills purchased and discounted**		
	a) Investments to allied concerns of Directors/Sponsors of the Bank (Annexure-D)	364,992,000	288,427,000
	b) Investments to Chief Executive and other senior executives (including staff)	850,361,921	1,008,206,807
	c) Investments to customers group :		
	i) Commercial Investment	12,141,106,445	19,620,000,000
	ii) Export financing	8,713,100,000	5,390,000,000
	iii) House building Investment	5,051,400,000	5,224,900,000
	iv) Consumers Credit Scheme	3,819,600,000	3,745,700,000
	v) Small and medium enterprises	34,895,814,000	37,996,300,000
	vi) Special program Investment	3,164,435,380	4,024,878,662
	vii) Other Investments	17,908,900,000	15,138,600,000
		85,694,355,825	**91,140,378,662**
	d) Industrial Investments		
	i) Agricultural Industries	3,907,166,680	4,251,800,000
	ii) Textile Industries	3,801,600,000	3,880,000,000
	iii) Food and allied Industries	3,117,139,232	3,636,189,261
	iv) Pharmaceuticals Industries	350,500,000	430,000,000
	v) Leather, Chemical and Cosmetics etc	785,700,000	780,000,000
	vi) Cement and Ceramic Industries	1,239,590,396	1,044,867,640
	vii) Service Industries	28,371,600,000	29,576,800,000
	viii) Transport and Communication Industries	3,017,000,000	2,872,700,000
	ix) Other Industries	73,276,453,689	60,283,336,352
		117,866,749,997	**106,755,693,253**
	Total Investments	**204,776,459,743**	**199,192,705,722**
7.4	**Geographical Location-wise Investments:**		
	Urban:		
	Dhaka Division	141,350,619,744	133,440,946,419
	Chattogram Division	34,655,320,000	35,251,892,919
	Khulna Division	11,636,240,000	13,960,018,001
	Barishal Division	787,300,000	502,826,062
	Rajshahi Division	6,963,900,000	6,840,343,752
	Rangpur Division	4,310,200,000	3,944,703,321
	Sylhet Division	934,800,000	819,121,031
	Mymensing Division	132,600,000	118,860,567
		200,770,979,744	**194,878,712,072**
	Rural :		
	Dhaka Division	1,958,740,000	2,240,000,426
	Chattogram Division	709,200,000	815,747,683
	Khulna Division	621,940,000	-

	Amount in Taka	
	31.12.2025	31.12.2024
Barishal Division	421,400,000	-
Rajshahi Division	-	508,438,483
Rangpur Division	-	390,507,360
Sylhet Division	93,100,000	83,849,064
Mymensing Division	201,100,000	275,450,634
	4,005,480,000	**4,313,993,650**
Outside Bangladesh	**-**	**-**
Total	**204,776,459,744**	**199,192,705,722**

7.5 Details of pledged collaterals

Agriculture and SME	44,217,900,000	45,992,000,000
Manufaturing/Production	45,790,600,000	45,980,900,000
Real Estate	4,421,300,000	14,061,900,000
Service Industry	8,731,600,000	12,568,300,000
Others	10,804,600,000	17,094,100,000
	113,966,000,000	**135,697,200,000**

7.6 DETAIL OF LARGE INVESTMENTS

Number of clients with amount of outstanding and classified Investments to whom Investments sanctioned exceeds 10% of total capital of the Bank. Total Capital of the Bank was Taka 2983.48 crore as at 31 December ,2025 (Taka 2978.42 Crore in 2024)

Number of Clients	29	30
Amount of outstanding Investments	9,689.51	10,236.04
Amount of classified Investments	-	-
Measures taken for recovery	Not applicable	Not applicable

Name of Group / Single Borrower	Outstanding as on 31.12.2025		Total Amount (In crore)	
	Funded	Non-Funded	2025	2024
Chaity Group	387.98	180.42	568.40	478.32
Sinha Group	327.89	-	327.89	331.89
M.A. Rahman Dyeing Industry Ltd	578.55	-	578.55	525.40
Paradise Group	584.25	1.03	585.28	551.09
Pran Group	126.74	270.21	396.95	500.19
Bashundhara Group	478.75	-	478.75	426.17
Rose Group/Pantex	92.44	114.75	207.19	170.23
SQ Group	77.97	534.73	612.70	624.87
City Group	239.64	246.90	486.54	676.57
Rangs Group	254.47	19.25	273.72	273.67
Nitol-Niloy Group	65.43	5.25	70.68	44.10
Abdul Monem Ltd.	232.95	4.76	237.71	216.20
Mir Akhter Hossain Ltd.	4.50	40.83	45.33	63.16
Eurotex Group	385.14	520.69	905.83	901.93
Prime Group	470.63	2.27	472.90	428.76
Karim Group	132.10	74.48	206.58	221.08
Abul Khair Group	153.78	64.00	217.78	218.21
Provita Group	438.36	-	438.36	393.49
Meghna Group	-	413.00	413.00	520.83
NDE Group	83.70	43.26	126.96	119.20
BSRM Group	-	69.80	69.80	102.52
BRB	79.22	17.80	97.02	419.41
Jahir Group	104.14	281.63	385.77	147.86
Armana Group	307.56	90.77	398.33	419.76
Modern Group	352.56	-	352.56	362.07
Badsha Group	110.78	-	110.78	323.23
Akij Resources	164.54	106.93	271.47	-
Smile Food Products Ltd.			-	196.58
Saad Group			-	239.93
MSA Textiles Ltd.	82.00	0.58	82.58	86.40
Max Infrastructure Ltd.	59.80	210.30	270.10	252.92
Total	**6,375.87**	**3,313.69**	**9,689.51**	**10,236.04**

		Amount in Taka	
		31.12.2025	31.12.2024
7.7	**Particulars of Investments**		
i)	Investments considered good in respect of which the Bank is fully secured	140,125,072,703	152,918,398,655
ii)	Investments considered good against which the bank holds no security other than the debtors' personal guarantee	22,891,620,069	21,981,004,157
iii)	Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	19,394,775,592	22,810,335,952
iv)	Investments adversely classified; provision not maintained there against	22,364,991,380	1,482,966,958
		204,776,459,744	**199,192,705,722**
v)	Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	1,215,353,921	1,298,427,000
vi)	Investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies as members	478,628,608	535,576,432
vii)	Maximum total amount of Investments, including temporary Investments 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.	1,215,353,921	1,318,757,982
viii)	Maximum total amount of Investments, including temporary Investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members	364,992,000	353,013,000
ix)	Due from banking companies	-	-
x)	Total amount of Classified Investments on which Profit is not credited to income	61,212,796,130	59,686,200,000
	a) Movement of Classified Investments		
	Opening Balance	59,686,200,000	13,797,156,838
	Increase/(decrease) during the year	1,526,596,130	45,889,043,162
		61,212,796,130	59,686,200,000
	b) Provision kept against Investments classified as bad debts (note-7.10)	8,940,875,014	7,829,030,000
	c) Profit credited to Profit suspense Account (note-12.4)	8,666,081,867	5,605,389,042
xi)	Cumulative amount of written off Investments		
	Opening Balance	5,863,843,340	5,270,699,998
	Amount written off during the year	-	593,143,342
		5,863,843,340	5,863,843,340
	The amount of written off Investments for which law suits have been filed	40,957,767,558	5,000,624,671

7.8	**Classification of Investments**		
	Unclassified:	**143,563,663,614**	**139,506,505,722**
	Standard including staff Investments	135,188,589,690	139,016,395,599
	Special Mention Account (SMA)	8,375,073,924	490,110,123
	Classified:	**61,212,796,130**	**59,686,200,000**
	Sub-Standard	2,764,778,657	3,039,792,851
	Dubtful	1,708,961,437	3,200,554,301
	Bad/Loss	56,739,056,036	53,445,852,848
		204,776,459,744	**199,192,705,722**
		-	-

7.9 Particulars of required provision for Investments .

Status	Outstanding	Base for provision	%		
Un-classified -General provision:					
Standard (Including Staffs Investment)					**3,125,575,384**
STD-0	111,829,398,960	111,829,398,960	1%	1,042,095,926	
STD-1	10,671,779,435	10,671,779,435	1%	101,897,657	
STD-2	12,687,411,295	12,687,411,295	1%	126,617,284	
SMA	8,375,073,924	8,375,073,924	5%	378,494,499	17,758,603
Total	**143,563,663,614**	**143,563,663,614**		**1,649,105,366**	**3,143,333,987**
Classified.specific provision					
Sub Standard	**2,764,778,657**	**2,219,745,497**	**20.00%**	443,948,945	421,052,548
Doubtful	**1,708,961,437**	**1,095,005,712**	**50.00%**	547,502,856	1,257,938,603
Bad/Loss	**56,739,056,036**	**39,533,109,024**	**100.00%**	39,533,106,566	36,875,638,849
	61,212,796,130	**42,847,860,233**		40,524,558,367	38,554,630,000
Total	**204,776,459,744**	**186,411,523,848**		**42,173,663,733**	**38,554,630,000**
Required provision for Investments				**42,173,663,733**	**41,697,963,987**
Total Provision maintained (note-12.2)				**8,940,875,014**	**7,829,030,000**
Deferral Provision will be kept in the future				**33,232,788,719**	**33,868,933,987**
Excess/(Short) provision				**-**	**-**

	Amount in Taka	
	31.12.2025	31.12.2024

* Bangladesh Bank has given consent vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against investment of Tk. 5,237.87 crore (including provision required against stay order, waiver & re-scheduled investments) subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors.

7.10 Particulars of required provision on Off-Balance Sheet Exposures

	Base for Provision	Rate %		
Acceptance and endorsements	19,538,750,665			
Letter of guarantee	22,037,496,934	1%	690,796,389	598,117,298
Letter of credit	31,180,129,583			
Bills for Collection				
Required provision of Off-Balance Sheet Exposures			**690,796,389**	**598,117,298**
Deferral Provision will be kept in the future			690,796,389	598,117,298
Excess/(short) provision at			-	-

* Bangladesh Bank has given consent vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against off-Balance Sheet Exposures of Tk.69.08 crore subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors.

7.11 Suits filed by the bank (Branch wise details)

Agrabad	3,203,717,726	3,220,155,285
Ashkona Bazar	7,789,460	-
Ashulia	22,230,809	1,389,496
Bagerhat	-	6,627,270
Bahaddarhat	46,024,901	46,024,901
Banani	307,979,518	133,300,000
Basurhat	36,467,512	2,494,917
Beanibazar	5,498,520	6,293,692
Benapole	56,077,133	60,373,511
Bhairab SME/Krishi	106,274,586	2,657,589
Biswanath SME/Krishi	21,578,131	21,787,523
Bogura	65,277,993	76,825,201
CDA Avenue	749,284,224	711,630,723
CEPZ	2,739,740	2,739,740
Chaktai	395,146	-
Chapainawabgonj	2,965,778,744	123,583,820
Chowdhuryhat	112,899,354	11,284,674
Chuadanga	2,572,178	-
Cox's Bazar	2,164,106,853	5,253,606
Credit Card	11,082,746	7,698,556
Cumilla	10,139,191	10,139,191
Dhanmondi	549,970,353	153,436,637
Dinajpur	192,720,723	156,787,512
Feni	32,752,424	30,031,656
Foreign Exchange	1,667,001,646	246,209,517
Fulbari	64,962,122	40,349,259
Gazipur SME/Krishi	6,361,921	6,361,921
Goalabazar SME	17,960,664	19,582,714
Green Road	501,062,758	131,743,933
Gulshan	64,939,100	64,939,100
Gulshan-1	7,185,092,445	7,237,193,125
Hatikumrul	13,706,996	2,119,898
Hili	15,424,190	-
Imamgonj	2,019,791,264	1,082,659,749
Jessore	77,380,577	1,988,473
Jhenaidah	98,234,798	94,305,406
Jubilee Road	4,306,971,031	2,672,830,917
Kadamtoli	92,085,606	53,516,437
Kamarpara	2,689,224	5,698,851
Kanchpur	18,863,217	35,557,808
Kansat	-	587,926
Karnaphuli	4,120,301	3,358,042
Khan Jahan Ali	1,040,135,201	-

		Amount in Taka	
		31.12.2025	31.12.2024
	Khatungonj	4,564,525,591	2,161,057,835
	Khulna	551,245,423	62,532,158
	Kushtia	63,392,787	63,392,787
	Malibagh	52,128,529	31,694,244
	Mirpur	258,166,521	-
	Moulvibazar	16,731,778	14,730,464
	Mymensingh	26,012,177	29,622,465
	Narayangonj	107,251,680	140,831,358
	Nawabgonj	22,633,587	22,633,587
	Nawabpur	176,080,481	176,080,481
	New Eskaton	17,253,310	17,253,310
	Nilphamari	108,826,377	42,108,993
	Nimshar	1,820,348	-
	Oxygen Square	64,545,988	64,545,988
	Pabna	48,872,864	23,142,864
	Pahartali	3,263,987,377	322,381,155
	Panthapath	194,270,754	31,381,591
	Principal Branch	3,055,588,202	2,401,992,286
	Progati Sharani	111,952,038	88,538,389
	Rajshahi	2,608,875,541	201,232,084
	Ramchandrapur	-	7,821,026
	Rangpur	70,911,918	45,780,787
	Ring Road	541,122,495	15,089,660
	Sadarghat	51,118,758	51,378,128
	Saidpur SME/Krishi	79,490,446	44,522,410
	Satkhira	63,436,789	59,944,965
	Savar SME/ Krishi	11,652,607	1,231,000
	Shafipur	895,519	38,298,727
	Shibchar	12,810,860	8,509,698
	Sonargaon Janapath	8,132,734	4,033,231
	Sylhet	297,005,038	297,685,713
	Takerhat Bazar	345,349	345,000
	Tangail	-	22,670,122
	Topkhana Road	116,653,963	179,621,403
	Treasure Division	1,979,053,878	-
	Uttara Model Town	69,957,744	69,957,744
		46,486,890,478	**23,231,560,225**
7.12	**Bills purchased and discounted**		
	Payable in Bangladesh	2,312,890,740	1,490,304,046
	Payable outside Bangladesh	4,005,041,728	3,319,842,278
		6,317,932,468	**4,810,146,324**
7.13	**Maturity grouping of bills purchased and discounted**		
	Payable within one month	631,793,247	481,014,633
	Over one month but less than three months	2,527,172,987	1,924,058,529
	Over three months but less than six months	3,158,966,234	2,405,073,162
	Six months or more	-	-
		6,317,932,468	**4,810,146,324**
7.14	**Sector -wise Investments**		
	Government & autonomous	-	-
	Co-operatve sector	-	-
	Other public sector	-	-
	Private sector	204,776,459,744	199,192,705,722
		204,776,459,744	**199,192,705,722**
7(a)	**Consolidated Investments**		
	Standard Islami Bank PLC. (note-7)	198,458,527,276	194,382,559,398
	Standard Islami Bank PLC. (Investment to SBSL)	(391,196,861)	(389,951,693)
	Standard Islami Bank PLC. (Investment to SCML)	(350,000,000)	(400,000,000)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	4,793,696,711	4,643,618,293
	Standard Bank Securities Ltd.	589,296,995	569,184,810

		Amount in Taka	
		31.12.2025	31.12.2024
		203,100,324,121	**198,805,410,808**
	Consolidated bills purchased and discounted		
	Standard Islami Bank PLC. (note-7)	6,317,932,468	4,810,146,324
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		6,317,932,468	**4,810,146,324**
		209,418,256,589	**203,615,557,132**
		-	-
8.	**Fixed assets including premises, furniture and fixture**		
	Land	2,373,245,825	2,373,245,825
	Land and Building	495,535,567	495,535,566
	Furniture & Fixture	967,215,137	949,646,018
	Office Appliance	848,359,867	823,837,396
	Computer	429,218,976	415,241,539
	Right of Use Assets (ROUA) as per IFRS-16	274,244,825	274,244,825
	Bank's Vehicle	129,689,342	143,290,418
	Total cost	**5,517,509,538**	**5,475,041,587**
	Intangible Assets		
	Software	184,457,579	184,098,429
	Total cost	**5,701,967,117**	**5,659,140,016**
	Less: Accumulated Depreciation	2,601,344,339	2,457,324,728
	Net book value at the end of the year	**3,100,622,778**	**3,201,815,288**
	(See Annexure-A for details)	-	
8(a)	**Consolidated fixed assets including premises, furniture and fixture**		
	Standard Islami Bank PLC. (note-8)	3,100,622,778	3,201,815,288
	Standard Exchange Co.(UK) Ltd.	813,958	729,871
	Standard Express(USA) Ltd.	103,163,566	2,314,550
	SBL Capital Mgt. Ltd.	5,442,928	6,874,939
	Standard Bank Securities Ltd.	3,714,519	4,392,862
		3,213,757,749	**3,216,127,510**
9.	**Other assets**		
	Stock of Stationery	29,322,044	28,332,854
	Stamps in hand	9,307,817	10,188,137
	Suspenses A/c **(note-9.1)**	420,480,965	390,793,685
	Advance Deposit	3,819,438	3,866,739
	Branch adjustments accounts **(note-9.5)**	-	44,700,347
	Sundry Assets **(note-9.2)**	11,115,463,776	12,769,091,898
		11,578,394,040	**13,246,973,660**

The balance of other assets as of 31.12.2024 has been rearranged under other liabilities to ensure appropriate presentation of the negative balance.

9.1	**Suspense Accounts**		
	Sundry Debtors	11,455,813	24,831,940
	Advance Against TA/DA	740,036	887,400
	Advance Against Proposed Branch	8,858,414	5,376,700
	Advance Against Legal Expenses	13,280,795	12,522,200
	Encashment-PSP/BSP/WEDB	365,738	362,682
	Advance on against board meeting	560,000	765,000
	Advance Against Annual General Meeting	20,000	-
	Mobile Banking	26,008	26,008
	Cash Remittance	385,174,161	346,021,755
		420,480,965	**390,793,685**
9.2	**Sundry Assets**		
	Advance Rent	198,237,375	79,185,192
	Profit Receivable **(note - 9.4)**	2,485,478,737	1,419,287,309
	Prepaid expenses	12,273,371	12,556,025
	Advance Tax **(note-9.3)**	5,313,983,938	8,813,020,464
	Deferred Tax -note-12.1(ii)	484,081,295	476,293,862

		Amount in Taka	
		31.12.2025	31.12.2024
	Protested Bill Account	39,637,128	29,027,128
	BFTN adjustment	122,218,705	(299,380,903)
	Working Progress, Building	1,557,442,932	1,335,745,398
	Profit receivable on Bai Murabaha/Bai Muajjal/Hpsm	21,019	61,231,475
	Exchange House	418,464,733	233,148,506
	Profit Reimbursement A/C Swc-I & S-Cc	2,504,253	2,504,253
	Dividend Receivable	25,000,000	106,002,380
	Profit Waived	398,238,709	446,023,675
	Excise duty adjustment on FDR	56,440,073	53,209,723
	Demand Draft without advice	1,441,508	1,237,411
		11,115,463,776	**12,769,091,898**
9.3	**Advance Tax**		
	Advance Corporate Tax	4,592,847,079	7,926,136,477
	Advance Income Tax On L/C Commission	111,527,402	132,447,999
	Advance Income Tax On Tr.Bill	50,872,243	182,013,538
	Advance Income Tax On Share Dividend	75,635,128	237,032,789
	Advance Tax On Vehicle	7,111,942	8,023,394
	Advance Income Tax On Profit Balance With Other Banks	39,335,850	87,098,081
	Advance Income Tax On Subordinated Bond	87,322,020	61,921,270
	Advance Income Tax On BGIIB	22,222,745	10,225,133
	Advance Tax On Sukuk	176,876,203	88,447,042
	Advance Income Tax On Msnd	150,233,326	79,674,741
		5,313,983,938	**8,813,020,464**
9.4	**Profit Receivable**		
	Profit Receivable on SME	9,290,986	50,630,960
	Capital Gain Recivable From Sale Of Share	-	5,566,342.0
	Profit Receivable on FDR & Bond	2,476,187,751	1,363,090,007
		2,485,478,737	**1,419,287,309**

9.5 Branch Adjustment

Branch adjustments account represents outstanding inter branch and head office transactions originated but yet to be responded at the balance sheet date. The balance of unreconciled items has been adjusted reconciled subsequently .

9.6	**Deferred Tax Assets:**		
	Opening Balance	**476,293,862**	**467,958,041**
	Additional made during the period	7,787,433	8,335,821
	Adjustment during the period	-	-
	Closing Balance	**484,081,295**	**476,293,862**
	Deferred tax liabilities/(Asset)		
	Fixed Asset		
	Carrying amount	3,100,622,778	3,201,815,288
	Tax base	3,323,795,351	3,372,413,216
	Taxable Temporary Difference	**(223,172,573)**	**(170,597,928)**
	Provision for gratuity		
	Carrying amount	1,049,999,691	1,087,288,568
	Tax base	-	-
	Deductable Temporary Difference	**(1,049,999,691)**	**(1,087,288,568)**
	Provision for Rebate for good borrowers		
	Carrying amount	8,738,004	8,738,004
	Tax base	-	-
	Deductable Temporary Difference	**(8,738,004)**	**(8,738,004)**
	Lease Assets as per IFRS 16		
	Right of use Assets under lease	8,049,645	43,623,133
	Lease Liabilities	17,022,829	47,115,599
	Deductible Temporary Difference	**(8,973,184)**	**(3,492,466)**
	Total Taxable /(deductable) Temporary difference	**(1,290,883,452)**	**(1,270,116,966)**
	Applicable tax rate	**37.50%**	**37.50%**
	Deferred Tax Assets	**(484,081,295)**	**(476,293,862)**
	Opening balance	**(476,293,862)**	**(467,958,041)**
	Deferred tax (income)/expenses	**(7,787,433)**	**(8,335,821)**

		Amount in Taka	
		31.12.2025	31.12.2024
9(a)	**Consolidated other assets**		
	Standard Islami Bank PLC. (note-9)	11,578,394,040	13,246,973,660
	Standard Islami Bank PLC. (Dividend Recivable from SCML)	-	(72,510,000)
	Standard Islami Bank PLC. (Profit Recivable from SCML)	(991,995,689)	(760,339,835)
	Standard Islami Bank PLC. (Dividend Recivable from SBSL)	-	(52,000,550)
	Standard Exchange Co.(UK) Ltd.	15,675,160	14,856,442
	Standard Express(USA) Ltd.	9,223,760	153,838,440
	SBL Capital Mgt. Ltd.	865,237,704	761,016,809
	Standard Bank Securities Ltd.	356,168,016	403,403,358
		11,832,702,991	**13,695,238,324**
10.	**Placement From Banks & Financial Institutions**		
	In Bangladesh (**note-10.1**)	18,076,310,973	11,033,161,617
	Outside Bangladesh	-	-
	Mudaraba bond	10,280,000,000	11,270,000,000
		28,356,310,973	**22,303,161,617**
10.1	**In Bangladesh**		
	Placement		
		-	-
	Total	**-**	**-**
	Other Placement		
	Re-Finance from B Bank	30,478,333	16,856,250
	EDF from B Bank	2,827,583,140	3,045,176,146
	Financial Stimulus Fund From B. Bank	368,249,500	769,920,917
	Foreign Exchange Deal Payable	-	341
	Visa Credit Crd Nostro Ac(Payable To Id)	-	1,207,963
	Bangladesh Bank	14,850,000,000	7,200,000,000
	Total	**18,076,310,973**	**11,033,161,617**
		18,076,310,973	**11,033,161,617**
	Outside Bangladesh		
	FI Banks	**-**	-
		18,076,310,973	**11,033,161,617**
10.2	**Mudaraba bond**		
	SBL Subordinated Non-Convertible Bond	5,780,000,000	6,770,000,000
	Sbl Mudaraba Perpetual Bond	4,500,000,000	4,500,000,000
		10,280,000,000	**11,270,000,000**
10.1.1	**Subordinated Non-Convertible & Mudaraba Perpetual Bond**		
	SBL 3rd Subordinated Non-Convertible Bond		
	Agrani Bank PLC.	400,000,000	600,000,000
	National Life Insurance Co. Ltd.	60,000,000	90,000,000
	Shadharan Bima Corporation	40,000,000	60,000,000
	Dutch Bangla Bank PLC.	400,000,000	600,000,000
	Uttara Bank PLC.	200,000,000	300,000,000
	Janata Bank PLC.	200,000,000	300,000,000
	Mercantile Bank PLC.	80,000,000	120,000,000
	Sonali Bank PLC.	600,000,000	800,000,000
	Rupali Bank PLC.	300,000,000	400,000,000
		2,280,000,000	**3,270,000,000**
	SBL 4th Subordinated Non-Convertible Bond		
	Islami Bank Bangladesh PLC.	1,500,000,000	1,500,000,000
	Ai-Arafah Islami Bank PLC.	750,000,000	750,000,000
	EXIM Bank PLC.	1,250,000,000	1,250,000,000
		3,500,000,000	**3,500,000,000**
	SBL 1st Mudaraba Perpetual Bond		
	Social Islami Bank PLC.	1,500,000,000	1,500,000,000
	Ai-Arafah Islami Bank PLC.	1,000,000,000	1,000,000,000
	First Security Islami Bank PLC.	1,000,000,000	1,000,000,000
	Union Bank PLC.	1,000,000,000	1,000,000,000
		4,500,000,000	**4,500,000,000**
	Total SBL Subordinated Non-Convertible Bond	**10,280,000,000**	**11,270,000,000**

		Amount in Taka	
		31.12.2025	31.12.2024
		-	-
10.2	**Security against borrowing from other banks, financial institutions and agents**		
	Secured	-	-
	Unsecured	28,356,310,973	22,303,161,617
		28,356,310,973	22,303,161,617
10.3	**Maturity grouping of borrowing from other banks, financial institutions and agents**		
	Repayable on demand	28,356,310,973	22,303,161,617
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years	-	-
		28,356,310,973	**22,303,161,617**
		-	-
10(a)	**Consolidated Placement From Banks & Financial Institutions**		
	Standard Islami Bank PLC. (note-10)	28,356,310,973	22,303,161,617
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		28,356,310,973	**22,303,161,617**
11.	**Deposits and other deposits**		
	Deposits from banks (note-11.1)	6,727,313,925	6,121,022,929
	Deposits from customers (note.11.3)	205,918,147,091	195,111,652,399
		212,645,461,016	**201,232,675,328**
11.1	**Deposits' from banks**		
	Current deposits and other deposits	2,084,481	3,048,503
	Bills payable	-	-
	Savings bank/Mudaraba Savings deposits	-	-
	Short-term deposits	1,955,229,445	1,817,974,426
	Fixed deposits/Mudaraba Fixed Deposits (note.11.2)	4,770,000,000	4,300,000,000
		6,727,313,925	**6,121,022,929**
11.2	**Deposits' from banks**		
	Mudaraba Fixed Deposits		
	NRB Commercial PLC.	470,000,000	-
	Eastern Bank PLC	500,000,000	1,050,000,000
	Agrani Bank PLC.	500,000,000	850,000,000
	Shahjal Islami Bank PLC.	1,500,000,000	2,000,000,000
	Midland Bank PLC	400,000,000	400,000,000
	Rajshahi Krishi Unnayan Bank	400,000,000	-
	Bangladesh Krishi Bank	1,000,000,000	-
		4,770,000,000	**4,300,000,000**
	Mudaraba Short Notice Deposits		
	Bangladesh Krishi Bank	423,823	417,600
	Bengal Commercial Bank	954,177,900	1,812,825,458
	Jamuna Bank PLC.	1,183,346	1,171,091
	Trust Bank Ltd.	3,501,595	3,456,554
	The City Bank PLC	53,104	103,723
	Al-Arafah Islami Bank	995,889,677	-
		1,955,229,445	**1,817,974,426**
	Al-wadeeah current deposits		
	Mercantile Bank PLC	2,000,000	2,000,000
	The City Bank PLC	84,481	1,048,503
		2,084,481	**3,048,503**
		6,727,313,925	**6,121,022,929**
11.3	**Customer Deposits**		
	i) Al-wadeeah Current deposits and other Deposits		
	Al-wadeeah current deposits	10,419,211,971	11,082,809,069
	Foreign Currency deposits	6,942,879,564	6,980,302,482
	Sundry deposits (note - 11.4)	17,356,430,507	15,807,116,215
		34,718,522,042	**33,870,227,766**

		Amount in Taka	
		31.12.2025	31.12.2024
	ii)Bills payable		
	Pay orders issued	3,968,545,130	2,981,537,679
	Pay slips issued	600	600
	Demand draft	3,770,832	7,121,842
		3,972,316,562	**2,988,660,121**
	iii)Savings bank Deposits/Mudaraba savings deposits	**19,333,529,492**	**18,438,038,101**
	iv) Term Deposits/Fixed Deposits		
	Fixed deposits/Mudaraba Fixed Deposits (Excluding Bank Deposit)	108,454,034,957	111,221,757,932
	Short term deposits	19,675,795,627	15,877,611,038
	Deposits Under Schemes	19,763,948,410	12,715,357,441
		147,893,778,994	**139,814,726,411**
	Total	**205,918,147,091**	**195,111,652,399**
11.4	**Sundry deposits**		
	Sundry creditors	2,487,223,711	2,395,764,130
	Margin Deposit	8,274,117,355	7,680,197,388
	Risk Fund	4,009,241	4,180,696
	Service charge	213,164,682	77,539,888
	Security Money	63,580,909	49,212,176
	SBL Employees Provident Fund	10,060	(169,588)
	SBL Employees W. Fund	1,026,969	1,026,969
	Foreign Remittance Paybale A/c	29,247,810	30,430,194
	Profit payable on deposits	4,591,471,961	4,322,963,959
	VAT, Excise Duty and Income Tax	1,602,166,283	1,153,698,588
	Cash Incentive Payable	30,229,787	23,920,718
	Unclaimed Dividend Payable(note 39)	37,719,341	41,624,778
	Central Fund (RMG Sector)	14,685,305	13,217,175
	Others	7,777,093	13,509,144
		17,356,430,507	**15,807,116,215**
11.5	**Maturity analysis of inter-bank deposits**		
	Repayable on demand	-	-
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	6,727,313,925	6,121,022,929
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		6,727,313,925	**6,121,022,929**
11.6	**Maturity analysis (Deposits received from other than banks)**		
	Repayable on demand	7,293,448,380	7,757,966,348
	Up to 1 month	2,521,731,312	1,701,971,115
	Over 1 month but within 3 months	22,604,114,689	22,210,570,728
	Over 3 months but within 1 year	63,770,781,387	61,836,873,790
	Over 1 year but within 5 years	62,790,354,523	61,163,691,073
	Over 5 years but within 10 years	46,937,716,800	40,440,579,345
	Over 10 years	-	-
		205,918,147,091	**195,111,652,399**
11.7	**Maturity analysis (Bills payable)**	**-**	**-**
	Repayable on demand	3,972,316,562	2,988,660,121
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		3,972,316,562	**2,988,660,121**
		-	-
11.8	**Payable on Demand and Time Deposits**		

		Amount in Taka	
		31.12.2025	31.12.2024
	i. Demand Deposits		
	Current / Al-wadeeah current Deposits	10,419,211,971	11,082,809,069
	Savings Deposits/Mudaraba Savings deposits (10%)	1,933,352,949	1,843,803,810
	Foreign Currency Deposits (non profit bearing)	6,942,879,564	6,980,302,482
	Sundry deposits	17,356,430,507	15,807,116,215
	Bills payable	3,972,316,562	2,988,660,121
		40,624,191,553	**38,702,691,697**
	ii. Time Deposits		
	Savings deposits/Mudaraba savings deposits (90%)	17,400,176,543	16,594,234,291
	Fixed deposits/Mudaraba Term Deposits	115,181,348,882	117,342,780,861
	Short term deposits/Mudaraba short term deposits	19,675,795,627	15,877,611,038
	Deposits under schemes	19,763,948,410	12,715,357,441
	Foreign currency deposits (profit bearing)	-	-
		172,021,269,463	**162,529,983,631**
		212,645,461,016	**201,232,675,328**
		-	-
11.9	**Fixed Deposits- Maturity wise Grouping(including Bank Deposit)**		
	Repayable within 01 month	2,271,223,576	2,271,223,576
	Repayable over 1 months but within 03months	20,441,012,182	20,441,012,182
	Repayable over 3 months but within 1 year	32,201,354,421	32,201,354,421
	Repayable over 1 year but within 5 years	31,136,676,388	32,882,945,849
	Repayable over 5 years but within 10 years	27,173,768,390	27,725,221,904
	Unclaimed Deposits for 10 years and above	-	-
		113,224,034,957	**115,521,757,932**
		-	-
11.10	**Sector -wise deposits**		
	Government & autonomous	5,958,679,000	6,874,431,688
	Deposit Money Bank	6,727,313,925	6,121,022,929
	Other public sector	9,573,314,758	11,207,833,674
	Foreign Currency	6,942,879,564	6,980,302,482
	Private	183,443,273,768	170,049,084,555
		212,645,461,016	**201,232,675,328**
		-	-
11(a)	**Consolidated deposits and other deposits**		
	Current deposits and other deposits		
	Standard Islami Bank PLC. (note-11.3)	34,720,606,523	33,873,276,269
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	20,323,962	23,088,605
	Standard Bank Securities Ltd.	-	-
		34,740,930,484	**33,896,364,874**
	Bills payable		
	Standard Islami Bank PLC. (note-11.3)	3,972,316,562	2,988,660,121
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		3,972,316,562	**2,988,660,121**
	Savings bank/Mudaraba savings deposits		
	Standard Islami Bank PLC. (note-11.3)	19,333,529,492	18,438,038,101
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		19,333,529,492	**18,438,038,101**
	Short Term Deposits		
	Standard Islami Bank PLC. (note-11.3)	21,631,025,072	17,695,585,464
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-

		Amount in Taka	
		31.12.2025	31.12.2024
		21,631,025,072	**17,695,585,464**
	Term/Fixed deposits		
	Standard Islami Bank PLC. (note-11.3)	113,224,034,957	115,521,757,932
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		113,224,034,957	**115,521,757,932**
	Deposits under schemes		
	Standard Islami Bank PLC. (note-11.3)	19,763,948,410	12,715,357,441
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		19,763,948,410	**12,715,357,441**
		212,665,784,978	**201,255,763,933**
		-	-
12.	**OTHER LIABILITIES**		
	Provision for Taxation **(note-12.1)**	6,352,271,529	10,487,021,615
	Deferred Tax (note-12.1(i)	-	-
	Accrued Expenses	141,582,649	248,118,156
	General Provision for Unclassified Investments **(note-12.2)**	-	-
	General Provision for SMA **(note-12.2)**	-	-
	Specific provision for Classified Investments **(note-12.2)**	8,940,875,014	7,829,030,000
	Provision for classified others Assets **(note-12.7)**	221,603,546	274,530,865
	Provision for decrease in value of investments **(note-12.8)**	109,101,775	54,375,231
	Provision for Off-Balance Sheet Items **(note-12.4)**	-	-
	Profit Suspense Account **(note-12.5**)	8,666,081,867	5,605,389,042
	Zakat Fund	31,507,341	31,527,341
	Provision for Nostro A/c	42,575	42,575
	Provision for Bonus **(note-12.6)**	11,751,212	111,872,444
	Provision for LFC	-	(356,337)
	Provision for Start up Fund **(note-12.14)**	57,622,079	49,417,135
	Provision For Deposit Insurance Premium	60,982,124	58,425,613
	Provision for Green Banking **(note-12.13)**	30,500,000	30,500,000
	Dividend Settlement A/C	25,830	25,830
	Provision for Incentive of good borrower **(note-12.12)**	8,738,004	8,738,004
	Commission Payable Account	1,541,081	925,272
	Payable to OBU	468,600,563	1,188,967,286
	Profit Receivable on overdue Investment	49,036,568	49,040,468
	MFS Settlement Account	69,261	69,261
	Clearing Adjustment	2,058,573	2,058,698
	Branch adjustments accounts	51,312,734	-
	Swift Charge Payable A/C	30,868,229	21,499,488
	Residual Amt. For Cust. Repay. (Mig)	11,721,028	11,721,028
	Non Shari'ah Income	5,486,919	10,347,953
	Compensation Suspense Account	136,986,075	98,572,396
	Leased Liabilities as per IFRS-16	17,022,829	47,115,599
	Bank To Bank Rtgs Fc Settlement (Usd)	48,211,012	(158,673,597)
	Unclaimed Deposit Payable	40,410	67,444
	Supervision Charge Receivable	12,198,276	15,728,517
	Foreign Currency translation gains **(note-12.10)**	87,797,121	79,900,121
		25,555,636,224	**26,155,997,448**

The balance of other liabilities as of 31.12.2024 has been rearranged under other assets to ensure appropriate presentation of the negative balance.

12.1	**Provision for Current Taxation**		
	Opening Balance	10,487,021,615	13,712,260,059
	Addition during the period	570,852,227	1,173,852,730
		11,057,873,842	**14,886,112,789**
	Adjustment during the period	4,705,602,313	4,399,091,174
	Closing Balance	**6,352,271,529**	**10,487,021,615**

		Amount in Taka	
		31.12.2025	31.12.2024
	Provision for taxation has been made on accounting profit considering taxable allowances/disallowances as per Income Tax Act 2023.		
	Provision for current tax made during the year		
	Income tax @ 37.50% on taxable profit (A)	563,242,963	1,355,754,431
	Add: Income tax @ 20% on dividend income	94,149	9,952,595
	Capital Gain on share @ 10%	20,960	201,906
	Capital Gain on sale of fixed Assets @ 15%	1,231,655.00	42,248.00
	Capital Gain on Govt. Securities @ 5%	-	-
	Add: Excess profit tax		
	Tax on Salary Perquisit	6,262,500	17,000,000
	Add: Settlement/ Adjustment for the period	-	-
	Less: Tax adjustement	-	(1,621,752)
	Investments written on Benefits	-	210,720,202
	Estimated provision required as at 31 December, (i)	**570,852,227**	**1,173,852,730**
		-	-
	Computation of taxable profit		
	Profit before tax	1,933,692,448	4,031,903,949
	Less: Dividend income	470,745	49,762,974
	Less: Capital Gain on share	209,596	2,019,061
	Less: Capital Gain on sale of Fixed Assets	8,211,033	281,656
	Less: Capital Gain on Govt. securities	-	-
	Profit before tax (excluding dividend income and capital gain)	1,924,801,074	3,979,840,258
	Inadmissible expenditure	422,819,840	364,495,110
	Further allowable expenditure		-
	Estimated taxable profit for the year (A)	**1,501,981,234**	**3,615,345,148**
	Consolidated Provision for current Taxation		
	Standard Islami Bank PLC. (note-11.3)	570,852,227	1,173,852,730
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	11,808,545	19,883,766
	Standard Bank Securities Ltd.	6,410,861	12,369,602
		589,071,633	**1,206,106,098**
12.1(a)	**Consolidated Provision for Taxation**		
	Standard Islami Bank PLC. (note-12)	6,352,271,529	10,487,021,615
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	456,556,664	444,757,319
	Opening Balance		
	Addition during the period	-	
	Adjustment during the period		
	Closing Balance		
	Standard Bank Securities Ltd.	89,443,732	112,455,911
	Opening Balance		
	Addition during the period		
	Adjustment during the period		
	Closing Balance	**6,898,271,925**	**11,044,234,845**
12.1(i)	**Deferred Tax :**		
	Opening Balance	-	-
	Additional provision made during the period	-	-
		-	-
	Adjustment during the period	-	-
	Closing Balance	**-**	**-**

			Amount in Taka	
			31.12.2025	31.12.2024
12.2	**Provision for Investments**			
	i) The movement in ` provision for unclassified Investments:			
	Provision held at the beginning of the year		-	-
	Additional provision made for the period		-	-
	Amount Transfer to specific provision as per BB as per approval letter of DOS (CAMS) 1157/ 41(Dividend)/2022-2063 dated 18.04.2022		-	-
	***Provision held at the end of the period**		-	-
	ii) The movement in general provision on Special Mention Account (SMA) Investments:			
	Provision held at the beginning of the year		-	-
	Amount transferred to provision for bad & doubtful debts		-	-
	Additional provision made for the period		-	-
	***Provision held at the end of the period**		**-**	**-**
	iii) The movement in specific provision for bad and doubtful Investments:			
	Provision held at the beginning of the Period		7,829,030,000	5,367,956,764
	Amount adjusted during the Period		-	-
	Amount written off during the Period		-	561,920,538
	Amount Transfer from General provision of Off-Balance Sheet, Gratuity & others		572,321,715	1,019,130,001
	Amount recovered from written off during the Period		-	-
	Amount of provision for the Period		539,523,299	2,003,863,773
	Provision held at the end of the period		**8,940,875,014**	**7,829,030,000**
	Total		**8,940,875,014**	**7,829,030,000**
12.3	**The movement in Special General Provision-COVID-19:**			
	Provision held at the beginning of the Period		-	485,919,537
	Amount Transfer from Compensation Suspense Account			
	Amount transfer to specific provision for bad and doubtful Investments		-	485,919,537
	Additional provision for the period		-	-
	Provision held at the end of the period		-	-
12.4	**The movement in General provision for Off Balance Sheet Items:**			
	Provision held at the beginning of the Period		-	
	Additional provision for the period		-	
	Provision held at the end of the period		-	-
12.5	**Profit Suspense Account**			
	Balance at the beginning of the Period		5,605,389,042	3,312,161,571
	Amount transferred to " Profit Suspense A/c" during the period	+	3,060,692,825	2,293,227,471
	Amount recovered in " Profit Suspense A/c" during the period	(-)	-	-
	Amount written off during the Period	(-)	-	-
	Balance at the end of the period		**8,666,081,867**	**5,605,389,042**
				-
12.6	**Provision for Bonus**			
	Balance at the beginning of the period		111,872,444	6,872,444
	Add: Additional provision for the period		-	105,000,000
	Less: Disbursement during the period		100,121,232	-
			11,751,212	**111,872,444**
12.7	**Provision for other Assets**			
	Balance at the beginning of the period		274,530,865	256,640,913
	Add: Addition during the period		10,610,000	17,889,952
	Less: Adjustment during the Period		63,537,319	-
			221,603,546	**274,530,865**

		Amount in Taka	
		31.12.2025	31.12.2024
	* Bangladesh Bank has given consent vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against other assets of Tk.166.19 crore subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors.		
12.7(a)	**Consolidated Provision for Other Assets**		
	Standard Islami Bank PLC. (note-12.7)	221,603,546	256,640,913
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	489,064	489,064
	Add: Addition during the period	-	-
		222,092,610	**257,129,977**
12.8	**Provision for decrease in value of Investments**		
	Balance at the beginning of the Period	54,375,231	4,775,231
	Less: adjustment during the period	-	-
	Add: Addition during the period	54,726,544	49,600,000
		109,101,775	**54,375,231**
	*Bangladesh Bank has given consent vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision against investment in shares & securities of Tk.431.31 crore subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors.		
12.8(a)	**Consolidated Provision for decrease in value of Investments**		
	Standard Islami Bank PLC. (note-12.8)	109,101,775	54,375,231
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	**472,958,248**	**465,104,994**
	Add: Addition during the period	7,502,733	7,853,254
	Standard Bank Securities Ltd.	**86,292,184**	**83,942,184**
	Add: Addition during the period	6,954,572	2,350,000
		682,809,513	**613,625,663**
12.9	**Provision for impairment of client margin Investments**		
	Balance at the beginning of the period	49,600,000	-
	Less: adjustment during the period	-	-
	Add: Addition during the period	-	49,600,000
		49,600,000	**49,600,000**
12.9(a)	**Consolidated Provision for impairment of client margin Investments**		
	Standard Islami Bank PLC. (note-12.9)	49,600,000	49,600,000
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	**461,240,273**	**428,102,078**
	Add: Addition during the period	36,297,565	33,138,195
	Standard Bank Securities Ltd.	**28,332,884**	**19,141,036**
	Add: Addition during the period	11,295,348	3,500,000
		586,766,070	**533,481,309**
12.10	**Foreign Currency translation gains/loss against investment**		
	Standard Exchange Co.(UK) Ltd.	**15,554,021**	**11,454,521**
	Beginning of the Period	11,454,521	7,930,241
	Addition during the period	-	-
	Adjustmentduring the period	(4,099,500)	(3,524,280)
	Standard Express(USA) Ltd.	**72,243,100**	**68,445,600**
	Beginning of the Period	68,445,600	53,720,600
	Addition during the period	3,797,500	14,725,000
	Adjustmentduring the period	-	-
	Total Foreign Currency translation gains	**87,797,121**	**79,900,121**
	Less: Foreign Currency translation loss		
	Beginning of the Period	-	-
	Addition during the period	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
		87,797,121	**79,900,121**
12.11	**Provision for Incentive of good borrower**		

		Amount in Taka	
		31.12.2025	31.12.2024
	Balance at the beginning of the Period	8,738,004	8,738,004
	Add: Additional provision for the Period	-	-
	Less: Disbursement during the period		
		8,738,004	**8,738,004**
12.12	**Provision for Green Banking**		
	Balance at the beginning of the Period	20,500,000	20,500,000
	Add: Additional provision for the Period	-	-
	Less: Adjustment during the period	-	-
		20,500,000	**20,500,000**
12.13	**Provision for Start-up Fund**		
	Balance at the beginning of the Period	49,417,135	41,291,302
	Add: Additional provision for the Period	8,204,944	8,125,833
	Less: Adjustment during the period	-	-
		57,622,079	**49,417,135**
12.14	**Provision for Unforseen Losses**		
	Balance at the beginning of the Period	-	-
	Add: Additional provision for the Period		
	Less: Adjustment during the period	-	-
		-	-
12.15	**Provision for CSR Fund**		
	Balance at the beginning of the Period	-	-
	Add: Additional provision for the Period	-	-
	Less: Adjustment during the period		-
		-	-
12(a)	**Consolidated other liabilities**		
	Standard Islami Bank PLC. (note-12)	25,555,636,224	26,155,997,448
	Standard Exchange Co.(UK) Ltd.	5,957,823	5,730,947
	Standard Express(USA) Ltd.	490,211,391	563,669,205
	SBL Capital Mgt. Ltd.	1,867,840,165	1,721,126,386
	Standard Bank Securities Ltd.	273,661,137	260,718,862
		28,193,306,739	**28,707,242,848**
		-	-

13. SHARE CAPITAL

13.1 Authorized Capital

150,00,00,000 ordinary shares of Tk.10/- each	**15,000,000,000**	**15,000,000,000**

The Bank increased it's authorized capital from Taka 880.00 crore to Taka 1500.00 crore by passing a special resolution in the Bank's 27th extra Ordinary General Meeting held on14th November, 2011 at Institute of Diploma Engineers of Bangladesh, 160/A,kakrail VIP Road, Dhaka, Bangladesh. All corporate formalities were duly complied by the Bank as required.

13.2 History of Paid-up Capital

Given below the history of raising of sahre capital:

Accounting Year	Declaration	No of Share	Value in capital		Value in capital
1999	Opening Capital	20,000,000	200,000,000		200,000,000
2002	20% Bonus	4,000,000	40,000,000		240,000,000
2003	Additional Capital	9,000,000	90,000,000		330,000,000
	Initial public offer (IPO)	33,000,000	330,000,000		660,000,000
2003	15% Bonus	9,900,000	99,000,000		759,000,000
2004	20% Bonus	15,180,000	151,800,000		910,800,000
2005	20% Bonus	18,216,000	182,160,000		1,092,960,000
2006	20% Bonus	21,859,200	218,592,000		1,311,552,000
2007	12% Bonus	23,607,936	236,079,360		1,547,631,360
	Right Share (2:1)	65,577,600	655,776,000		2,203,407,360
2008	20% Bonus	44,068,147	440,681,470		2,644,088,830
2009	20% Bonus	52,881,770	528,817,700		3,172,906,530
2010	28% Bonus	88,841,383	888,413,830		4,061,320,360
2011	20% Bonus	81,226,407	812,264,070		4,873,584,430
2012	17% Bonus	82,850,935	828,509,350		5,702,093,780
2014	15% Bonus	85,531,407	855,314,070		6,557,407,850
2015	15% Bonus	98,361,117	983,611,170		7,541,019,020
2016	5% Bonus	37,705,095	377,050,950		7,918,069,970
2017	10% Bonus	79,180,699	791,806,990		8,709,876,960
2018	10% Bonus	87,098,769	870,987,690		9,580,864,650
2019	5% Bonus	47,904,323	479,043,230		10,059,907,880
2020	2.5% Bonus	25,149,769	251,497,690		10,311,405,570
2021	3% Bonus	30,934,216	309,342,160		10,620,747,730
2022	2.5% Bonus	26,551,869	265,518,690		10,886,266,420
2023	2.5% Bonus	27,215,666	272,156,660		11,158,423,080
2024	0% Bonus	-	-		11,158,423,080

13.3 Issued, subscribed and fully Paid up Capital :

	Ammount in Taka	
	31.12.25	31.12.25
66,000,000 ordinary shares of Taka 10/- each issued for cash	660,000,000	660,000,000
957,049,042 ordinary shares of Taka 10/- each issued as bonus shares	9,842,647,080	9,842,647,080
65,577,600 ordinary shares of Taka 10/- each issued as Right shares in 2007	655,776,000	655,776,000
	11,158,423,080	**11,158,423,080**
	-	-

13.4 Initial Public offer (IPO)

Out of the total issued, subscribed and fully paid up capital of the Bank 3,300,000 ordinary shares of Tk.100.00 each amounting to Taka 3,30,000,000 was raised through public offering of shares in 2003.

13.5 Rights issue

Bank has increased its paid up capital by issuance of 2:1 rights share at par on 8 November 2007.

13.6 Particulars of fully Paid up Share Capital :

Particulars	Number of shares		Number of shares in (%)	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Sponsors/Promoters	369,098,955	343,528,418	33%	31%
Investment Corporation of Bangladesh	34,921,634	39,806,600	3%	4%
ICB Unit Fund,ICB Mutual Fund & ICB Investors Account	24,893,745	30,699,633	2%	3%
Institutions	267,387,198	285,964,653	24%	26%
General Public	419,540,776	415,843,004	38%	37%
Total	**1,115,842,308**	**1,115,842,308**	**100%**	**100%**

	Amount in Taka	
	31.12.2025	31.12.2024

13.7 Classification of Shareholders by holding as on 31 December,2025

Shareholding range	Number of Share holders	No. of shares 31.12.2025	No. of shares 31.12.2024
01-500	5225	1,490,960	1,531,899
501-5000	8390	17,007,524	18,682,545
5001-10000	2046	14,181,323	15,528,418
10001-20000	1451	20,013,184	20,182,814
20001-30000	515	12,382,914	12,624,041
30001-40000	231	7,998,752	8,415,405
40001-50000	167	7,611,950	6,036,691
50001-100000	324	22,492,513	21,066,685
100001-1000000	392	111,101,450	109,603,280
1000001-10000000	93	308,280,349	334,220,247
10000001 and above	28	593,281,389	567,950,283
	18862	**1,115,842,308**	**1,115,842,308**

13.8 Composition of Sharesholders' equity

Solo		
Paid-up Capital	11,158,423,080	11,158,423,080
Statutory Reserve	7,641,357,989	7,364,646,159
General Reserve	-	-
Revaluation Reserve on Investment	-	-
Retained earnings	98,411,792	12,834,210
	18,898,192,861	**18,535,903,449**
	-	-
Consolidated		
Paid-up Capital	11,158,423,080	11,158,423,080
Statutory Reserve	7,641,357,989	7,364,646,159
General Reserve	-	-
Revaluation Reserve on Investment	-	-
Retained earnings	97,482,324	29,417,351
Non-controlling Interest	172,058	172,058
	18,897,435,451	**18,552,658,648**
	-	-

13.9 Capital to Risk Weighted Assets Ratio (CRAR) under BASEL-III(Solo basis)

The calculation of CRAR under Basel III (Solo basis) has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014. The required capital as well as total maintained regulatory capital of the Bank at the close of business on 31 December 2025 is shown below:

a) Goning-Concern Capital (Tier-I Capital)		
Commom Equity Tier-1 Capita (CET-1)	Taka	Taka
Paid up Capital	11,158,423,080	11,158,423,080
Statutory Reserve **(note-14)**	7,641,357,989	7,364,646,159
General Reserve	-	-
Surplus Profit & Loss Account/Retained Earnings	98,411,792	12,834,210
Sub Total	**18,898,192,861**	**18,535,903,449**
Less: Regulatory Adjustments	13,362,571	21,712,055
	18,884,830,290	**18,514,191,394**
Additional Tier-1 Capital	4,373,445,956	4,500,000,000
Total Core Capital (Tier-I)	**23,258,276,246**	**23,014,191,394**
b) Gone -Concern Capital (Tier-II Capital)		
General Provision maintained against unclassified Investment/ investment (note-12.2(i+ii))	-	-
Provision for Off-Balance sheet exposure(note-12.3)	-	-
SBL Subordinated Non-Convertible Bond	5,780,000,000	6,770,000,000
Sub Total	**5,780,000,000**	**6,770,000,000**
Regulatory Adjustments	**-**	**-**
Total Tier-II Capital	**5,780,000,000**	**6,770,000,000**
c . Total Eligible Regulatory Capital	**29,038,276,246**	**29,784,191,394**

	Amount in Taka	
	31.12.2025	31.12.2024
d. Total Risk Weighted Assets	**230,568,716,806**	**190,303,883,037**
e. Required Capital based on risk weighted assets (10%)	23,056,871,681	19,030,388,304
f. Surplus/(Deficiency) (A-C)	**5,981,404,565**	**10,753,803,090**
Capital to Risk Weighted Ratio ((A/B)*100)	**12.59%**	**15.65%**
Percentage of Capital on Risk weighted Assets:		
	31.12.2025	**31.12.2024**
Capital Requirement	**Required**	**Required**
Minimum Common Equity Tier-I	4.50%	4.50%
Minimum Tier-I	5.50%	5.50%
Tier-II	Not specified	Not specified
Total	10.00%	10.00%

13.9(a) Capital to Risk Weighted Assets Ratio (CRAR) under BASEL-III(Consolidated basis)

The calculation of CRAR under Basel III (Consolidated basis) has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014. The required capital as well as total maintained regulatory capital of the Bank at the close of business on 31 December 2025 is shown below:

a) Goning-Concern Capital (Tier-I Capital)		
Commom Equity Tier-1 Capital (CET-1)	Taka	Taka
Paid up Capital	11,158,423,080	11,158,423,080
Statutory Reserve **(note-14a)**	7,641,357,989	7,364,646,159
General Reserve	-	-
	172,058	172,058
Surplus Profit & Loss Account/Retained Earnings	97,482,324	29,417,351
Sub Total	**18,897,435,451**	**18,552,658,648**
Less: Regulatory Adjustments	**26,748,196**	**21,712,055**
Additional Tier-1 Capital	**4,330,984,492**	**4,500,000,000**
Total Core Capital (Tier-I)	**23,201,671,747**	**23,030,946,593**
b) Gone -Concern Capital (Tier-II Capital)		
General Provision maintained against unclassified Investment/ investment (note-12.2)	-	-
Provision for Off-Balance sheet exposure(**note-12.3**)	-	-
SBL Subordinated Non-Convertible Bond	5,780,000,000	6,770,000,000
Sub Total	**5,780,000,000**	**6,770,000,000**
Regulatory Adjustments	-	-
Total Tier-II Capital	**5,780,000,000**	**6,770,000,000**
c . Total Eligible Regulatory Capital	**28,981,671,747**	**29,800,946,593**
d. Total Risk Weighted Assets	**235,099,696,338**	**195,280,342,577**
e. Required Capital based on risk weighted assets (10%)	23,509,969,634	19,528,034,258
f. Surplus/(Deficiency) (A-C)	**5,471,702,114**	**10,272,912,335**
Capital to Risk Weighted Ratio ((A/B)*100)	**12.33%**	**15.26%**
Percentage of Capital on Risk weighted Assets:		
	31.12.2025	**31.12.2024**
Capital Requirement	**Required**	**Required**
Minimum Common Equity Tier-I	4.50%	4.50%
Minimum Tier-I	5.50%	5.50%
Tier-II	Not specified	Not specified
Total	10.00%	10.00%

		Amount in Taka	
		31.12.2025	31.12.2024
	* Bangladesh Bank has given consent vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements without adjusting provision shortfall aganist non performing investments of Tk. 3,158.37 crore subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors.Hence, the said provision has not been adjusted from CET-1 Capital.		
14	**Statutory Reserve**		
	Opening balance at the beginning of the Period	7,364,646,159	6,969,026,124
	Addition during the period	276,711,830	395,620,035
	Closing balance at the end of the Period	**7,641,357,989**	**7,364,646,159**
14(a)	**Consolidated Statutory Reserve**		
	Opening balance at the beginning of the Period	7,364,646,159	6,969,026,124
	Addition during the period	276,711,830	395,620,035
	Closing balance at the end of the Period	**7,641,357,989**	**7,364,646,159**
15.	**General Reserve**		
	Opening balance at the beginning of the Period	-	-
	Addition during the period	-	-
	Closing balance at the end of the Period	**-**	**-**
15.1	**Revaluation gain/loss on investments**		
	Opening balance at the beginning of the Period	-	-
	Adjustment during the Period	-	-
	Addition during the period		
	Closing balance at the end of the Period	**-**	**-**
		-	-
15.1(a)	**Consolidated revaluation gain/loss on investment**		
	Standard Islami Bank PLC.	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		-	-
16.	**Retained earnings/movement of profit and loss account**		
	Balance on 1 January	12,834,210	565,910,132
	Add: Net Profit after tax for the Period	820,494,356	812,583,267
	Add: Transfer from SCML	-	-
	Add: Transfer from SBSL	-	-
	Less: Transfer to statutory Reserve	(276,711,830)	(395,620,035)
	Less: Coupon Payable to Mudaraba Peretual Bond	(450,000,000)	(417,600,000)
	Less: Provision for Start-up Fund	(8,204,944)	(8,125,833)
	Less: Provision for CSR Fund	-	-
	Less: Cash/Stock dividend	-	(544,313,321)
	Balance at	**98,411,792**	**12,834,210**
16(a)	**Consolidated retained earnings/movement of profit and loss account**		
	Balance on 1 January	29,417,351	572,644,744
	Add: Net Profit after tax for the Period	804,612,847	828,388,504
	Less: Transfer to statutory Reserve	(276,711,830)	(395,620,035)
	Add/Less: Foreign Currency translation Gain/ loss	(1,631,100)	(1,516,719)
	Less: Non-controlling Interest	-	(2,328)
	Less: Coupon Payable to Mudaraba Peretual Bond	(450,000,000)	(417,600,000)
	Less: Transfer to Capital Reserve	-	(4,437,661)
	Less: Provision for Start-up Fund	(8,204,944)	(8,125,833)
	Less: Provision for CSR Fund	-	-
	Less: Cash/Stock dividend	-	(544,313,321)
	Balance at	**97,482,324**	**29,417,351**
16.1(b)	**Non-controlling Interest**		
	SBL Capital Mgt. Ltd.		
	Balance on 1 January	77,278	76,453
	Add: Addition during the period	-	825
	Sub Total	**77,278**	**77,278**
	Standard Bank Securities Ltd.		
	Balance on 1 January	94,780	93,277
	Add: Addition during the period	-	1,503
	Sub Total	**94,780**	**94,780**
	Balance at	**172,058**	**172,058**

		Amount in Taka	
		31.12.2025	31.12.2024
17.	**CONTINGENT LIABILITIES**		
17.1	**Acceptances and Endorsements**		
	Back to Back L/C (Foreign)	26,526,373	21,012,944
	Back to Back L/C (Local)	10,087,548,010	8,874,110,682
	Letter of Credit (Others)	9,424,676,282	14,560,425,848
		19,538,750,665	**23,455,549,474**
17.2	**Letter of Guarantee**		
	Letter of Guarantee(Local)	21,706,064,436	17,975,668,066
	Letter of Guarantee(Foreign)	128,611,483	17,794,220
	Others	202,821,015	28,451,513
		22,037,496,934	**18,021,913,799**
	Money for which the Bank is contingently liable in respect of guarantees given favoring:		
	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	Others	22,037,496,934	18,021,913,799
		22,037,496,934	**18,021,913,799**
17.3	**Irrevocable Letter of Credit**		
	Letter of Credit (Sight)	25,117,552,481	17,115,583,979
	Letter of Credit (Usance)	6,062,577,102	5,814,349,081
	Letter of Credit (Others)	-	-
		31,180,129,583	**22,929,933,060**
17.4	**Bill for Collection**		
	Inward local bill for collection	-	-
	Inward Foreign bill for collection	-	-
	Outward local bill for collection	7,291,678,546	6,705,057,804
	Outward Foreign bill for collection	693,304,912	3,637,030,991
		7,984,983,458	**10,342,088,795**
17.5	**Other Contingent Liabilities**	**-**	**-**
		-	-
		80,741,360,640	**74,749,485,128**
17(a)	**Consolidated contingent liabilities**		
	Acceptances and endorsements		
	Standard Islami Bank PLC. (note-17)	19,538,750,665	23,455,549,474
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		19,538,750,665	**23,455,549,474**
	Letters of guarantee		
	Standard Islami Bank PLC. (note-17)	22,037,496,934	18,021,913,799
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		22,037,496,934	**18,021,913,799**
	Irrevocable Letters of Credit		
	Standard Islami Bank PLC. (note-17)	31,180,129,583	22,929,933,060
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		31,180,129,583	**22,929,933,060**

		Amount in Taka	
		31.12.2025	31.12.2024
	Bills for Collection		
	Standard Islami Bank PLC. (note-17)	7,984,983,458	10,342,088,795
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.		
	Standard Bank Securities Ltd.	-	-
		7,984,983,458	**10,342,088,795**
	Other Contingent liabilities		
	Standard Islami Bank PLC. (note-17)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		-	-
		80,741,360,640	**74,749,485,128**
18	**Income Statement**		
	Income:		
	Profit, discount and similar income **(note-18.1)**	16,962,885,678	16,782,318,909
	Dividend income (note-20)	470,745	49,762,974
	Fees, Commission and brokerage **(note-21.1)**	1,065,853,933	971,006,239
	Gains Less Losses arising from dealing in securities (note-20)	209,596	2,019,061
	Gains Less Losses arising from Investment securities (note-20)	2,539,834,972	1,080,549,193
	Gains Less Losses arising from dealing in Foreign Currencies **(Note-21.2)**	1,799,360,054	2,052,611,898
	Income from non banking assets	-	-
	Other operating income **(note-22)**	475,934,380	545,270,749
	Profit less losses on Profit rate changes	-	-
	Total	**22,844,549,358**	**21,483,539,023**
	Expenses:		
	Profit paid on deposit, Borrowings etc.(**note-19)**	16,949,300,574	13,411,780,682
	Losses on Investments	-	-
	Administrative Expenses **(note-18.2)**	3,477,553,540	3,543,273,133
	Other operating expenses **(note-33)**	309,989,177	318,443,061
	Depreciation on Banking assets **(note-32)**	174,013,619	178,138,198
	Total	**20,910,856,909**	**17,451,635,074**
	Operating Profit before Provision	**1,933,692,448**	**4,031,903,949**
		-	-
18(a)	**Consolidated Income Statement**		
	Income:		
	Standard Islami Bank PLC. (note-18)	22,844,549,358	21,483,539,023
	Standard Exchange Co.(UK) Ltd.	42,426,274	37,811,628
	Standard Express(USA) Ltd.	225,431,992	224,801,207
	SBL Capital Mgt. Ltd.	72,355,789	83,366,664
	Standard Bank Securities Ltd.	43,693,723	78,622,985
	Total	**23,228,457,136**	**21,908,141,507**
	Expenses:		
	Standard Islami Bank PLC. (note-18)	20,910,856,909	17,451,635,074
	Standard Exchange Co.(UK) Ltd.	41,536,100	38,434,227
	Standard Express(USA) Ltd.	242,203,676	218,554,447
	SBL Capital Mgt. Ltd.	16,746,944	22,482,792
	Standard Bank Securities Ltd.	19,032,942	50,230,963
	Total	**21,230,376,572**	**17,781,337,503**
	Consolidated Operating Profit before Provision	**1,998,080,564**	**4,126,804,004**
			-
18.1	**Profit,Discount and similar income**		
	Profit received from Investments **(note-18.3)**	16,297,758,146	16,327,240,228
	Profit received from FC clearing Account	-	-
	Profit received from Bank and other financial institutions	665,127,532	455,078,681
		16,962,885,678	**16,782,318,909**

		Amount in Taka	
		31.12.2025	31.12.2024
18.2	**Administrative Expenses**		
	Salary and allowances **(note-23)**	2,666,202,156	2,721,975,148
	Rent, Taxes, Insurance, Electricity etc.**(note-24)**	623,222,886	596,789,233
	Legal expenses **(note-25)**	12,946,035	10,265,907
	Postage, stamp, telecommunication etc.**(note-26)**	14,421,447	16,968,765
	Stationery, Printings, advertisement etc.**(note-27)**	54,432,612	65,889,406
	Managing Director's salary and fees **(note-28)**	16,650,000	10,620,967
	Directors' Fees (**note-29)**	6,761,939	5,876,926
	Shari'ah Supervisory Committee's Fees & Expenses (29)	328,505	378,229
	Auditor's fees **(note -30)**	3,018,750	853,000
	Zakat Expenses of the Bank **(32.1)**	-	-
	Repair of Bank's assets **(note-32)**	79,569,210	113,655,552
		3,477,553,540	**3,543,273,133**
	Expenses included VAT on which applicable		
18.3	**Profit received from Investments**		
	Bai Murbahah	2,261,448,756	2,008,755,715
	Bai Muajjal	5,639,594,957	6,038,545,250
	Bai Salam	150,670,038	79,077,706
	Hire Purchase/ HPSM	7,618,120,465	7,728,050,193
	Qard	3,738,964	9,530,585
	OBU Business	5,217,290	5,416,345
	Export Development Fund (EDF)	46,916,700	65,561,153
	Tijara VISA Card	84,648,020	72,017,984
	Inland bills purchased	447,086,215	308,237,173
	Foreign bills purchased and discounted	40,316,741	12,048,124
	Total Profit on Investments	**16,297,758,146**	**16,327,240,228**
	Profit received from FC clearing account	-	-
	Profit received from Bank and other Financial Institution	665,127,532	455,078,681
	Profit on Placement	-	-
		665,127,532	**455,078,681**
	Total	**16,962,885,678**	**16,782,318,909**
		-	-

* Bangladesh Bank has given consent vide letter no. BSD-12/SBPLC/2026-397 dated 28.04.2026 to prepare audited financial statements after adjusting investments income of Tk.90.00 crore and transferred to profit suspenses subject to submit a realistic and time bound provision shortfall recovery plan approved by the Board of Directors.

18.3(a)	**Consolidated profit on investment**		
	Standard Islami Bank PLC. (note-18.3)	16,962,885,678	16,782,318,909
	Standard Islami Bank PLC. (Profit Received from SCML)	(280,433,355)	(282,076,518)
	Standard Islami Bank PLC. (Profit Received from SBSL)	(52,082,110)	(13,743,935)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	3,038,977	771,331
	SBL Capital Mgt. Ltd.	295,349,068	311,949,282
	Standard Bank Securities Ltd.	78,842,369	76,657,399
		17,007,600,627	**16,875,876,468**

19. PROFIT PAID ON DEPOSITS, BORROWINGS, ETC.

Profit paid on deposits (note -19.1)	15,476,627,002	12,844,077,303
Profit paid on borrowings (note -19.1)	1,472,673,571	567,703,379
	16,949,300,574	**13,411,780,682**
	-	-

19.1	**Profit paid on deposits ,borrowing etc of the Bank**		
	Profit paid on deposits		
	Mudaraba Savings Deposits	293,897,641	301,101,810
	Mudaraba Short Term Deposits	1,431,781,423	788,650,514
	Mudaraba Term Deposits	12,261,061,757	10,948,547,396
	Mudaraba Deposit Schemes	1,488,275,143	802,301,153
	Profit on lease liabilities as per IFRS-16	1,607,140	3,470,202
	Foreign Currency	3,897	6,228
		15,476,627,002	**12,844,077,303**

		Amount in Taka	
		31.12.2025	31.12.2024
	Profit paid on borrowing		
	Profit paid on subordinated Bond	744,266,672	405,106,998
	Profit paid on Bangladesh Bank Refinance	728,406,899	160,408,881
	Profit Paid On Notice Money Borrowing	-	2,187,500
		1,472,673,571	**567,703,379**
		16,949,300,574	**13,411,780,682**
19(a)	**Consolidated profit paid on Deposits, borrowings, etc.**		
	Standard Islami Bank PLC. (note-19)	16,949,300,574	13,411,780,682
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		16,949,300,574	**13,411,780,682**
20.	**INCOME FROM INVESTMENT**		
	Dividend on shares	470,745	49,762,974
	Gain on shares	209,596	2,019,061
	Profit received from Corp. Bond	-	100,506,664
	Profit received from Mudaraba Subordinated Bond	309,250,008	-
	Profit received from Mudaraba Perpetual Bond	450,000,000	417,600,000
	Profit from Government Securities(GIIB)	739,892,236	561,332,529
	Profit from Government Securities/bond/Sukuk	1,040,692,728	1,110,000
		2,540,515,313	**1,132,331,228**
		-	-
20(a)	**Consolidated Income from Investment**		
	Standard Islami Bank PLC.	2,540,515,313	1,132,331,228
	Standard Islami Bank PLC. (Dividend Received from SCML)	-	(22,499,100)
	Standard Islami Bank PLC. (Dividend Received from SBSL)	-	(19,998,625)
	Standard Exchange Co.(UK) Ltd.		
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	41,988,818	57,745,508
	Standard Bank Securities Ltd.	10,558,758	22,786,738
		2,593,062,889	**1,170,365,749**
21.	**COMMISSION/FEES, EXCHANGE AND BROKERAGE**		
	Commission /Fees **(note-21.1)**	1,065,853,933	971,006,239
	Exchange earnings **(note-21.2)**	1,799,360,054	2,052,611,898
	Brokerage	-	-
		2,865,213,987	**3,023,618,137**
		-	-
21.1	**Commission**		
	Commission on Import L/Cs	507,505,244	453,230,276
	Commission on Export L/Cs	381,883,141	355,533,891
	Rebate on nostro a/c	3,417,408	773,933
	Commission on Bank Guarantee	165,513,409	152,479,391
	Commission on chanchyapatra	-	-
	Commission on Remmittance	7,534,731	8,988,748
	Underwriting commission	-	-
		1,065,853,933	**971,006,239**
	Brokerage	**-**	**-**
		1,065,853,933	**971,006,239**
21.2	**Exchange**		
	Gains arising from Dealing Securities	-	-
	Gains arising from Investment Securities	-	-
	Gains arising from Foreign Trade Business	1,799,360,054	2,052,611,898
		1,799,360,054	**2,052,611,898**

		Amount in Taka	
		31.12.2025	31.12.2024
21(a)	**Consolidated Commission, Exchange and Brokerage**		
	Standard Islami Bank PLC. (note-21)	2,865,213,987	3,023,618,137
	Standard Exchange Co.(UK) Ltd.	36,714,311	35,460,355
	Standard Express(USA) Ltd.	211,027,375	216,271,671
	SBL Capital Mgt. Ltd.	10,462,058	16,656,892
	Standard Bank Securities Ltd.	6,313,619	12,747,345
		3,129,731,350	**3,304,754,400**
22.	**Other operating income**		
	SWIFT & Telex charge recoveries	22,882,410	29,847,976
	Postage charge recoveries	8,141,702	8,448,405
	Service charges	269,222,803	321,134,565
	Locker charges	2,432,462	2,398,224
	Investments processing /documentation fees	27,911,362	53,137,337
	Capital Gain on Sale of Assets	8,211,033	281,656
	Debit / VISA Card Fees	107,882,608	102,533,297
	Stationery Charge Recovery	432,103	1,229,910
	Handling Commission On Lease Finance	2,782,324	1,096,210
	Handling Charge On Pe-Hsia Booth	579,795	546,030
	Earning on Treasury FEX	2,507,291	3,715,836
	NPSB Settlement Income	8,874,989	9,675,412
	Charges On Rtgs	10,965,658	10,015,335
	Recovery From Written Off Investments A/C	560,591	126,000
	Other earnings	2,547,251	1,084,556
		475,934,380	**545,270,749**
		-	-
22(a)	**Consolidated other operating income**		
	Standard Islami Bank PLC. (note-22)	475,934,380	545,270,749
	Standard Exchange Co.(UK) Ltd.	5,711,964	2,351,273
	Standard Express(USA) Ltd.	11,365,640	7,758,205
	SBL Capital Mgt. Ltd.	4,989,200	1,590,600
	Standard Bank Securities Ltd.	61,087	174,063
		498,062,271	**557,144,890**
23.	**Salaries and allowances**		
	Basic salary	1,131,021,217	1,133,929,526
	Allowances (**note-23.1**)	1,115,956,143	1,151,091,866
	Bonus & ex-gratia	216,421,840	221,022,269
	Bank's contribution to provident fund	98,365,552	113,495,567
	Casual wages	104,437,404	102,435,920
		2,666,202,156	**2,721,975,148**
		-	-
23.1	**Allowances**		
	House rent allowances	566,675,424	570,379,678
	Conveyance allowances	82,482,444	83,851,389
	Entertainment allowances	60,390,754	56,474,694
	House maintenance & utility	40,833,639	39,210,904
	Medical allowances	113,112,016	113,798,286
	Risk allowances	2,590,167	2,563,242
	Washing allowances	1,524,705	1,574,568
	Remuneration for probationaries	99,269,747	98,891,825
	Charge allowances	3,295,967	3,258,266
	Leave Fare Compensation	90,968,406	92,563,576
	Gratuity	40,000,000	70,000,000
	Leave Encashment	13,012,874	15,051,219
	Extra allowances	1,800,000	3,474,219
		1,115,956,143	**1,151,091,866**
23(a)	**Consolidated salaries and allowances**		
	Standard Islami Bank PLC. (note-23)	2,666,202,156	2,721,975,148
	Standard Exchange Co.(UK) Ltd.	12,834,995	10,538,962
	Standard Express(USA) Ltd.	98,887,773	92,402,417
	SBL Capital Mgt. Ltd.	9,131,433	14,341,289
	Standard Bank Securities Ltd.	12,212,392	2,571,643
		2,799,268,749	**2,841,829,459**

		Amount in Taka	
		31.12.2025	31.12.2024
24.	**Rent, Taxes, Insurance, electricity, etc.**		
	Rent- Office	335,600,590	318,228,501
	Rent- Godown	541,050	524,000
	Rent Paid - Atm Booth	15,970,103	16,586,124
	Rates and taxes	62,688,799	60,585,120
	Insurance	123,958,582	123,311,510
	Utilities	84,463,762	77,553,978
		623,222,886	**596,789,233**
24(a)	**Consolidated Rent, Taxes, Insurance, electricity, etc.**		
	Standard Islami Bank PLC. (note-24)	623,222,886	596,789,233
	Standard Exchange Co.(UK) Ltd.	23,283,353	9,822,312
	Standard Express(USA) Ltd.	72,493,024	18,601,929
	SBL Capital Mgt. Ltd.	2,986,456	2,756,623
	Standard Bank Securities Ltd.	2,750,544	495,000
		724,736,263	**628,465,097**
25.	**Legal expenses**		
	Legal Charges	11,336,028	7,490,858
	Fees ,Stamp & notary public expenses	1,610,007	2,775,049
		12,946,035	**10,265,907**
25(a)	**Consolidated Legal expenses.**		
	Standard Islami Bank PLC. (note-25)	12,946,035	10,265,907
	Standard Exchange Co.(UK) Ltd.	803,959	1,014,127
	Standard Express(USA) Ltd.	10,261,385	9,537,983
	SBL Capital Mgt. Ltd.	396,500	273,700
	Standard Bank Securities Ltd.	103,500	278,572
		24,511,379	**21,370,289**
26.	**Postage, Stamps, Telecommunication etc.**		
	Postage	8,733,739	10,444,752
	Telegram, telex, fax and e-mail	322,577	387,338
	Telephone, Mobile (office & residence)	5,365,131	6,136,675
		14,421,447	**16,968,765**
26(a)	**Consolidated Postage, Stamps, Telecommunication etc.**		
	Standard Islami Bank PLC. (note-26)	14,421,447	16,968,765
	Standard Exchange Co.(UK) Ltd.	227,829	225,963
	Standard Express(USA) Ltd.	3,021,932	3,667,908
	SBL Capital Mgt. Ltd.	47,514	42,511
	Standard Bank Securities Ltd.	272,677	141,878
		17,991,400	**21,047,025**
27.	**Stationery, Printing, Advertisement etc.**		
	Printing stationery	7,453,230	10,245,064
	Security stationery	1,474,703	1,120,922
	Petty stationery	12,519,389	11,658,013
	Computer stationery	11,636,031	12,260,134
	Calender ,Dairy,Greetings Crads Etc	9,272,915	11,242,409
	Publicity and advertisement	12,076,344	19,362,864
		54,432,612	**65,889,406**
27(a)	**Consolidated Stationery, Printing, Advertisement etc.**		
	Standard Islami Bank PLC. (note-27)	54,432,612	65,889,406
	Standard Exchange Co.(UK) Ltd.	1,066,701	500,002
	Standard Express(USA) Ltd.	5,238,104	4,156,559
	SBL Capital Mgt. Ltd.	234,586	246,622
	Standard Bank Securities Ltd.	137,017	228,850
		61,109,019	**71,021,439**

		Amount in Taka	
		31.12.2025	31.12.2024
28.	**Managing Director's salary and fees**		
	Basic salary	9,000,000	6,169,355
	House rent allowance	2,400,000	1,645,161
	Medical Allowances	1,200,000	822,581
	House maintenance & utility	600,000	411,290
	Entertainment	600,000	411,290
	Cook & Servant	600,000	411,290
	Bonus	2,250,000	750,000
		16,650,000	**10,620,967**
29.	**Directors fees & meeting expenses**	-	
	Directors fees	2,720,000	2,656,000
	Travelling and haltage	2,816,987	2,295,205
	Refreshment and dinner	1,224,952	925,721
		6,761,939	**5,876,926**
29(a)	**Consolidated Directors fees & meeting expenses**		
	Standard Islami Bank PLC. (note-29)	6,761,939	5,876,926
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	510,090	-
	SBL Capital Mgt. Ltd.	379,398	540,422
	Standard Bank Securities Ltd.	425,500	131,274
		8,076,927	**6,548,622**
29.2	**Shari'ah Supervisory Committee's Fees & Expenses**		
	Directors fees	108,505	88,229
	Refreshment and dinner	220,000	290,000
		328,505	**378,229**
30.	**Audit fees**	3,018,750	853,000
		3,018,750	**853,000**
30 (a)	**Consolidated Auditors fees**		
	Standard Islami Bank PLC.	3,018,750	853,000
	Standard Exchange Co.(UK) Ltd.	649,888	737,684
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		3,668,638	**1,590,684**
31.	**Charges on Investments losses**		
	Investment-written off	-	-
	Profit waived	-	-
		-	-
31(a).	**Consolidated charges on Investments losses**		
	Standard Islami Bank PLC.	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		-	-
32.	**Depreciation and repair of Banks assets**		
	Depreciation on Fixed Assets		
	Building	11,530,064	11,530,064
	Furniture & fixture	78,059,787	74,710,385
	Office appliance & equipment	17,335,664	21,403,876
	Computer	18,999,081	19,217,319
	Software	8,708,634	10,308,210
	Right of use assets	35,573,488	35,573,488
	Motor vehicle	3,806,902	5,394,856
		174,013,619	**178,138,198**

		Amount in Taka	
		31.12.2025	31.12.2024
	Repair, Renovation & Maintenance of Bank's Assets		
	Office furniture	-	-
	Office appliance & equipment	19,390,524	19,642,258
	Computer	2,652,767	2,913,875
	Software	51,004,086	80,310,753
	Motor vehicle	6,521,833	10,788,666
		79,569,210	**113,655,552**
	Total	**253,582,829**	**291,793,750**
32(a)	**Consolidated depreciation and repair of Banks assets**		
	Standard Islami Bank PLC. (note-32)	253,582,829	291,793,750
	Standard Exchange Co.(UK) Ltd.	704,960	918,424
	Standard Express(USA) Ltd.	1,237,929	45,622,243
	SBL Capital Mgt. Ltd.	1,432,012	1,175,556
	Standard Bank Securities Ltd.	863,175	1,334,384
		257,820,905	**340,844,357**
32(b)	**Zakat Expenses of the Bank**		
	Zakat Expenses	-	-
		-	-
33.	**OTHER EXPENSES**		
	Entertainment (office)	24,758,420	21,527,760
	Donation & subscription	7,229,966	16,217,520
	Travelling	5,056,506	5,768,158
	Anniversary	405,230	263,206
	Training and seminar expenses	2,733,589	4,626,838
	Newspaper and periodicals	1,136,828	1,026,649
	Petrol, oil and lubricants	13,220,967	18,272,534
	Car expenses	34,316,708	33,144,583
	Photocopy expenses	2,321,723	2,254,698
	Staff uniform and liveries	2,914,649	3,368,995
	Cleaning and washing	8,627,959	8,049,690
	Premises up keeping	890,470	1,056,351
	Local conveyance	7,609,247	7,419,273
	Business development	7,110,447	7,332,352
	Freight and cartage	496,010	105,450
	Cook and servant	11,474,512	10,261,643
	Annual General Meeting	6,598,218	5,444,654
	Bank charges and commission paid	5,906,197	7,205,262
	Online (ABB) expenses	95,975	86,286
	Managers Conference exp	37,000	3,374,309
	Performance award	5,890,000	1,250,000
	SBL welfare fund	11,894,392	11,894,392
	Generator expenses	2,039,352	1,999,018
	Connectivity fees	13,978,556	13,991,616
	CDBL Charges	-	146,823
	Visa Card Process charges	31,702,829	33,363,977
	Dhaka Stock Exchange	600,000	1,116,535
	Chattogram Stock Exchange	600,000	1,158,235
	Recruitment Expenses	3,974,253	320,303
	Green Banking	1,470	10,000,000
	NPSB settlement expenses	3,902,505	1,989,505
	Discomfort Allowances	166,600	255,800
	Security Service-Out Sourcing	80,639,684	76,281,989
	BSEC Subscription	310,000	3,954,432
	Subordinated Bond Issue Expenses	9,325,868	517,500
	NID Verification Charge	1,003,530	782,325
	Bankers Almanac Charge	-	1,445,003
	Hajj Related Expenses	165,520	91,300
	Medical Expenses	-	1,270
	Other Expenses	853,997	1,076,827
		309,989,177	**318,443,061**

Expenses included VAT on which applicable

		Amount in Taka	
		31.12.2025	31.12.2024
33(a)	**Consolidated other expenses**		
	Standard Islami Bank PLC. (note-33)	309,989,177	318,443,061
	Standard Exchange Co.(UK) Ltd.	1,964,415	14,676,753
	Standard Express(USA) Ltd.	50,553,439	44,565,408
	SBL Capital Mgt. Ltd.	2,139,047	3,106,069
	Standard Bank Securities Ltd.	2,268,137	45,049,362
		366,914,214	**425,840,653**
33.1	**Nostro account maintenance**		
	Nostro account maintenance	-	-
	Bank charge	-	-
		-	-
34	**Provision for Investments,off balance sheet exposure & other assets**		
	Provision for Classified Investments	539,523,299	2,003,863,773
	Provision for SMA Investments	-	-
	Provision for unclassified Investments	-	-
	Special General Provision-COVID-19	-	-
	Provision for Start-up Fund	-	-
	Provision for off balance sheet exposure	-	-
	Provision for other assets	10,610,000	340,000
	Provision for diminution in value of investments(34.1)	**-**	**49,600,000**
		550,133,299	**2,053,803,773**
		-	-
34.1	**Provision for diminution in value of investments**		
	Dealing Securities		
	Quoted	-	-
	Unquoted	-	-
	Investment Securities	-	-
	Quoted	-	49,600,000
	Unquoted	-	-
		-	**49,600,000**
		550,133,299	**2,103,403,773**
34.1(a)	**Consolidated Provision for diminution in value of investments**		
	Dealing Securities	**-**	**49,600,000**
	Standard Islami Bank PLC. (note-34.1)	-	49,600,000
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
	Investment Securities	**14,457,305**	**10,203,254**
	Standard Islami Bank PLC. (note-34.1)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	7,502,733	7,853,254
	Standard Bank Securities Ltd.	6,954,572	2,350,000
		14,457,305	**59,803,254**
		-	-
34(a)	**Consolidated Provision for Investments,off balance sheet exposure & other assets**		
	Provision for Classified Investments	539,523,299	2,003,863,773
	Provision for SMA investments-SBL	-	-
	Provision for unclassified Investments -SBL	-	-
	Provision for off balance sheet exposure-SBL	-	-
	Provision for diminution in value of investments (SCML & SBSL)	14,457,305	59,803,254
	Provision for impairment of client margin Investments (SCML & SBSL)	47,592,913	36,638,195
	Provision for others (SBL)	10,610,000	340,000
		612,183,517	**2,100,645,222**

		Amount in Taka	
		31.12.2025	31.12.2024
35	**Tax expenses**		
	Current tax	570,852,227	1,173,852,730
	Deferred tax	(7,787,433)	(8,335,821)
		563,064,794	**1,165,516,909**
35(a)	**Consolidated tax expenses**		
	Current tax		
	Standard Islami Bank PLC. (note-35)	570,852,227	1,173,852,730
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	11,808,545	19,883,766
	Standard Bank Securities Ltd.	6,410,861	12,369,602
		589,071,633	**1,206,106,098**
	Deferred tax		
	Standard Islami Bank PLC. (note-35)	(7,787,433)	(8,335,821)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	Standard Bank Securities Ltd.	-	-
		(7,787,433)	**(8,335,821)**
	Total	**581,284,200**	**1,197,770,277**
36	**Earning Per Share (EPS)**		
	Net profit after tax	820,494,356	812,583,267
	Number of Ordinary Share	1,115,842,308	1,115,842,308
	Earning Per Share *	**0.74**	**0.73**

* Earning per share calculated dividing basic earning during the year by number of share outstanding as on reporting date complying with the provision of IAS-33.

36(a)	**Consolidated Earning Per Share (EPS)**		
	Net profit after tax	804,612,847	828,388,505
	Number of Ordinary Share	1,115,842,308	1,115,842,308
	Earning Per Share *	**0.72**	**0.74**

* Earning per share calculated dividing basic earning during the Period by number of share outstanding as on reporting date complying with the provision of IAS-33.

37	**Received from other operating activities**		
	SWIFT & Telex charge recoveries	22,882,410	29,847,976
	Postage charge recoveries	8,141,702	8,448,405
	Service charges	269,222,803	321,134,565
	Locker charges	2,432,462	2,398,224
	Investments processing /documentation fees	27,911,362	53,137,337
	Debit / VISA Card Fees	107,882,608	102,533,297
	Stationery Charge Recovery	432,103	1,229,910
	Handling Commission On Lease Finance	2,782,324	1,096,210
	Handling Charge On Pe-Hsia Booth	579,795	546,030
	Earning on Treasury FEX	2,507,291	3,715,836
	NPSB Settlement Income	8,874,989	9,675,412
	Charges On Rtgs	10,965,658	10,015,335
	Recovery From Written Off Investments A/C	560,591	126,000
	Other earnings	2,547,251	1,084,556
	Gain on shares	209,596	2,019,061
		467,932,943	**547,008,154**

		Amount in Taka	
		31.12.2025	31.12.2024
37(a)	**Consolidated Received from other operating activities**		
	Standard Islami Bank PLC. (note-35)	467,932,943	547,008,154
	Standard Exchange Co.(UK) Ltd.	5,711,964	2,351,273
	Standard Express(USA) Ltd.	11,365,640	7,758,205
	SBL Capital Mgt. Ltd.	4,989,200	1,590,600
	Standard Bank Securities Ltd.	61,087	174,063
		490,060,833	**558,882,295**
		-	-
38	**Payments for other operating activities**		
	Rent, Taxes, Insurance, Electricity etc.	623,222,886	596,789,233
	Legal Expenses	12,946,035	10,265,907
	Postage, Stamp, Telecommunication etc.	14,421,447	16,968,765
	Directors' Fee & Other benefits	6,761,939	5,876,926
	Shari'ah Supervisory Committee's Fees & Expenses	328,505	378,229
	Audit Fees	3,018,750	853,000
	Repair of Bank's assets	79,569,210	113,655,552
	Other Expenses	416,524,684	273,995,307
		1,156,793,456	**1,018,782,919**
		-	-
38(a)	**Consolidated Payments for other operating activities**		
	Standard Islami Bank PLC. (note-38)	1,156,793,456	1,018,782,919
	Standard Exchange Co.(UK) Ltd.	28,051,218	27,157,581
	Standard Express(USA) Ltd.	142,805,813	126,152,030
	SBL Capital Mgt. Ltd.	7,236,114	7,601,082
	Standard Bank Securities Ltd.	6,395,050	47,528,046
		1,341,281,651	**1,227,221,658**
		-	-
39	**Changes in other assets**		
	Stock of stationery	989,190	2,342,698
	Stamps in hand	(880,320)	1,393,878
	Suspenses A/c	29,687,280	(166,299,021)
	Advance deposit	(47,301)	27,828
	Profit Receivable	1,066,191,428	138,626,275
	Branch adjustments accounts	-	44,700,347
	Advance rent	119,052,183	(27,070,523)
	Prepaid expenses	(282,654)	(3,921,327)
	Excise Duty adjustment on FDR	3,230,350	(565,620)
	Working Progress, Building	221,697,534	360,503,044
	Profit receivable on Bai Murabaha/Bai Muajjal/Hpsm	(61,210,456)	
	Exchange House	185,316,227	
	Dividend Receivable	(81,002,380)	(60,997,100)
	Profit Waived	(47,784,966)	361,154,392
	Protested Bill Account	10,610,000	340,000
	Clearing Adjustment	421,803,705	(266,836,978)
		1,867,369,820	**383,397,893**
		-	-
39(a)	**Consolidated Changes in other assets**		
	Standard Islami Bank PLC. (note37)	1,867,369,820	383,397,893
	Standard Exchange Co.(UK) Ltd.	818,718	1,097,528
	Standard Express(USA) Ltd.	(144,614,680)	145,489,503
	SBL Capital Mgt. Ltd.	1,394,436,654	83,834,664
	Standard Bank Securities Ltd.	(24,629,939)	11,162,213
		3,093,380,573	**624,981,801**
		-	-
40	**Changes in other liabilities**		
	Accrued Expenses	(106,535,507)	44,447,754
	Standard Exchange UK	-	(102,821,936)
	Profit suspenses account	3,060,692,825	-
	Zakat Fund	(20,000)	-
	Provision for bonus	(100,121,232)	-
	Islamic Settlement Account	-	(370,547.00)
	Profit receivable	(3,900)	(61,210,356)
	Provision for LFC	356,337	(689,587)
	Provision for Start up Fund	8,204,944	8,125,833
	Provision For Deposit Insurance Premium	2,556,511	58,425,613

		Amount in Taka	
		31.12.2025	31.12.2024
	Provision for Green Banking	-	10,000,000
	Commission Payable Account	615,809	147,365
	Payable to OBU	(720,366,723)	204,472,590
	Clearing Adjustment	(125)	-
	Branch adjustments accounts	-	(172,371,156)
	Swift Charge Payable A/C	9,368,741	3,057,131
	Profit Reimbursement A/C Swc-I & S-Cc	-	(33,287,561)
	Non Shari'ah Income	(4,861,034)	1,855,556
	Compensation Suspense Account	38,413,679	85,281,499
	Bank To Bank Rtgs Fc Settlement (Usd)	206,884,609	(239,493,960)
	Unclaimed Deposit Payable	(27,034)	67,444
	Supervision Charge Receivable	(3,530,241)	(51,808,682)
		2,391,627,659	**(246,173,000)**
		-	-
40(a)	**Consolidated Changes in other liabilities**		
	Standard Islami Bank PLC. (note-38)	2,391,627,659	(246,173,000)
	Standard Exchange Co.(UK) Ltd.	226,876	(117,080)
	Standard Express(USA) Ltd.	57,431,133	202,425,278
	SBL Capital Mgt. Ltd.	7,449,082	731,496,522
	Standard Bank Securities Ltd.	12,012,686	(45,137,925)
		2,468,747,436	**642,493,795**
		0.00	-
41	**Reconciliation of Net Profit after Taxation with Cash Flows from Operating Activities before changes In Operating Assets & Liabilities**		
	Standard Islami Bank PLC.		
	Net profit after taxation	820,494,356	812,583,267
	Provision for taxation	563,064,794	1,165,516,909
	Provision for Investments& Off BS Exposure	550,133,299	2,053,803,773
	Changes in profit and others receivable	(4,664,390,909)	(2,432,853,267)
	Changes in accrual Profit expense	270,115,143	1,103,174,077
	Depreciation & Amortization of Fixed Assets	174,013,619	178,138,198
	Proceeds from sale of fixed assets	8,211,033	281,656
	Advance Income taxes paid	1,819,559,169	872,902,507
		(458,799,497)	**3,753,547,120**
	Consolidated	-	-
	Net profit after taxation	804,612,847	828,388,504
	Provision for taxation	581,284,200	1,197,770,277
	Provision for Investments& Off BS Exposure	612,183,517	2,100,645,222
	Changes in Profit and others receivable	(3,680,824,246)	(1,635,967,480)
	Changes in accrual Profit expense	270,115,143	1,103,174,077
	Depreciation & Amortization of Fixed Assets	176,123,973	180,367,318
	Proceeds from sale of fixed assets	8,211,033	281,656
	Advance Income taxes paid	1,813,922,396	(815,507,630)
		585,628,863	**2,959,151,944**
		0	0
42	**Net Operating Cash Flows per Share (NOCFPS)**		
	Net cash flow from operating activities	12,664,162,536	4,151,893,607
	Number of Ordinary Share	1,115,842,308	1,115,842,308
	Net Operating Cash Flows per Share (NOCFPS)	**11.35**	**3.72**
42(a)	**Consolidated Net Operating Cash Flows per Share (NOCFPS)**		
	Net cash flow from operating activities	12,683,880,087	4,304,664,103
	Number of Ordinary Share	1,115,842,308	1,115,842,308
	Net Operating Cash Flows per Share (NOCFPS)	**11.37**	**3.86**

	Amount in Taka	
	31.12.2025	31.12.2024

We would like to inform you that the Net Operating Cash Flow per Share (NOCFPS) has significantly increased as of 31 December 2025 compared to the same period in the previous year (31 December 2024), due to the following reasons:

a) Cash inflow increased significantly due to a rise in deposits amounting to Tk. 1141.00 crore as of 31 December 2025, compared to the position as of 31 December 2024.

b) Cash inflow also increased substantially due to higher placements from banks, which rose by Tk. 704.31 crore as of 31 December 2025 compared to 31 December 2024.

c) Investment income increased by Tk. 13.17 crore as of 31 December 2025 compared to 31 December 2024, contributing to higher cash inflows.

d) Income from investments in shares and securities rose significantly by Tk. 142.27 crore as of 31 Deecember 2025 compared to 31 December 2024.

e) Operating expenses decreased by Tk. 8.85 crore as of 31 December 2025 compared to 31 December 2024, resulting in higher net cash flow.

43 Expenditure Incurred for employees

Number of employees at 31 December 2025 was 2149(2024: 2143) who were in receipt of remuneration for that Period which in the aggregate was not less than TK 60,000 and those employed for a part of that Period who were in receipt of remuneration of not less than Tk.24,000.

44 Disclosure on Audit committee

In compliance with Bangladesh Bank's BRPD Circular No.2 dated 11 February 2024 and Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance dated 03 June 2018, the Audit Committee (AC) of the Board of Directors of Standard Islami Bank PLC. (SBPLC) was formed by the Board to provide independent oversight of the company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to governing rules and laws etc. Following are the major objectives of the Audit Committee:

To review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct, compliance status of inspection report from Bangladesh Bank.

To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank.

The Audit Committee was reconstituted by the Board in its 407th meeting held on 26.02.2025. The Committee is as follows:

Sl. No	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr. Khondoker Rumy Ehsanul Huq	Independent Director	Chairman	B.Com (Hons) MBA
02	Mr. S.A.MD Hossain	Director	Member	HSC
03	Mr. Gulzar Ahmed	Director	Member	HSC
04	Mr. Golam Hafiz Ahmed	Independent Director	Member	B.S.S (Hons), M.S.S. (Economics)

During 2025, the Audit Committee discharged the following responsibilities:

1. Proposal for appointment of an Independent Director in the Board of Standard Islami Bank PLC.
2. Recruitment of Deputy Managing Director of the Bank.
3. Proposal for review and approval of the Report on Shari'ah Audit & Inspection for the 4th quarter ending on 31st December, along with the annual report for the year 2024.
4. Proposal for review and approval of the Report of Shari'ah Audit & Inspection for the 1st quarter ended on 31st March, 2025.
5. Information memo on serious irregularities including misappropriation and fraudulent activities detected by investigation Team at our Muksudpur Branch, Gopalgonj.
6. Review of draft audited Financial Statements for the year ended on 31st December, 2024 (both Solo and consolidated) of our Bank.
7. Proposal for Appointment of an External Auditor for the year 2025 of Standard Islami Bank PLC.
8. Proposal for Appointment of an External audit firm (Chartered Accountants) for auditing of cash incentive of the eligible clients of Standard Islami Bank PLC.
9. Proposal for appointment of Auditor for Certificate of compliance on Corporate Governance Code of Standard Islami Bank PLC. for the year 2025.
10. Approval for i) Change of Banks name from Standard Bank PLC. to Standard Islami Bank PLC. & ii) Change of banks logo.
11. Self–Assessment of Anti-Fraud Internal Controls of the Bank for the 1st half of the year 2025 i.e. January 01, 2025 to June 30, 2025 as per Bangladesh Bank DOS Circular letter no.10 dated 09.05.2017.
12. Proposal for the Approval of the On-site and Off-site Shari'ah Audit & Inspection Plan for the Year 2026.
13. Submission of Draft Fraud and Forgery Prevention Management Policy-2025 in line with Bangladesh Bank ICCD Guidelines (2016).
14. Approval of Updated Departmental Control Function Checklist (DCFCL).
15. Information Memo for High-Risk ICT Audit Observations on SWIFT Operations.
16. Annual Report on the Health of Standard Islami Bank PLC., for the year 2024
17. Compliance with the Instructions/Circulars of Bangladesh Bank & other Regulatory Authorities.

The committee in the meetings has taken notes of lapses detected by the Internal Audit Team in their audit report and the actions taken by the management towards correction, helped improving the recovery of classified Investments and initiating measures for lowering the quantum of NPLs. The committee advised and recommended to the management and the board for instituting adequate recovery mechanisms, close and effective monitoring, constituting a robust credit administration and, carefully reviewed the internal control system and procedures specially focusing on IT operation to secure the Bank from foreseeable shocks. The process of continuous monitoring was established for avoidance of errors and omissions and, repetition of lapses as are detected by the internal and external auditors.

45 Name of the Directors & their shareholding position as on 31 December 2025

Sl.No.	Name of the Persons	Designation	Present Address	% of shares as on 31.12.2025
1	Mr. Mohammed Abdul Aziz	Chairman	168, Fakirapool, Motijheel, Dhaka	2.01%
2	Mr. A. K. M. Abdul Alim	Vice-Chairman	Rosewood Regency, H-36/B, R-37, Apt-A/5, Gulshan-2, Dhaka.	2.01%
3*	Mr. Kazi Akram Uddin Ahmed	Director	House # 73, Road # 6, O.R. Nizam Road R/A, Chattogram .	2.02%
4	Mr.Kamal Mostafa Chowdhury	Director	"Bedura House", 72, Bangshal Road, Firingi Bazar, Kotwali, Chattogram .	2.30%
5	Mr. Ashok Kumar Saha	Director	29/B, Ghatforhadbeg, Katapahar Lane, Kotwali, Chattogram	2.17%
6	Mr. Ferozur Rahman	Director	My Heart', 8/1, Sukrabad, Dhanmondi, Dhaka.	2.07%
7	Mr. Mohammad. Manjur Alam	Director	218, D.T. Road, Dewanhat, Chattogram .	2.00%
8	Mr. S. A. MD Hossain	Director	Victor Electronics, 400 Bipani Bitan (3rd Floor), Chattogram .	2.72%
9	Al-Haj Mohammed Shamsul Alam	Director	M/s. Radio Vision, 398, Bipani Bitan, Chattogram .	2.03%
10	Mr. Gulzar Ahmed	Director	Apan Jewellers, 65 Gulshan Avenue, Suvastu Imam Square (Ground Floor), Gulshan-1, Dhaka-1212.	2.00%
11	Mr. Md. Zahedul Hoque	Director	284, Khatungonj, Chattogram ,	2.00%
12	Mr. Ferdous Ali Khan	Director	H-27, Lake Drive Road, Sector-07, Uttara, Dhaka.	2.44%
13	Mr. Ashit Kumar Saha	Director	29/B, Ghatforhadbeg, Katapahar Lane, Kotwali, Chattogram	2.12%
14	Mr. Jhahedul Alam, Nominated by M/s. Super Electronics	Director	35, K. B. Abdus Sattar Road, Chattogram, 4000	2.00%
15	Mr. Golam Hafiz Ahmed	Independent Director	Flat E1, House-38, Road-26, Sector-7, Uttara Model Town, Dhaka	NIL
16	Mr. Khondoker Rumy Ehsanul Huq	Independent Director	15, Education Extn, New market-1205, Dhaka South City Corp, Dhaka.	NIL
17	Mr. Md. Habibur Rahman	Managing Director	109/1, Circuit House Road, Gawsia Dynasty, Flat-D-5, Kakrail, Dhaka	NIL

* He was retired and re-elected in 26th AGM held on 14th August 2025, but Bangladesh Bank did not give approval for re-appointment.

46 Related Party Disclosures of the Bank

i) Names of the Directors together with a list of entities in which they have Interest Annexure-C

ii) Significant contracts where Bank is a party and wherein Directors have interest during the year 2025

a. Credit Card facilities

Name of Directors	Relationship with Bank	Nature of Transaction	Approve limit	Outstandaing Amount-31.12.2025
MOHAMMED ABDUL AZIZ	Chairman	Credit Card	1000000	-
GULZAR AHMED	Vice-Chairman	Credit Card	1000000	15,803.48
KAZI AKRAMUDDIN AHMED	Director	Credit Card	1000000	68,597.81
ASHOK KUMAR SAHA	Director	Credit Card	1000000	8,938.46
FEROZUR RAHMAN	Director	Credit Card	1000000	-
MD.ZAHEDUL HOQUE	Director	Credit Card	1000000	23,998.01
FERDOUS ALI KHAN	Director	Credit Card	1000000	298,055.59
S.A.MD HOSSAIN	Director	Credit Card	1000000	370,788.41
KAMAL MOSTAFA CHOWDHURY	Director	Credit Card	1000000	-
ALHAJ MOHAMMED SHAMSUL ALAM	Director	Credit Card	1000000	-
ASHIT KUMAR SAHA	Director	Credit Card	1000000	229.88
A K M ABDUL ALIM	Director	Credit Card	1000000	97,953.73
JHAHEDUL ALAM	Director	Credit Card	1000000	-

b. Investments to Our Bank Directors & their Relatives

Name of the Concern	Nature of Investment	Name of the Directors & Relatives	Limit	Funded Outstanding	Non-Funded Outstanding	Total Outstanding
M/s. Mohammed Abdul Aziz.	Bai-Muajjal(Gen)	Md. Abdul Aziz	52,300,000	-	-	-
M/s. New Ruma Products	Letter of Credit	Md. Abdul Aziz	42,800,000	-	-	-
M/s. Alim International	Letter of Credit	Md. Abdul Aziz	-	-	11,580,000	11,580,000
M/s. Kazi & Co.	Bai-Muajjal(Gen)	Mr.Kazi Akramuddin Ahmed.	40,000,000	-	-	-
The Eastern Engineering Works Ltd.	Bai-Muajjal(Gen)	Mr.Kazi Akramuddin Ahmed.	10,000,000	-	-	-
The Eastern Engineering Works Ltd.	MPI-TR	Mr.Kazi Akramuddin Ahmed.	10,000,000	2,534,061	-	2,534,061
The Eastern Engineering Works Ltd.	Letter of Credit	Mr.Kazi Akramuddin Ahmed.	20,000,000	-	4,320,800	4,320,800
The Eastern Engineering Works Ltd.	Bank Guarantee	Mr.Kazi Akramuddin Ahmed.	20,000,000	-	4,863,485	4,863,485
M/s. Radio Vision.	Bai-Muajjal(Gen)	Mr.Md. Shamsul Alam	30,000,000	26,966,870	-	26,966,870
M/s. Super Electronics.	Bai-Muajjal(Gen)	Mrs. Dilara Begum	20,000,000	-	-	-
M/s.Hay Agro (Pvt.) Ltd.	Bai-Muajjal(Gen)	Mr.Jhahedul Alam & Mr.Shahedul Alam	92,400,000	105,783,852	-	105,783,852
M/s. K.M.C. International	Bai-Muajjal(Gen)	Mr.Kamal Mostafa Chowdhury	125,000,000	-	-	-
Mr. Tanveer Mostafa Chowdhury	Bai-Muajjal(Gen)	Mr.Tanveer Mostafa Chowdhury	8,300,000	-	-	-
Mr. Tanveer Mostafa Chowdhury	Letter of Credit	Mr. Tanveer Mostafa Chowdhury	5,000,000	-	-	-
Mr. Tanveer Mostafa Chowdhury	Bank Guarantee	Mr. Tanveer Mostafa Chowdhury	2,500,000	-	1,545,000	1,545,000
I.M.Gold Star Lines	Bai-Muajjal(Gen)	Mr.Intishar Mostafa Chowdhury	8,300,000	-	-	-
I.M.Gold Star Lines	Letter of Credit	Mr.Intishar Mostafa Chowdhury	5,000,000	-	-	-
M/s. Samira Trade International.	Bai-Muajjal(Gen)	Mr. S.A.M. Hossain	66,000,000	-	-	-
M/s. Asia Trade International	Letter of Credit	Ms.Sumaiya Hossain	70,000,000	-	-	-
M/s. Asia Trade International	MPI-TR	Ms.Sumaiya Hossain	56,000,000	-	-	-
M/s.H.R.S Trade International	Letter of Credit	Ms Rahela Hossain	-	-	7,904,750	7,904,750
M/s. Monzurul Alam.	Bai-Muajjal(Gen)	Md. Monzurul Alam	94,500,000	110,280,212	-	110,280,212
M/s. Olio Enterprise	Bai-Muajjal(Gen)	Mr.Ferozur Rahman	109,000,000	124,070,000	-	124,070,000
Ms. Marzina Begum	Bai-Muajjal(Gen)	Ms. Marzina Begum	2,050,000	-	-	-
Ms. Nargis Mahmuda	Bai-Muajjal(Gen)	Ms. Nargis Mahmuda	2,450,000	-	-	-
Mr. Omar Khaiyum	Bai-Muajjal(Gen)	Mr. Omar Khayum	2,550,000	-	-	-
Mr. Omar Quiyum	Bai-Muajjal(Gen)	Mr. Omar Quiyum	2,950,000	-	-	-
Mr. Omar Naim	Bai-Muajjal(Gen)	Mr. Omar Naim	8,650,000	5,762,000	-	5,762,000
Mr. Sheik Omar Faruque	Bai-Muajjal(Gen)	Mr. Sheik Omar Faruque	2,650,000	-	-	-
Mr. Ashok Kumar Saha	Bai-Muajjal(Gen)	Mr. Ashok Kumar Saha	5,000,000	-	-	-
NGS Steel Ind.Ltd	Bank Guarantee	Mr. Ashok Kumar Saha	107,000		107,000	107,000
NGS Steel Ind.Ltd	Bank Guarantee	Mr. Ashok Kumar Saha	183,000		183,000	183,000
NGS Steel Ind.Ltd	Bank Guarantee	Mr. Ashok Kumar Saha	798,000		798,000	798,000
M/S.Zahed Brothers	Bai-Muajjal(Gen)	Mr.Mohammed Zahedul Hoque	87,000,000	94,119,688	-	94,119,688
M/S. Lafiz Corporation	Bai-Muajjal(Gen)	Mr.Mohammed Lafizul Hoque	80,000,000	-	-	-
M/s.Raiyan Furnitures Ltd	Bai-Muajjal(Gen)	Mrs.Bedowara Ahmed Salam	8,000,000	-	-	-
Ferdous Ali Khan Model School & College	HPSH	Mr.Ferdous Ali Khan	5,300,000	373,638	-	373,638
Mrs.Joobaida Khan	HPSH	Mr.Ferdous Ali Khan	2,700,000	2,091,287	-	2,091,287
MAAS Corporation	HPSH	Mr.A.K.M Abdul Alim	4,300,000	2,982,000	-	2,982,000
MAAS Corporation	Bai-Muajjal(Gen)	Mr.A.K.M Abdul Alim	48,000,000	3,665,000	-	3,665,000
MAAS Corporation	Letter of Credit	Mr.A.K.M Abdul Alim	27,700,000	-	-	-
MAAS Corporation	MPI-TR	Mr.A.K.M Abdul Alim	26,300,000	-	-	-
KITZ Corporation	Bai-Muajjal(Gen)	Ms.Tazmeen Mostafa Chowdhury	17,700,000	-	-	-
		TOTAL	**1,221,488,000**	**478,628,608**	**31,302,035**	**509,930,643**

iii) Lease agreement made with the Sponsor Director & Independent Director

Nature of contract	Branch name	Name of Director & related by	Remarks
Lease agreement	Patherhat branch, Chattogram	Mr. Md. Shamsul Alam	09 years (w.e.f. 01.11.2025 to 31.10.2034).
Lease agreement	Ramchandrapur branch,Cumilla	Mr. Ashok Kumar Saha & Mr. Ashit Kumer Saha	06 years(w.e.f. 01.09.2024 to 31.08.2030).
Lease agreement	Shakpura branch, Chattogram	Mr. Md. Zahedul Hoque	10 years (w.e.f. 19.10.2017 to 19.10.2027)
Lease agreement	Store Room, Chattogram region, Agrabad, Chattogram	Mr. Md. Shamsul Alam	05 years (w.e.f. 01.02.2025 to 31.01.2030).

iv) Business with subsidiary

Name of Subsidiaries	Nature of transaction	Outstanding Amount
Standard Exchange Co.(UK) Ltd.	Paid up Capital	49,171,830
	Short Term Investment (OD)	18,800,000
Standard Express(USA) Ltd.	Paid up Capital	188,247,500
	Short Term Investment (OD)	213,800,000
SBL Capital Mgt. Ltd.	Paid up Capital	1,499,940,000
	Investment	3,060,000,000
Standard Bank Securities Ltd.	Paid up Capital	799,950,000
	Investment	391,196,861

47 Reconciliation of inter Banks/Books of accounts

Books of Accounts with regard to inter bank (In Bangladesh and outside Bangladesh) are reconciled and there are no material differences, which may affect the financial statements significantly.

	Amount in Taka 31.12.2025	31.12.2024
48 Unclaimed Dividend		
Dividend remained unclaimed which were declared for the year		
2021	10,495,366	14,260,642
2022	6,953,022	6,945,154
2023	20,270,953	20,418,982
	37,719,341	**41,624,778**

In compliance with directive issued by Bangladesh Securities and Exchange Commission Directive dated 14 January 2021, gazette and aletter issued on 27 June 2021 & on 6 July 2021 respectively, we had already transferred Taka 4,66,50,548 to Capital Market Stabilization Fund (CMSF) as unclaimed dividend for the year 2013 to 2020, excluding unclaimed cash dividend under Lawsuit. Details of transferred to Capital Market Stabilization Fund (CMSF) are mentioned below:

2013	16,800,754	16,800,754
2016	9,288,685	9,288,685
2019	13,769,183	13,769,183
2020	6,791,926	6,791,926
	46,650,548	**46,650,548**

49 The external auditor has covered 80% of the risk weighted assets of the Bank ,covering 22 branches as well as Head office and has spent over 8,000 person hours to complete the audit as per Bangladesh Auditing Standards.

50 Statement of Liquidity

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on 31 December, 2025 under the guidelines of Bangladesh Bank BRPD circular No.14 dated 25th June, 2003.

51 Workers Participation Fund and Welfare Fund

Consistent with the industry practice and in accordance with The Bank Company Act. 1991, no provision has been made for WPPF.

52 Net Asset Value Per Share		
Shareholders' Equity	18,898,192,861	18,535,903,449
Number of Ordinary Share	1,115,842,308	1,115,842,308
Net Asset Value (NAV) Per Share	**16.94**	**16.61**
52(a) Consolidated Net Asset Value Per Share		
Shareholders' Equity	18,897,435,451	18,552,658,648
Number of Ordinary Share	1,115,842,308	1,115,842,308
Consolidated Net Asset Value (NAV) Per Share	**16.94**	**16.63**

53 Events after the Balance Sheet date

The Board of Directors in its 426th meetings decided no dividend for the year 2025.

STANDARD ISLAMI BANK PLC.

FIXED ASSETS INCLUDING PREMISES,FURNITURE AND FIXTURES
As at 31 December 2025

Annexure-"A"

Description	Cost				Depreciation				Written down value at 31 December 2025
	Balance at 1st January 2025	Addition during the year	Adjustment for disposal	Balance at 31 December 2025	Balance at 1st January 2025	Addition during the year	Adjustment for disposal	Balance at 31 December 2025	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	2,373,245,825	-	-	2,373,245,825	-	-	-	-	2,373,245,825
Building	495,535,567	-	-	495,535,567	131,681,766	11,530,064	-	143,211,830	352,323,737
Furniture & Fixture	949,646,018	32,077,567	14,508,448	967,215,137	668,182,531	78,059,787	14,508,448	731,733,870	235,481,267
Office Appliances	823,837,396	26,406,956	1,884,485	848,359,867	780,791,378	17,335,664	1,884,485	796,242,557	52,117,310
Computer	415,241,539	13,977,437	-	429,218,976	346,351,399	18,999,081	-	365,350,480	63,868,496
Right of Use Assets (ROUA) as per IFRS-16	274,244,825		-	274,244,825	230,621,692	35,573,488	-	266,195,180	8,049,645
Software	184,098,429	359,150	-	184,457,579	162,386,374	8,708,634	-	171,095,008	13,362,571
Bank Vehicle	143,290,417	-	13,601,075	129,689,342	137,309,588	3,806,902	13,601,075	127,515,415	2,173,927
Total 31.12.2025	**5,659,140,016**	**72,821,109**	**29,994,008**	**5,701,967,117**	**2,457,324,728**	**174,013,619**	**29,994,008**	**2,601,344,339**	**3,100,622,778**

Total 31.12.2024	**5,537,173,272**	**121,966,744**	**-**	**5,659,140,016**	**2,279,186,530**	**178,138,198**	**-**	**2,457,324,728**	**3,201,815,288**

STANDARD ISLAMI BANK PLC.

BALANCE WITH OTHER BANK-OUTSIDE BANGLADESH (NOSTRO ACCOUNTS)

As at 31 December 2025

Annexure-"B"

Name of the Bank	Currency Name	2025			2024		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT
Interest Bearing							
Habib American Bank Ltd., New York	USD	1,085,274.71	122.1000	132,512,042	1,515,912.34	119.5000	181,151,525
Mashreq Bank Psc, New York	USD	3,213,742.10	122.1000	392,397,910	9,795,703.92	119.5000	1,170,586,618
							-
							-
Non Interest Bearing							-
							-
Standard Chartered Bank, New York	USD	14,657,934.27	122.1000	1,789,733,775	4,528,677.69	119.5000	541,176,984
ICICI Bank Ltd., Hongkong	USD	182,120.89	122.1000	22,236,961	113,977.52	119.5000	13,620,314
Bank Al-Jazira, KSA,USD	USD	227,269.56	122.1000	27,749,613	590,986.10	119.5000	70,622,839
Sonali Bank (UK) LTD,USD	USD	325,407.96	122.1000	39,732,312	155,844.22	119.5000	18,623,384
AXIS Bank Limited, Mumbai, India	ACU($)	318,006.31	122.1000	38,828,570	502,126.45	119.5000	60,004,111
A.B. Bank Ltd. Mumbai	ACU($)	116,684.98	122.1000	14,247,236	623,962.68	119.5000	74,563,540
Standard Chartered Bank Ltd., Mumbai, India	ACU($)	3,893,079.64	122.1000	475,345,024	1,780,522.83	119.5000	212,772,478
ICICI Bank Ltd., Mumbai, India	ACU($)	1,587,527.17	122.1000	193,837,067	947,429.32	119.5000	113,217,804
Nepal Bangladesh Bank Ltd., Kathmundu, Nepal	ACU($)	115,414.21	122.1000	14,092,075	141,602.21	119.5000	16,921,464
Habib Metropolitan Bank, Karachi, Pakistan	ACU($)	234,965.73	122.1000	28,689,316	152,122.73	119.5000	18,178,666
Bhutan National Bank, Bhutan	ACU($)	204,220.36	122.1000	24,935,306	48,634.36	119.5000	5,811,806
Standard Chartered Bank, Frankfurt, Germany	EURO	300,774.40	145.3595	43,720,416	1,878,542.52	128.4780	241,351,480
Commerz Bank, Frankfurt, Germany	EURO	338,165.91	145.3595	49,155,628	457,602.43	128.4780	58,791,868
Standard Chartered Bank Ltd., Tokyo	JPY	22,529,153.00	0.7926	17,856,607	27,043,860.00	0.7778	21,046,884
Commerz Bank, Frankfurt, Germany	GBP	44,182.86	166.2780	7,346,635	50,769.20	154.4878	7,843,222
Standard Chartered Bank, London	GBP	404,918.10	166.2780	67,328,952	692,351.41	154.4878	106,959,846
Bank Al-Jazira, KSA	SAR	365,620.06	32.5540	11,902,377	365,620.06	31.9871	11,695,143
Sub Total				**3,391,647,822.76**			**2,944,939,976.46**
Habib American Bank Ltd., New York(OBU)	USD	2,585,943.01	122.1000	315,743,641.52	212,565.58	119.5000	25,401,586.81
Sub Total				**3,707,391,464.28**			**2,970,341,563.27**
FDR-Standard Chartered Bank , Mumbai, India	USD	94,500.00	77.8000	7,352,100.00	94,500.00	77.8000	7,352,100.00
GRAND TOTAL				**3,714,743,564.28**			**2,977,693,663.27**

STANDARD ISLAMI BANK PLC.

NAME OF THE DIRECTORS/SPONSORS AND THE ENTITIES IN WHICH THEY HAVE INTEREST

As at 31 December 2025

Annexure-"C"

SL. No.	Name & Address	Designation	Name of Firms/Companies in whch interested as proprietor, partner, director,managing agent, guarantor employee, etc.	Nature and value of interest in the firm/ companies in which interested	Remarks
1	2	3	4	5	6
1	Mr. Mohammed Abdul Aziz 168, Fakirapool, Motijheel, Dhaka	Chairman	MOHAMMED ABDUL AZIZ New Ruma Products Alim International	Proprietor Proprietor Proprietor	
2	Mr. A K M Abdul Alim ROSEWOOD REGENCY APT# A-5, HOUSE # 36/B, ROAD # 37 GULSHAN-2, DHAKA- 1212	Vice-Chairman	MAAS Corporation	Proprietor	
3	Mr. Kazi Akram Uddin Ahmed House # 73, Road # 6, O.R. Nizam Road R/A, Chattogram	Director *	The Eastern Engineering Works Ltd. M/s. Kazi & Co. Standard Rose Villa Housing Ltd.	Managing Director Managing Director Chairman	
4	Mr. Kamal Mostafa Chowdhury "Bedura House", 72, Bangshal Road, Firingi Bazar, Kotwali, Chattogram .	Director	Raja Corporation Raja Securities Ltd. Holy Crescent Hospital Ltd. K. M. C. International	Partner Director Director Proprietor	
5	Mr. Ashok Kumar Saha 29/B, Ghatforhadbeg Chattogram	Director	NGS Steel Industries Ltd. Uttam Oil Mills Ltd. NG Saha Steel Industries (Pvt.) Ltd. NGS Food Products Limited A.K. Saha Steel Industries (Pvt.) Ltd.	Managing Director Managing Director Managing Director Managing Director Managing Director	
6	Mr. Ferozur Rahman My Heart', 8/1, Sukrabad, Dhaka.	Director	Hotel Peacock Ltd. Olio Dream Heaven	Director Proprietor	
7	Mr. Mohammad Manjur Alam 218, D.T. Road, Dewanhat, Chattogram .	Director	Taher & Co. Ltd. Golden Bricks Works Ltd. Golden Steel Alloy Works Ltd. Alhaj Mostafa Hakim Housing & Real Estate Ltd. Golden Oxygen Ltd. Alhaj Mostafa Hakim Cement Ind. Ltd. Golden Iron Works Ltd. Alhaj Mostafa Hakim Bricks Ltd. H.M Steel & Industry Ltd. Golden Ispat Ltd. H.M Ship Breaking Industry Ltd. Golden LPG Ltd. H.M. Real Estate Ltd. H.M. Oxygen Ltd. H.M. Hollow Block Ltd. Eagle Star Textile Mills Ltd. Mutual Jute Spinners M/S Manjur Alam	Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Chairman Chairman Managing Director Chairman Managing Director Chairman Chairman Chairman Managing Director Managing Director Proprietor	
8	Mr. S. A. MD Hossain Victor Electronics 400 Bipani Bitan (3rd Floor), Chattogram .	Director	Victor Electronics Victor Group Victor International Link Up Steel Mills Ltd. Surprise Industrial Corporation Hotel Victory Ltd.	Proprietor Proprietor Proprietor Chairman Partner Chairman	

STANDARD ISLAMI BANK PLC.

NAME OF THE DIRECTORS/SPONSORS AND THE ENTITIES IN WHICH THEY HAVE INTEREST

As at 31 December 2025

Annexure-"C"

SL. No.	Name & Address	Designation	Name of Firms/Companies in whch interested as proprietor, partner, director,managing agent, guarantor employee, etc.	Nature and value of interest in the firm/ companies in which interested	Remarks
9	Al-Haj Mohammed Shamsul Alam M/s. Radio Vision 398, Bipani Bitan Chattogram .	Director	M/S. Radio Vision M/S. Pam Complex Pvt. Limited Cider Education Services Ltd.	Managing Partner Managing Director Director	
10	Mr. Gulzar Ahmed House # 10, Road # 108, Gulshan, Dhaka-1212.	Director	The Apan Jewellers Unique Gold Pvt. Ltd.	Proprietor Chairman	
11	Mr. Md. Zahedul Hoque 284, Khatungonj, Chattogram ,	Director	M/S Zahed Brothers	Proprietor	
12	Mr. Ferdous Ali Khan House # 27, Lake Drive Road Sector#7, Uttara Model Town Dhaka -1230	Director	Ferdous Tailors Fabrics & Fashion	Proprietor	
13	Mr. Ashit Kumar Saha 29/B Ghatforhadbag, Katapahar, Kotwali, Chattogram, Bangladesh"	Director	NGS Cement Industries Ltd.	Managing Director	
14	Mr. Jhahedul Alam 35, K.B. Abdus Sattar Road, Chattogram 4000	Director	M/S: Super Electronics Hay Agro Pvt. Ltd. Shufola Multi Products Ltd. Mizuki Household Products Ltd. Pam Complex Pvt Ltd. M/S Radiovision J.P Sons White Rabbit	Partner Managing Director Deputy Managing Director Director Director Partner Partner Partner	
15	Mr. Golam Hafiz Ahmed Plot: 51, House: 38, Road: 26 Sector: 7 Uttara Model Town, Dhaka-1230	Independent Director	Not Applicable		
16	Mr. Khondoker Rumy Ehsanul Huq House- 15, Education Extension Centre Road, New Market, Dhaka- 1205, Bangladesh	Independent Director	Not Applicable		
17	Mr. Md. Habibur Rahman Standard Islami Bank PLC. Chamber Building (3rd floor) 122-124, Motijheel C/A., Dhaka 1000	Ex-Officio Director	Not Applicable		

Note: Mr. Kazi Akram Uddin Ahmed was re-appointed in the 26th AGM of the Bank but yet to receive approval from Bangladesh Bank till 31st December 2025.

STANDARD ISLAMI BANK PLC.

STATEMENT OF INVESTMENTS TO OUR BANK DIRECTORS

as on 31 December, 2025

Annexure-"D"

Figure in Lac TK

SL No.	Name of the Directors	Status with Bank	Name of the Concern	Nature of Investment	Limit	Total Outstanding	Remarks
1	Mr.Md. Abdul Aziz	Chairman	M/s. Mohammed Abdul Aziz	Bai-Muajjal (Gen)	523.00	-	Regular
2	Mr.Md. Abdul Aziz	Chairman	M/s. New Ruma Products	Letter of Credit	428.00	-	Regular
3	Mr.Md. Abdul Aziz	Chairman	M/s. Alim International	Letter of Credit	-	115.80	Regular
4	Mr.A.K.M Abdul Alim	Vice-Chairman	MAAS Corporation	HPSM	43.00	29.82	Regular
5	Mr.A.K.M Abdul Alim	Vice-Chairman	MAAS Corporation	Bai-Muajjal (Gen)	480.00	36.65	Regular
6	Mr.A.K.M Abdul Alim	Vice-Chairman	MAAS Corporation	Letter of Credit	277.00	-	Regular
7	Mr.A.K.M Abdul Alim	Vice-Chairman	MAAS Corporation	MPI-TR	263.00	-	Regular
8	Mr.Kazi Akramuddin Ahmed	Director	M/s. Kazi & Co.	Bai-Muajjal (Gen)	400.00	-	Regular
9	Mr.Kazi Akramuddin Ahmed	Director	The Eastern Engineering Works Ltd.	Bai-Muajjal (Gen)	100.00	-	Regular
10	Mr.Kazi Akramuddin Ahmed	Director	The Eastern Engineering Works Ltd.	MPI-TR	100.00	25.34	Regular
11	Mr.Kazi Akramuddin Ahmed	Director	The Eastern Engineering Works Ltd.	Letter of Credit	200.00	43.21	Regular
12	Mr.Kazi Akramuddin Ahmed	Director	The Eastern Engineering Works Ltd.	Bank Guarantee	200.00	48.63	Regular
13	Mr. Md. Monzurul Alam	Director	M/s. Monzurul Alam.	Bai-Muajjal (Gen)	945.00	1,102.80	Regular
14	Mr.Md. Shamsul Alam	Director	M/s. Radio Vision	Bai-Muajjal (Gen)	300.00	269.67	Regular
15	Mr.Kamal Mostafa Chowdhury	Director	M/s. K.M.C. International	Bai-Muajjal (Gen)	1,250.00	-	Regular
16	Mr.S.A.M. Hossain	Director	M/s. Samira Trade International	Bai-Muajjal (Gen)	660.00	-	Regular
17	Mr.Ferozur Rahman	Director	M/s. Olio Enterprise	Bai-Muajjal (Gen)	1,090.00	1,240.70	Regular
18	Mr. Ashok Kumar Saha	Director	Mr. Ashok Kumar Saha	Bai-Muajjal (Gen)	50.00	-	Regular
19	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	1.07	1.07	Regular
20	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	1.83	1.83	Regular
21	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	7.98	7.98	Regular
22	Mohammed Zahedul Hoque	Director	M/S.Zahed Brothers	Bai-Muajjal (Gen)	870.00	941.20	Regular
23	Mr.Ferdous Ali Khan	Director	Ferdous Ali Khan Model School & College	HPSM	53.00	3.74	Regular
Total					**8,242.88**	**3,868.44**	

STANDARD ISLAMI BANK PLC.

INVESTMENT IN SHARES OF THE BANK

As at 31 December 2025

Annexure-"E"

SL No	Name of the Company	Face Value	No of Shares	Cost/present value of holdings	Average cost	Quoted rate per share as at 31.12.2025	Total market as at 31.12.2025	+/-
Quoted:								
1	First Bangladesh Fixed Income Fund	10	22,784,408	146,779,000	6.44	2.60	59,239,461	(87,539,539.20)
2	Bangladesh Steel Re-Rolling Mills Ltd	10	87,320	2,493,010	28.55	75.10	6,557,732	4,064,722.00
3	Runner Automible Limited	10	9,301	676,745	72.76	36.70	341,347	(335,398.30)
4	Robi Axiata Limited	10	81,188	811,880	10.00	28.20	2,289,502	1,477,621.60
5	Craftsman	10	2,577	25,770	10.00	28.70	73,960	48,189.90
6	Web Coats Plc.	10	3,504	35,040	10.00	11.50	40,296	5,256.00
7	Best Holdings Ltd.	10	87,500	875,000	10.00	13.30	1,163,750	288,750.00
8	Beximco Green-Sukuk Al Istisna'A	100	100,000	10,000,000	100.00	57.00	5,700,000	(4,300,000.00)
	Sub Total			**161,696,445**			**75,406,047**	**(86,290,398.00)**
Unquoted: -								
1	Central Depository Bangladesh Limited (CDBL)	10	15,654,816	156,548,164			156,548,164	
2	Central Counterparty Bangladesh Limited (CCBL)	10	3,750,000	37,500,000			37,500,000	
3	SWIFT			3,001,185			3,001,185	
4	Standard Exchange Co.(UK) Ltd.			49,171,830			49,171,830	
5	Standard Express(USA) Ltd.			188,247,500			188,247,500	
6	SBL Capital Mgt. Ltd.			1,499,940,000			1,499,940,000	
7	Standard Islami Bank PLC. Securities Ltd.			799,950,000			799,950,000	
	Sub Total			**2,734,358,679**			**2,734,358,679**	
	Total			**2,896,055,124**			**2,809,764,726**	

STANDARD ISLAMI BANK PLC.

NAME OF DIRECTORS AND THEIR SHAREHOLDINGS

As at 31 December 2025

Annexure-"F"

Sl. No.	Name of Directors	Status	Closing Share balance as on 31.12.2025	Closing Share balance as on 31.12.2024
1	Mr. Mohammed Abdul Aziz	Chairman	2,23,83,262 Shares of Tk. 10/ Each Tk. 22,38,32,620/-	2,23,83,262 Shares of Tk. 10/ Each Tk. 22,38,32,620/-
2	Mr. A. K. M. Abdul Alim	Vice-Chairman	2,24,75,387 Shares of Tk. 10/- Each Tk. 22,47,53,870/-	2,24,75,387 Shares of Tk. 10/- Each Tk. 22,47,53,870/-
3	Mr. Mohammad Monzur Alam	Director	2,23,18,203 Shares of Tk. 10/- Each Tk. 22,31,82,030/-	2,23,18,203 Shares of Tk. 10/- Each Tk. 22,31,82,030/-
4	Mr. Kazi Akram Uddin Ahmed	Director*	2,25,25,077 Shares of Tk. 10/ Each Tk.22,52,50,770/-	2,25,25,077 Shares of Tk. 10/ Each Tk.22,52,50,770/-
5	Mr.Kamal Mostafa Chowdhury	Director	2,56,39,184 Shares of Tk. 10/- Each Tk. 25,63,91,840/-	2,56,39,184 Shares of Tk. 10/- Each Tk. 25,63,91,840/-
6	Mr. Ashok Kumar Saha	Director	2,41,87,653 Shares of Tk. 10/- Each Tk. 24,18,76,530/-	2,41,87,653 Shares of Tk. 10/- Each Tk. 24,18,76,530/-
7	Mr. Ferozur Rahman	Director	2,31,20,479 Shares of Tk. 10/- Each Tk. 23,12,04,790/-	2,31,20,479 Shares of Tk. 10/- Each Tk. 23,12,04,790/-
8	Mr. S. A. MD Hossain	Director	3,03,85,326 Shares of Tk. 10/- Each Tk. 30,38,53,260/-	3,03,85,326 Shares of Tk. 10/- Each Tk. 30,38,53,260/-
9	Al-Haj Mohammed Shamsul Alam	Director	2,26,34,918 Shares of Tk. 10/- Each Tk. 22,63,49,180/-	2,26,34,918 Shares of Tk. 10/- Each Tk. 22,63,49,180/-
10	Mr. Gulzar Ahmed	Director	2,23,39,467 Shares of Tk. 10/- Each Tk 22,33,94,670/-	2,23,39,467 Shares of Tk. 10/- Each Tk 22,33,94,670/-
11	Mr. Md. Zahedul Hoque	Director	2,23,40,847 Shares of Tk. 10/- Each Tk. 22,34,08,470/-	2,23,40,847 Shares of Tk. 10/- Each Tk. 22,34,08,470/-
12	Mr. Ferdous Ali Khan	Director	2,72,77,212 Shares of Tk. 10/- Each Tk27,27,72,120/-	2,52,77,212 Shares of Tk. 10/- Each Tk25,27,72,120/-
13	Mr. Ashit Kumar Saha	Director	2,36,19,662 Shares of Tk. 10/- Each Tk.23,61,96,620/-	-
14	Mr. Jhahedul Hoque, Nominated by Super Electronics	Director	2,23,21,695 Shares of Tk. 10/- Each Tk.22,32,16,950/-	-
15	Mr. Golam Hafiz Ahmed	Independent Director	NIL	NIL
16	Mr. Khondoker Rumy Ehsanul Huq	Independent Director	NIL	NIL
17	Mr. Md. Habibur Rahman	MD & CEO	NIL	NIL

* He was retired and re-elected in 26th AGM of the Bank held on 14th August 2025, but Bangladesh Bank did not give approval for re-appointment till 31st December 2025.

STANDARD ISLAMI BANK PLC.

HIGHLIGHTS

Sl. No.	Particulars	31.12.2025	31.12.2024
1	Paid Up Capital	11,158,423,080	11,158,423,080
2	Total Capital	28,981,671,747	29,800,946,593
3	Capital Surplus/(deficit)	5,471,702,114	10,272,912,335
4	Total Assets	288,112,838,141	270,818,827,046
5	Total Deposits	212,665,784,978	201,255,763,933
6	Total Investments	209,418,256,589	203,615,557,132
7	Total contingent liabilities and commitments	80,741,360,640	74,749,485,128
8	Investment Deposit Ratio	93.08%	95.07%
9	Percentage of classified Investments against total Investments	29.89%	29.96%
10	Profit after tax and provision	804,612,847	828,388,505
11	Amount of classified Investments during the year	61,212,796,130	59,686,200,000
12	Provisions kept against classified Investments	8,940,875,014	7,829,030,000
13	Provision surplus/(deficit)		
14	Cost of fund	8.97%	8.40%
15	Profit earning assets	195,987,248,735	179,392,996,421
16	Non-Profit earning assets	92,125,589,405	91,425,830,625
17	Return on investment (ROI)	8.01%	4.92%
18	Return on assets (ROA)	0.29%	0.32%
19	Return on Equity (ROE)	4.26%	4.47%
20	Net Profit Margin (NIM)	0.03%	1.81%
21	Incomes from investment	2,593,062,889	1,170,365,749
22	Earning per share (Taka)	0.72	0.74
23	Price earning ratio (times)	6.80	11.62

OFF-SHORE BANKING UNIT

OFFSHORE BANKING UNIT OF
STANDARD ISLAMI BANK PLC.

INTERNATIONAL TRADE

The International Division of Standard Islami Bank PLC. has played a crucial role in ensuring smooth and efficient execution of the bank's international transactions while adhering to regulatory compliance in all aspects. Trade financing has remained a cornerstone of Standard Islami Bank PLC.'s foreign exchange portfolio since the inception of the bank in 1999. The bank continues to play a pivotal role in the national economy by effectively managing foreign trade transactions, offering a comprehensive range of Trade Finance products through its 19 Authorized Dealer (AD) Branches and Offshore Banking Unit (OBU). Furthermore, the Central Trade Services Division, along with its CTG Hub, extends a wide array of foreign trade services to our 119 Non-AD branches.

Import Business: In 2025, the bank successfully facilitated import transactions amounting to USD 1,352.99 million, equivalent to BDT 165,469.95 million amid different challenges in our country. This reflects a notable growth of 9.79% compared to the previous year, where import business totaled USD 1,232.35 million, or BDT 142,473.47 million. Against the country's total import volume of USD 68.35 billion (Source: Bangladesh Bank), Standard Islami Bank PLC. secured a market share of approximately 1.98%, reflecting its solid position in Bangladesh's trade finance landscape.

Export Business: For the year 2025, Standard Islami Bank PLC. achieved an export volume of USD 651.31 million, equivalent to BDT 79,099.35 million. This represents an increase of 9.17% compared to the 2024 export volume of USD 596.60 million, or BDT 68,949.31 million. Against the national export earnings of USD 43.98 billion (Source: Bangladesh Bank), Standard Islami Bank PLC. handled USD 0.65 Billion, capturing 1.48% market share in 2025.

The continued growth in both the import and export sectors following five years emphasizes our unwavering commitment to facilitating international trade and strengthening our role in driving economic development.

FOREIGN CORRESPONDENTS

The scope of our foreign exchange business is significantly driven by the establishment of robust correspondent banking relationships with reputed financial institutions globally, complemented by sufficient credit limits. Expanding our foreign exchange business remains a key objective and we are continuously enhancing our correspondent banking network to meet the growing demands of international trade.

Currently, we have established a strong global correspondent banking network, featuring 306 Relationship Management Applications (RMAs) with 179 renowned banks across 54 countries. Our commitment to excellence and our reputation have allowed us to secure a significant amount of credit lines from leading overseas banks. This credit support, combined with the facilities provided by our confirming banks, such as discounting services against our acceptance under the UPAS (Usance Payable at Sight) arrangement, plays a pivotal role in supporting our foreign trade business and fulfilling international payment obligations.

As we continue to strengthen our global presence, we are committed to fostering strategic banking relationships that facilitate the growth and expansion of our foreign exchange services, further positioning Standard Islami Bank PLC. as a reliable partner in international trade.

NOSTRO ACCOUNTS AND FOREIGN CURRENCY MANAGEMENT

At present, Standard Islami Bank PLC. maintains 21 nostro accounts in major international currencies, including US Dollar, Pound Sterling, Japanese Yen, Euro, Chinese RMB, and Dollar accounts under the Asian Clearing Union, with renowned international banks. These accounts play a crucial role in ensuring efficient foreign currency management and the timely settlement of our foreign currency obligations.

Our relationship with the regulatory body remains a cornerstone of our commitment to transparency, compliance and financial stability. As a leading institution in the industry, we recognize the crucial role that regulatory oversight plays in ensuring the resilience and integrity of the banking sector.

OFF-SHORE BANKING UNIT (OBU):

Offshore banking operations in Bangladesh Bank were first introduced in 1985 through an official circular. To broaden our trade finance services, we established our Offshore Banking Unit (OBU) in 2015. The OBU mainly conducts its activities by negotiating foreign bills under the Mudarabah UPAS arrangement, handling local bills under the Musharaka UPAS structure and extending term financing under the HPSM mode.

In 2025, the OBU purchased 749 bills with a total value of USD 77.42 million. By comparison, in 2024, it acquired 177 bills amounting to USD 38.28 million. The OBU's funding sources include SBPLC Head Office (HO), ID and several international banks such as Standard Chartered Bank, RAK Bank (UAE), ICICI Bank (India), United Bank Limited (UAE), Mashreqbank PSC (UAE), and Bank Muscat (Oman), among others.

For 2025, the Offshore Banking Unit generated a total operating profit of USD 1.38 million, equivalent to BDT 16.83 crore.

The accompanying chart illustrates the OBU's profit performance over the past five years, reflecting steady and robust growth throughout the period.

STANDARD ISLAMI BANK PLC.

OFF-SHORE BANKING UNIT
Balance Sheet
As on December 31, 2025

Particulars	Notes	31.12.25		31.12.24	
		USD	BDT	USD	BDT
PROPERTY AND ASSETS					
Cash	1	**0**	**0**	**0**	**-**
Cash In Hand (Including Foreign Currencies)		0	-	0	-
Balance with Bangladesh Bank and its agent Bank(s) (including foreign correncies)		0	-	0	-
Balance with other Banks and Financial Institutions	2	**2585943**	**302263324**	**212566**	**25401587**
In Bangladesh		0	0	0	0
Outside Bangladesh		2585943	302263324	212566	25401587
			0		
			0		
Investments in Shares and Securities		**0**	**0**	**0**	**0**
Government		0	0	0	0
Others		0	0	0	0
			0		
Investments	3	**35460342**	**4329707728**	**25500253**	**3113580831**
General Investment		438786	53575762	845848	103278040
Bills Purchased & Discounted		35021556	4276131966	24654405	3010302792
			0		
Fixed Assets Including Premises, Furniture & Fixtures		**0**	**0**	**753937**	**87456687**
Other Assets	4		**0**	**753937**	**87456687**
Compensation Realizable		**0**	**0**		
Non-Banking Assets			**0**		
			0		
TOTAL ASSETS		**38046285**	**4631971051**	**26466755**	**3226439106**
			0		
LIABILITIES AND CAPITAL			**0**		
Liabilities			0		
			0		
Borrowing From Banks & Other Financial Institutions	5	**37540002**	**4583677031**	**25204332**	**3027511767**
Borrowing from SBPLC	5	37540002	4583677031	25204332	3027511767
Borrowing from FI Bank	5	0	0		
			0		
Deposits and other Accounts:	6	**505682**	**48220653**	**199359**	**18894152**
Current Deposits & Other Deposits		0	0		0
Profit Payable to ID		505682	48220653	199359	18894152
Savings Deposits			0	0	0
Compensation			0		0
Short Term Deposits			0	0	
Fixed Deposits			0		
Unearned Income			0		0
Diposits Under Schemes			0	0	0
			0		
			0		
OTHER LIABILITIES	7		**0**		**0**
General Provision			**0**	**0**	**0**
			0		
TOTAL LIABILITIES		38045684	4631897684	25403691	3046405919
Capital / Shareholder's Equity		601	73367	1063065	0
Paid Up Capital		0	0	0	0
Statutory Reserve		0	0	0	0
Compensation Realized		601	73367	309128	0
General Reserve		0	0	0	0
Compensation Realizable		0			
Unearned Income		0	0	753937	0
Revaluation Reserve on Investment			0		0
Surplus In Profit And Loss Account/Retained Earnings	8		0		
			0		
Total Shareholders' Equity			**0**		
Total Liabilities And Shareholders' Equity		**38046285**	**4631971051**	**26466755**	**3046405919**

SO, OBU | VP, ID | VP, CFO | DMD | Managing Director

STANDARD ISLAMI BANK PLC.

OFF-SHORE BANKING UNIT

Balance Sheet
As on December 31, 2025

Particulars	Notes	31.12.25		31.12.24	
		USD	BDT	USD	BDT
OFF-BALANCE SHEET EXPOSURE					
Contingent Liabilities					
Acceptance And Endorsements		-	-	-	-
Letters of Guarantee		-	-	-	-
Irrevocable Letter of Credit		-	-	-	-
Bills For Collection		-	-	-	-
Other Contingent Liabilities		-	-	-	-
TOTAL		-	-	-	-
Other Comments					
Documentary Credits And Short Term Trade -Related Transactions		-	-	-	-
Forward Assets Purchased And Forward Deposits Placed		-	-	-	-
Undrawn Note Issuance And Revolving Underwriting Facilites		-	-	-	-
Undrawn Formal Standby Facilities, Credit Lines And Other		-	-	-	-
commitments		-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS		-	-	-	-

SO, OBU | VP, ID | VP, CFO | DMD | Managing Director

STANDARD ISLAMI BANK PLC.

OFF-SHORE BANKING UNIT

Profit and Loss Account
As on December 31, 2025

Particulars	Notes	31.12.25		31.12.24	
		USD	BDT	USD	BDT
Profit on Investment	9	2,365,233	288,162,751	2,007,220	232,315,672
Profit Paid on Deposits & Borrowings etc.	10	1,184,897	144,359,177	894,804	106,929,021
Net Profit on Investment		**1,180,336**	**143,803,574**	**1,112,417**	**125,386,651**
Investment Income	11				
Commission, Exchange Earnings And Brokerage		204,235	24,882,562	404,483	48,234,614
Other Operating Income			0	0	0
			0		
			0		
Total Operating Profit(A)		1,384,572	168,686,136	1,516,900	173,621,266
Salaries and Allowances				0	0
Rent, Taxes,Insurance, Electricity etc				0	0
Legal Expenses				0	0
Postage, Stamp, Telecommunication etc				0	0
Stationary, Printing, Advertisement etc				0	0
Depreciation And Repair of Bank's Assets				0	0
Director Fees & Other Benefits				0	0
Managing Director's Salary & Allowances				0	0
Audit Fees				0	0
Other Expenses	12	3,534	430,530	3,245	391,999
Total Operating Expenses(B)		**3,534**	**430,530**	**3,245**	**391,999**
Profit/(Loss) Before Provision C=(A-B)		**1,381,038**	**168,255,606**	**1,513,655**	**173,229,266**
Specific Provision					0
General Provision		354,603	43,202,301	255,003	30,472,802
Provision For Diminution In Value of Investments			0	0	0
Provision For Off-Balance Sheet Items			0	0	0
Total Provision(D)		**354,603**	**43,202,301**	**255,003**	**30,472,802**
Total Profit/(Loss) Before Taxes(E)=(C-D)		**1,026,434**	**125,053,305**	**1,258,652**	**142,756,464**
Provision for Tax expenses			**0**		
Current Tax		0	0	0	0
Deferred Tax		0	0	0	0
			0		
Net Profit/(Loss) after Taxation		1,026,434	125,053,305	1,258,652	142,756,464

SO, OBU | VP, ID | VP, CFO | DMD | Managing Director

STANDARD ISLAMI BANK PLC.

OFF-SHORE BANKING UNIT

Notes to Statement of Financial Position (Balance Sheet)

As on December 31, 2025

1.0 Status of the Units

Banking Regulation and Policy Department of Bangladesh Bank their letter No.BRPD(P-3)744(110)/2010-839 dated 11.03.2010 has given permission to open Off-shore Banking Units at our Principal Branch, Gulshan Branch, Dhaka and Agrabad Branch, Chattogram complying certain terms and conditions.

Meantime, Foreign Exchange Policy Department of Bangladesh Bank vide their letter No.FEPD(Import Policy)122/2012-1317 dated 02.08.2012 has provided 3 (three) separate Code Numbers for 3 OBUs as given below:1. OBU-Principal Branch Dhaka:610100-45 2. OBU-Gulshan Branch, Dhaka:61-0103-46 & 3. OBU-Agrabad Branch, Chattogram : 61-0009-47.OBU of Standard Islami Bank PLC. started its operation from Head Office using the Code of OBU-Principal Branch-610100-45

1. 1 Principal activities

The principal activities of the OBU are to provide mudaraba investment against payment of import bills under UPAS (Usance Payment at Sight) to its customers of Off-shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act,1991 as amended, International Financial Reporting Standards (IFRSs) and other applicable directives issued by Bangladesh Bank. All the financial statements relating to the OBU has already been accounted for in the separate financial statements of the Bank (considering necessary adjustments relating to intra-units transactions and balances). Along with that, this financial statements relating to OBU only is prepared and disclosed in compliance with the requirements of Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the report amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The figures (BD Taka/BDT) appearing in these Financial Statements have been rounded off to the nearest integer.

1.2.3 Foreign currency transactions

a. Foreign currency transactions

Foreign currency transactions are converted in to equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of changes in Foreign Exchange Rates". Foreign currency balances held in US Dollars (USD) are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

b. Transaction gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Translation reserve

The activities of OBU is considered as foreign operation due to it's different functional currency other than the non-OBU operation of the Bank. As per IAS - 21, items of balance sheet of OBU has been translated to presentation currency using closing rate and items of income and expenditure has been translated to presentation currency using spot rate prevailing on the date of actual transaction, otherwise average rate has been used. Due to the above translation using two rates the arising differences have been kept as translation reserve.

1.2.5 Retained earnings/Net profit transferred to main operation

As on 31 December the net income in USD/foreign currency of OBU is transferred to main operation of the Bank at exchange rate prevailing on that date.

1.2.6 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

1.2.7 Reporting period

The financial statements cover from 01 January 2025 to 31 December 2025.

SO, OBU | VP, ID | VP, CFO | DMD | Managing Director

STANDARD ISLAMI BANK PLC.

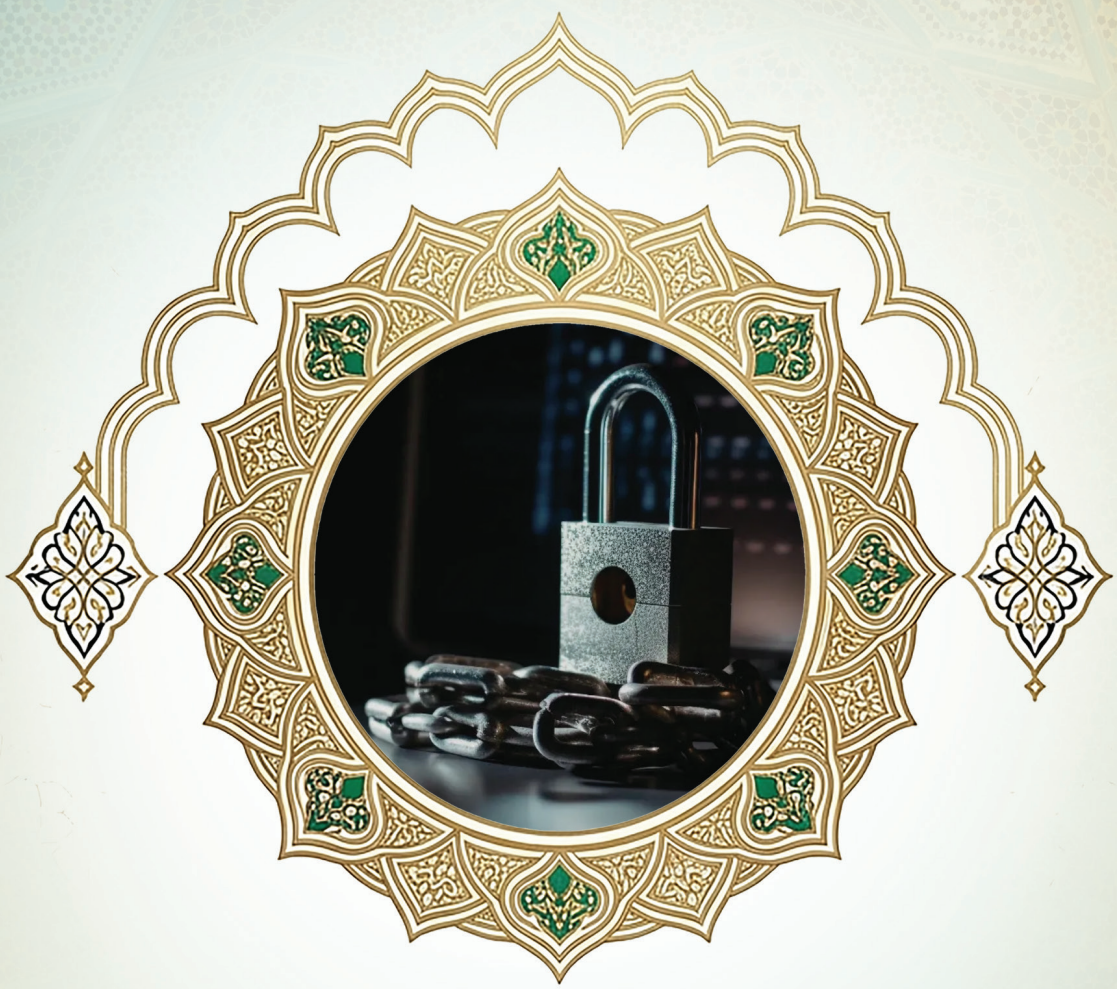
OFF-SHORE BANKING UNIT

Notes to Statement of Financial Statements

As on December 31, 2025

		31.12.25		31.12.24	
		USD	BDT	USD	BDT
2	**Balance with other Banks and Financial Institutions**	**2,585,943**	**302,263,324**	**212,566**	**25,401,587**
	Balance with SBPLC, HO, ID	0		0	0
	Balance with Nostro Account (Habib American NY)	2,585,943	302,263,324	212,566	25,401,587
3	**Investment**	**35,460,342**	**4,329,707,728**	**25,500,253**	**3,047,280,175**
	HPSM	438,786	53,575,762	845,848	101,078,835
	Foreign Bills Purchased	29,022,256	3,543,617,436	23,288,774	2,783,008,520
	Local Bills Purchased	5,999,300	732,514,530	1,365,630	163,192,820
			0		
4	**Other Assets**	**1,541,780**	**188,251,328**	**753,937**	**87,456,687**
			0		
5	**Borrowing**	**37,540,002**	**4,583,677,031**	**25,204,332**	**3,027,511,767**
	Borrowing from SBPLC	37,540,002	4,583,677,031	25,204,332	3,027,511,767
	Borrowing from Bank Muscat, Oman	0	0	0	0
	RAK Bank, UAE	0	0	0	
	Standard Chartered Bank Ltd., Singapore	0	0	0	0
	United Bank Ltd., UAE	0	0	0	0
	ICICI, India	0	0	0	0
			0		
6	**Deposits and other Accounts**	**505,682**	**48,220,653**	**199,359**	**18,894,152**
	Profit payable to ID	505,682	48,220,653	199,359	18,894,152
			0		
7	**Other Liabilities**	**601**	**73,367**	**1,063,065**	**113,732,530**
	Compensation Realized	601	73,367	309,128	26,275,843
	Unearned Income		0	753,937	87,456,687
	Compensation Realizable		0		
	Other fee				
			0		
8	**Surplus in Profit & Loss Account/Retained Earnings**	**0**	**0**	**0**	**0**
			0		
9	**Profit on Investment**	**2,365,233**	**288,162,751**	**2,007,220**	**232,315,672**
	Profit on HPSM	42,813	5,216,079	91,131	10,547,541
	Profit on Foreign Bills Purchased	2,012,855	245,231,594	1,827,708	211,538,889
	Profit on Local Bills Purchased	309,564	37,715,077	88,381	10,229,241
10	**Fee & Profit Paid on Deposit & Borrowings etc.**	**1,184,897**	**144,359,177**	**894,804**	**106,929,021**
	Advance fee paid to ICICI Bank	0	0	0	0
	Advance fee paid to SCB	0	0	0	0
	Profit Paid on Borrowing fund from SBPLC	1,184,897	144,359,177	894,804	106,929,021
	Profit Paid on Borrowing fund from other FI Banks	0	0	0	0
			0		
11	**Commission, Exchange Earnings and Brokerage**	**204,235**	**24,882,562**	**404,483**	**48,234,614**
	Charge Earned by Swift	3,618	440,757	2,288	272,844
	Profit on Nostro Balance	0	0	0	0
	Rebate Received from Nostro	28,050	3,417,408	6,490	773,933
	Investment processing fee	172,568	21,024,397	395,705	47,187,838
			0		
12	**Other Expenses**	**3,534**	**431,475**	**3,245**	**391,999**
	Nostro Account Maintenance Charge Paid to Habib American NY	460	56,166	73	8,861
	Software Maintenance Charge	3,074	375,309	3,172	383,138

SO, OBU | VP, ID | VP, CFO | DMD | Managing Director



STANDARD BANK SECURITES LTD.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF STANDARD BANK SECURITIES LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the financial statements of **Standard Bank Securities Limited** which comprise the statement of financial position as at 31st December, 2025 and 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 the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of **Standard Bank Securities Limited** as at 31st December, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the companies Act 1994 and other applicable laws and regulations.

BASIS FOR QUALIFIED OPINION

1. We draw attention to Note 18 regarding the significant borrowing from the parent entity, Standard Islami Bank PLC., amounting to BDT 391,196,861 under Bai-Muajjal as at 31 December 2025. The Company has been renewing this borrowing annually in non-compliance with Bangladesh Bank circulars. Furthermore, the repayment pattern reflects minimal repayments relative to the outstanding balance. Standard Bank Securities Limited currently does not have the financial capacity to settle its outstanding borrowing liabilities.
2. As disclosed in Notes 11 and 21 to the financial statements, Standard Bank Securities Limited's investment in securities amounted to BDT 505,076,475 as at 31 December 2025. The market value of these investments has declined, resulting in a diminution of BDT 275,769,688 from cost. The minimum required provision for this year is BDT 95,766,059 as per BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/676 dated November 27, 2025; however, Standard Bank Securities Limited has recognized a provision of only BDT 93,246,756, resulting in a material understatement of provision and a corresponding overstatement of investments.
3. As disclosed in Notes 10 and 22 to the financial statements, Standard Bank Securities Limited's investment in margin clients amounted to BDT 589,296,995 as at 31 December 2025. The market value of these investments has declined, resulting in significant shortfall exists amounting BTD 324,903,516 between the margin Investment balances and the market value of securities held in clients' portfolios. The minimum required provision for this year is BDT 37,754,160 as per BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/676 dated November 27, 2025; however, Standard Bank Securities Limited has recognized a provision of only BDT 33,735,262, resulting in a material understatement of provision and a corresponding overstatement of margin investments.

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 of the **Standard Bank Securities Limited** in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

EMPHASIS OF MATTER

Without qualifying our audit opinion, we would like to draw the attention of the users of this report to the following issues:

We draw attention that the Standard Bank Securities Limited did not prepare or maintain any ageing schedule for the relevant balance sheet heads such as receivables, payables, advances and other related accounts. Due to the absence of ageing analysis, we were unable to assess the collectability, settlement status, and proper classification of these balances. But the fact is the Standard Bank Securities Limited again unable to maintain this provision.

Our audit opinion is not modified in respect of these matters.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Standard Bank Securities Limited'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 Standard Bank Securities Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Standard Bank Securities Limited'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.

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 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 but not for the purpose expressing an opinion on the effectiveness of the Standard Bank Securities Limited's internal control.

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 Standard Bank Securities Limited'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 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 Standard Bank Securities Limited to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standard Bank Securities Limited's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Companies Act 1994 and other applicable laws and regulation, 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 except those mentioned in the basis for qualified opinion section;

b) in our opinion, books of accounts as required by law have been kept by the Standard Bank Securities Limited so far as it appeared from our examination of these books except those mentioned in the basis for qualified opinion section, and

c) the statement of financial position and statement of profit or loss and comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Anisur Rahman, FCA
Managing Partner
Enrolment No: 0350
Firm Registration: 11970 E.P.
DVC: 2604290350AS307414

Dated, Dhaka
April 29, 2026

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

Particulars	Notes	Amount in Taka	
		31.12.2025	31.12.2024
Assets:			
Non-Current Assets			
Property, plant and equipment	4	3,714,519	4,392,862
Investment in Stock Exchange	5	282,320,683	282,320,683
		286,035,202	**286,713,545**
Current Assets			
Advances, deposits and prepayments	6	359,681	1,337,827
Advance income tax	7	62,955,464	85,560,868
Receivable from DSE	8	6,939,604	4,782,843
Other receivable	9	3,592,584	29,401,138
Investment In Margin Clients	10	589,296,995	569,184,810
Investment in Securities	11	505,076,475	506,884,169
Cash and cash equivalents	12	23,464,060	31,667,971
		1,191,684,863	1,228,819,626
Total Assets		**1,477,720,065**	**1,515,533,171**
Equity and Liabilities:			
Equity			
Share capital	13	800,000,000	800,000,000
Retained earnings	14	375,629	375,629
Capital Reserve	15	12,486,438	12,486,438
		812,862,067	**812,862,067**
Current Liabilities			
Payable to clients	16	22,390,284	18,902,231
Payable to DSE	17	51,893	3,247,207
Bai-Muajjal(Gen) from SBPLC	18	391,196,861	389,951,693
Others Payable	19	28,721,367	63,393,673
Provision for Expenses	20	178,873	95,321
Provision for diminution in value of Investment	21	93,246,756	86,292,184
Provision for Clients' margin balance	22	39,628,232	28,332,884
Provision for income Tax	23	89,443,732	112,455,911
		664,857,998	702,671,104
Total Equity and Liabilities		**1,477,720,065**	**1,515,533,171**
Net Asset Value(NAV) Per Share		**10.16**	**10.16**

The accompanying notes form an integral part of these financial statements.

Chief Executive Officer (Acting) | Director | Chairman

Subject to our separate report of even date.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Anisur Rahman FCA
Managing Partner
Enrolment No: 0350
Firm Registration: 11970 E.P.
DVC: 2604290350AS307414

Dated, Dhaka
April 29, 2026

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2025

	Particulars	Notes	Amount in Taka	
			31.12.2025	31.12.2024
A.	**Operating Income**			
	Brokerage Commission		6,313,619	12,747,345
	Capital Gain on Investment in Securities		1,578,948	6,387,224
	Dividend on Investment in Securities		8,979,810	16,399,514
	Profit on Margin facility		71,864,050	76,386,645
	Profit earned on Bank Deposits	24	6,978,319	270,754
	Other operating Income	25	61,087	174,063
	Total operating Income		**95,775,833**	**112,365,545**
B.	**Less: Operating expenses**			
	Direct Expenses (DSE & CDBL)	26	777,759	1,448,874
	Salary and Allowances	27	12,212,392	13,743,935
	Rent, Taxes, Insurance, Electricity etc.	28	2,750,544	2,571,644
	Board Meeting Expenses	29	425,500	495,000
	Stationery, Printing, Advertisements etc.	30	137,017	131,274
	Audit & Consultancy Fees	31	103,500	228,850
	Postage, Stamp, Telecommunication etc.	32	272,677	278,572
	Repair and Maintenance	33	184,832	141,878
	Registration & Renewal fees	34	286,470	280,820
	Depreciation on Assets	35	678,343	678,343
	Other Expenses	36	1,203,908	1,053,563
	Financial Expenses	37	52,082,110	42,922,144
	Total operational Expenses		**71,115,052**	**63,974,897**
C.	**Total Profit before Provision (A-B):**		**24,660,781**	**48,390,648**
D.	Provision for diminution in value of Investment	**21**	6,954,572	2,350,000
	Provision for clients margin balance	22	11,295,348	9,191,848
	Total Provision:		**18,249,920**	**11,541,848**
E.	**Total Profit before Taxation (C-D):**		**6,410,861**	**36,848,800**
	Less: Provision for taxation	23	6,410,861	12,369,602
F.	**Net profit after Taxation (Transferred to retained earnings)**	**14**	**0.00**	**24,479,198**
G.	**Earning Per Share (EPS) :**	**38**	**0.00**	
				0.31

The accompanying notes form an integral part of these financial statements.

Chief Executive Officer (Acting) | Director | Chairman

Subject to our separate report of even date.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed By: Md. Anisur Rahman FCA
Managing Partner
Enrolment No: 0350
Firm Registration: 11970 E.P.
DVC: 2604290350AS307414

Dated, Dhaka
April 29, 2026

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Particulars	Amount in Taka	
		31.12.2025	31.12.2024
A.	**Cash Flow from Operating Activities**		
	Brokerage commission	6,313,619	12,747,345
	Other operating income	61,087	174,063
	Operating expenses	(70,436,709)	(63,296,554)
	Profit earned on Bank Deposits	6,978,319	270,754
	Profit on Margin facility	71,864,050	76,386,645
	Capital gain on investment in securities	1,578,948	6,387,224
	Dividend on investment in securities	8,979,810	16,399,514
	Advance income tax	(6,817,636)	(12,826,062)
	Advances, deposits and prepayments	978,146	978,146
	Other Operating assets	23,651,793	(12,140,358)
	Other Operating liabilities	(7,295,465)	(10,829,774)
	Net Cash flow from / (used in) Operating Activities	**35,855,962**	**14,250,943**
B.	**Cash Flow from Investing Activities**		
	Investment in Securities	1,807,694	(7,337,469)
	Investment in Margin Balance	(20,112,185)	39,429,489
	Investment in Stock Exchange	0	0
	Acquisition of property, plant and equipment	0	0
	Net Cash flow from Investing Activities	**(18,304,491)**	**32,092,020**
C.	**Cash Flow from Financing Activities:**		
	Share Capital	0	0
	Bai-Muajjal(gen) from SBPLC	1,245,168	(24,971,019)
	Dividend Paid	(27,000,550)	(47,996,700)
	Net Cash flow from Financing Activities	**(25,755,382)**	**(72,967,719)**
D.	**Net Cash Inflow/(Outflow) in Cash and Cash Equivalents (A+B+C)**	**(8,203,911)**	**(26,624,756)**
E.	Cash and Cash equivalents at beginning of the Year	31,667,971	58,292,728
F.	**Cash and cash Equivalents at end of the Year (D+E)**	**23,464,060**	**31,667,971**
G.	**Closing cash and bank balances**		
	Cash and cash equivalents	23,464,060	31,667,971
H.	**Net Operating Cash Flow (NOCF) Per Share**	**0.45**	**0.18**

Chief Executive Officer (Acting) | Director | Chairman

Dated, Dhaka
April 29, 2026

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
For the year ended 31st December, 2025

Particulars	Share Capital	Capital Reserve	Retained earnings	Total (Taka)
Balance at 01 January 2025	800,000,000	12,486,438	375,629	81,286,2067
Net profit for the quarter	0	0	0	0
Dividend	0	0	0	0
Capital reserve	0	0	0	0
Balance at 31 December 2025	**800,000,000**	**12,486,438**	**375,629**	**812,862,067**

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
For the year ended 31st December, 2024

Particulars	Share Capital	Capital Reserve	Retained earnings	Total (Taka)
Balance at 01 January 2024	800,000,000	8,048,777	334,092	808,382,869
Net profit for the year	-	-	24,479,198	24,479,198
Dividend	-	-	(20,000,000)	(20,000,000)
Capital reserve	-	4,437,661	(4,437,661)	-
Balance at 31 December 2024	800,000,000	12,486,438	375,629	812,862,067

Chief Executive Officer (Acting) | Director | Chairman

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

1.00 THE COMPANY AND ITS ACTIVITIES:

Standard Bank Securities Limited (DSE TREC NO. 156) a subsidiary company of Standard Islami Bank PLC. was incorporated as a public limited company in Bangladesh and registered with the Register of Joint Stock Companies on 22 November 2012 under the Companies Act 1994 bearing certificate of Commence of Business no. C-105752/12 having its Head Office 63 Dilkusha Commercial Area, 3rd Floor, Dhaka 1000.

2.00 NATURE OF BUSINESS:

The main objectives of the Company is to carry on the business of Stock broker/ stock dealer and other related business in connection with the dealing of listed securities. Other objectives of the company are to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks and fixed income securities, etc. The company are to act as a TREC Holder of Dhaka Stock Exchange Limited.

3.00 SIGNIFICANT ACCOUNTING POLICIES:

3.01 Basis of presentation of financial statements:

The financial statements of the Company are prepared on a going concern basis under historical cost convention in accordance with International Financial Reporting Standards (IFRS), which also cover International Accounting Standards (IAS), the Companies Act 1994, the Securities and Exchange commission (BSEC) Rules 1987, Securities and Exchange Act 1993, Bangladesh Securities and Exchange Commission (Stock Dealer, Stock Broker and Authorised Representatives) Rules 2000, Securities & Exchange Rules, 2020 and other applicable laws and regulations in Bangladesh.

3.02 Components of Financial Statements:

Following are the components of these financial statements:
(i) Statement of Financial Position
(ii) Statement of Profit or Loss and Other Comprehensive Income
(iii) Statement of Changes in Equity
(IV) Statement of Cash Flows
(v) Accounting policies and explanatory notes

3.03 Fixed Assets and Depreciation:

Recognition and measurement:
Items of fixed assets are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any.
Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the When parts of an item of fixed asset have different useful lives, they are accounted for as separate items location and condition necessary for it to be capable of operating in the intended manner. The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from Property, Plant and Equipment are recognized as assets in accordance with International Accounting Standards (IAS) 16 “Property Plant and Equipment".

Subsequent costs:

The cost of replacing a component 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 Group 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.

Changes in Depreciation Method:

Depreciation method has been changed from reducing method to straight line method from year 2022 for accounting policy alignment in accordance with the method followed by parent company (Standard Islami Bank PLC. Limited) which is to be treated as "Changes in Accounting Estimates" and prospective accounting has been done for changes in accordance with IAS 8.

Depreciation:

Depreciation is charged at the rates stated below on all fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Company. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Category of Assets:	Rate of Depreciation	Method of charging depreciation/amortization
Office equipment	20%	Straight Line Method
Office renovation & Decoration	10%	Straight Line Method
Furniture & Fixture	10%	Straight Line Method
Computer & Server	20%	Straight Line Method
Software	20%	Straight Line Method

3.04 Reporting Period:
These financial statements covers from 1st January 2025 to 31 December 2025 and followed consistently.

3.05 Cash and Cash Equivalents:
Cash and Cash Equivalents comprise cash in hand and cash at Bank and Investment in FDR which are held and available for use by the company without any restriction and are readily convertible to a known amount of cash and that, are subject to an insignificant risk of change in value.

3.06 Right on Use Asset
The company has complied with International Financial Reporting standards IFRS (16): Lease and accordingly accounted for asset under appropriate head. However upon review of company's lease rental agreement, termination clause include a clause like " Both party can cancel the agreement with 3 (three) months prior notice, which indicates that lease term is not more then 1 year. So company need not to include in Right of Use (ROU) assets.

3.07 Investments:

3.7.1 Investment in DSE Shares:
In accordance with section 8(Gha) of the Exchanges Demutualization Act, 2013, Dhaka Stock exchange membership has been converted into shares through the issuance of "Trading Right Entitlement Certificate (TREC)" by the DSE. Currently fair value of Trading Right Entitlement Certificate is not ascertainable with reasonableness due to the stock exchange not issuing any TREC other than existing members. Accordingly, investment is measured at cost which is considered as fair value.

3.7.2 Investment in quoted securities:
Investment in Shares have been recognized at cost valued on aggregate basis and Stock dividend (Bonus Shares) are added with existing shares with at zero cost which results decrease in per unit cost price of the existing shares. Adequate provision has been made as per BSEC guidelines if market value goes down.

3.08 Advance, Deposits and Prepayments:
Advance are initially measured at cost. After initial recognition advance are carried at cost less deduction, adjustments or charges to the account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to income statement.

3.09 Accounting for provisions:
The company recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

3.10 Provision for Taxation:
Current tax has been made as per the Income Tax Act. 2023, latest finance act, relevant SROs etc. Income tax withheld from the transactions of traded securities in accordance with section 137 @ 0.05%.

3.11 Capital Reserve:
As per Risk Based Capital Adequacy Rules 2019 part B (rule (1) (b); rule 5 (2)) shall Maintain a mandatory provision at least 10% of profit after tax of last year as Capital reserve and the full amount of such reserve shall be accounted for in computing total Capital.

3.12 Revenue recognition:
Revenue comprises of brokerage commission, profit on margin investment, Profit on deposit & other income. Details of revenue recognition policy are given below:

1) Brokerage commission is recognized as income when selling or buying orders are executed.
2) Profit on margin facility recognized on accrual basis. Such income is calculated considering daily margin balance of the respectable clients. Income is recognized on monthly but realized quarterly.
3) Capital gains/ (loss) are recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and is realized or loss in incurred.
4) Dividend income is recognized on the declaration of dividend and subsequent receipt of such dividend.
5) Other income represents BO Account opening fees & IPO Application fee.

3.13 Margin facility to clients:
Standard Bank Securities Limited extends margin facility to the portfolio investors at an agreed ratio (between investors deposit and investment amount) of purchase securities against the respective investor account. The investors are maintaining the margin as per rules and regulations.

3.14 Cash flow Statement:
Statement of Cash Flows is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987.

3.15 General:
1) The financial statements are presented in Bangladeshi Taka (BDT) Currency, which is the company's functional currency.
2) Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.
3) Figures and account titles of previous year have been rearranged whenever considered necessary to conform with current year's presentation.

		Amount in Taka	
		31.12.2025	31.12.2024
4.00	**Property, plant and equipment:**		
	This is made up as follows:		
	Opening balance	12,657,580	12,657,580
	Add : Additions during the period	0	0
	Less: Desposal	0	0
	Closing balance (A)	**12,657,580**	**12,657,580**
	Depreciation :		
	Opening balance	8,264,718	7,586,375
	Add: Charges during the period	678,343	678,343
	Closing balance (B)	8,943,061	8,264,718
	Written down value (A-B)	**3,714,519**	**4,392,862**
	The details of the above balance have been Shown in **(Annexure-1) .**		
5.00	**Investment In Stock Exchange**		
	Dhaka Stock Exchange Ltd.*	282,320,683	282,320,683

Note :

*As per Scheme of Demutualization of DSE in accordance with the Exchange Demutualization Act 2013 (the scheme), the Company being the intial shareholders of DSE and received ordinary shares as well as "Trading Right Entitlement Certificate (TREC)". No transactions of shares as well as "TREC" have been started and hence after adjustment, cost price is considered as fair value. In the future if the above shares as well as TREC becomes tradeable on capital market, the fair value would be determined that time and necessary adjustments, if any shall be made. Share Statud are given below:

5.01

Dhaka Stock Exchange Ltd.(DSE)	Type of Shares	Number of Shares	Number of Shares
	Floated (53.33%)	2,886,042	2,886,042
	Blocked (46.67%)	2,525,287	2,525,287
		5,411,329	5,411,329

6.00	**Advance, Deposits and Prepayments**		
A.	**Advance:**		
	Office Rent (Head Office)	154,691	1,082,837
	Advance against CDBL DP Renewal fees	-	50,000
		154,691	**1,132,837**
B.	**Deposits:**		
	Central Depository Bangladesh Ltd. (CDBL)	200,000	200,000
	BTCL	4,990	4,990
		204,990	**204,990**
	Total (A+B) :	**359,681**	**1,337,827**
7.00	**Advance income tax**		
	Opening balance	85,560,868	72,734,806
	Add: During the period (note 7.1)	6,817,636	12,826,062
		92,378,504	85,560,868
	Less : Adjustment of TDS on Dividend Income	29,423,040	
	Closing Balance	**62,955,464**	**85,560,868**
7.01	**Advance income tax**		
	Tax Deducted at Source on Profit earned on Bank Deposits	301,898	593,941
	Advance Corporate Tax	3,961,266	6,827,628
	Tax Deducted at Source on Turnover by DSE	825,935	2,128,664
	Tax Deducted at Source on dividend Income	1,728,537	3,275,829
	Total	**6,817,636**	**12,826,062**
8.00	**Receivable from DSE**		
	Stock Broker *	6,939,604	4,782,843
	Stock Dealer *	-	-
	Closing Balance	**6,939,604**	**4,782,843**
	Note: 8.01 *		
	Receivable against A,B,G & N category	6,648,509	4,781,845
	Receivable against Z category	291,095	998
		6,939,607	**4,782,843**

		Amount in Taka	
		31.12.2025	31.12.2024
9.00	**Other receivable**		
	Receivable from Clients against CDBL Charges & Others	59,101	140,400
	Receivable of Bai Muajjal (Gen) Profit	0	26,014,572
	Dividend on Investment in shares	3,533,483	3,246,166
	Closing Balance	**3,592,584**	**29,401,138**
10.00	**Investment In Margin Clients**		
	Receivable from Clients having no margin or full erosion of clients equity (e.g. no equity against debit balance)	527,867,731	427,817,631
	Receivable from Clients fall under force sale condition (e.g. equity is between 100% and 125% DB)	581,435	8,087,544
	Receivable from Clients fall under margin call (e.g. equity is >125% of DB but < 150% of DB)	1,205,771	44,826,871
	Receivable from regular margin Clients (e.g. equity is >150% of DB)	59,642,058	88,452,764
	Closing Balance	**589,296,995**	**569,184,810**
11.00	**Investment in securities (own portfolio)**		
	Proprietary Positions of Equity Securities		
	Value of "A" Category Instruments	229,460,944	258,952,590
	Value of "B/G/N" Category Instruments	138,521,162	152,437,971
	Value of "Z" Category Instruments	124,573,050	82,972,289
	Value of listed debt instruments	12,521,319	12,521,319
	Investment in IPO Shares / Right Shares	0	0
	Closing Balance	**505,076,475**	**506,884,169**
12.00	**Cash and cash equivalents**		
	Cash in hand	**0**	**0**
	Cash at Bank		
	Standard Islami Bank PLC. Ltd.'00236001852 (Company A/C.)	781,475	736,092
	Standard Islami Bank PLC. Ltd.'00236001884 (Customer A/C.)	2,424,268	10,059,756
	Al-Arafah Islami Bank Ltd.'0021220004023(Consolidated Customer A/C.)	17,260,375	18,403,066
	Al-Arafah Islami Bank Ltd.'0021220004067(Deler A/C.)	2,578,005	2,059,363
	Al-Arafah Islami Bank Ltd.'0021220004473(IPO Applicalion A/C.)	419,937	409,694
	Sub Total	23,464,060	31,667,971
	Closing Balance	**23,464,060**	**31,667,971**
13.00	**Share capital**		
13.1	**Authorised**		
	200,000,000 ordinary shares of Taka 10 each	2,000,000,000	2,000,000,000
13.2	**Issued, subscribed and paid-up capital**	**800,000,000**	**800,000,000**
	80,000,000 ordinary shares of Taka 10 each fully paid-up		
	Shareholding position of the Company are as under:		

Sl. No.	Name of shareholder	No. of Shares	Total Taka	% of ShareHolding
1	Standard Islami Bank PLC.	79,995,000	799,950,000	99.9941
2	Mr. Ashok Kumar Saha	500	5,000	0.0006
3	Mr. A.K.M Abdul Alim	500	5,000	0.0006
4	Investment Corporation of Bangladesh	500	5,000	0.0006
5	Mr. Tazmeem Mostafa Chowdhury	500	5,000	0.0006
6	Ms.Bedowra Ahmed Salam	500	5,000	0.0006
7	Mr.Tanveer Mostafa Chowdhury	500	5,000	0.0006
8	Mr. Azad Ahmed (Resigned & Share Transfer)	-	-	-
9	Mr. Md.Shahedul Alam	500	5,000	0.0006
10	Ms. Farzana Sultana	500	5,000	0.0006
11	Mr. Nizamul Alam	500	5,000	0.0006
12	Mr. Mohammed Lafizul Hoque	500	5,000	0.0006
	Total:	**80,000,000**	**800,000,000**	**100.0000**

14.00	**Retained earnings**		
	Opening balance	375,629	334,092
	Add: Net comprehensive income	0	24,479,198
		375,629	24,813,290
	Less: Dividend	0	0
		375,629	24,813,290

		Amount in Taka	
		31.12.2025	31.12.2024
	Less: Amount Transfer to Capital Reserve	-	4,437,661
		375,629	20,375,629
	Less: Interim Dividend	-	(20,000,000)
	Closing Balance	**375,629**	**375,629**
15.00	**Capital Reserve**		
	Opening balance	12,486,438	8,048,777
	Addition during the period	-	4,437,661
	Closing Balance	**12,486,438**	**12,486,438**
16.00	**Payable to Clients**		
	Other Clients	22,390,284	18,902,231
	SBL Capital Management Ltd.	-	-
	IPO Application Account	-	-
	Closing Balance	**22,390,284**	**18,902,231**
	This represents clients' un-invested amount which is being held for buy of marketable securities or refund to the clients as per their instructions.		
17.00	**Payable to DSE**		
	Stock Broker	51,893	3,247,207
	Stock Dealer	-	-
	Closing Balance	**51,893**	**3,247,207**
18.00	**Bai-Muajjal(Gen) from SBPLC**		
	Investment amount	391,196,861	389,951,693
	Closing Balance	**391,196,861**	**389,951,693**
	Note: The above facility was taken from Standard Islami Bank PLC., Principal Branch, Dhaka as Corporate Investment, shows with Profit.		
19.00	**Others Payable**		
	Non Shari'ah Income	2,765,809	2,743,309
	Profit on Customer's Bank Account to IPF Fund	109,766	7,787,626
	Dividend Payable	25,000,000	52,000,550
	Unidentified amount	845,792	862,188
	Closing Balance	**28,721,367**	**63,393,673**
20.00	**Provision for expenses**		
	CDBL charges	12,073	17,101
	Telephone Bill	-	920
	Audit & Consultancy Fees	80,000	50,000
	VAT Payable	17,000	7,500
	Link3 Technologies Ltd.	11,600	11,600
	Metronet BD Ltd.	4,000	4,000
	Amber IT Ltd.	4,200	4,200
	ADA Soft International Ltd.	50,000	-
	Closing Balance	**178,873**	**95,321**
21.00	**Provision for diminution in value of investment**		
	Opening balance	86,292,184	83,942,184
	Add: Provision made during period	6,954,572	2,350,000
	Closing Balance	**93,246,756**	**86,292,184**
	*As per BSEC Circular No. Ref: BSEC/SMMAED/ NE/ AP/2025/108/676 dated November 27, 2025 maintaining provision on diminution in value of Investment. However the shortfall on such provision can be deferred up to 31 December 2030.		
22.00	**Provision for Clients Margin Balance**		
	Mandatory Provision (22.1)	5,892,970	5,691,848
	Specific Provision (22.2)	33,735,262	22,641,036
	Closing Balance	**39,628,232**	**28,332,884**
22.01	**Mandatory Provision**		
	Opening balance	5,691,848	-
	Add: Provision made during year	201,122	5,691,848
	Closing Balance	**5,892,970**	**5,691,848**
	Provision for -margin Balance has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019, each registered entity those are providing margin financing shall maintain a mandatory provision @ 1% of all outstanding margin exposures which has kept by the entity.		
22.02	**Specific Provision**		
	Opening balance	22,641,036	19,141,036
	Add: Provision made during year	11,094,226	3,500,000
	Closing Balance	**33,735,262**	**22,641,036**

		Amount in Taka	
		31.12.2025	31.12.2024
	*As per BSEC Circular No. Ref: BSEC/SMMAED/ NE/ AP/2025/108/676 dated November 27, 2025 maintaining provision on Negative Equity on Margin Investment. However the Equity Negative amount on such provision can be deferred up to 31 December 2030.		
23.00	**Provision for income tax**		
	Opening balance	112,455,911	100,086,309
	Add: Provision made during the period	6,410,861	12,369,602
		118,866,772	112,455,911
	Less: Adjustment for TDS on Dividend Income	29,423,040	0
	Closing Balance	**89,443,732**	**112,455,911**
24.00	**Profit earned on Bank Deposits**		
	Mudaraba SND Account of Standard Islami Bank PLC.	701,030	59,344
	Mudaraba SND Account of Al Arafah Islami Bank PLC.	6,277,289	211,410
	Total	**6,978,319**	**270,754**
25.00	**Other operating income**		
	BO account fees	15,887	22,218
	Yearly BO maintenance fees	45,200	148,050
	IPO Application fees	0	3,795
	Total	**61,087**	**174,063**
26.00	**Direct Expenses**		
	Hawla charges	0	6,500
	Laga charges	577,792	1,007,404
	CDBL Charges	199,967	434,970
	Total	**777,759**	**1,448,874**
	This represents Hawla and Laga charges paid to DSE for the tranaction of traded securities. Hawla is paid based on number of transaction and Laga is paid based on turnover at applicable rate prescribed by DSE. CDBL Charge paid against CDS charge to CDBL.		
27.00	**Salaries and allowances**		
	Basic salary	5,511,886	6,157,929
	House rent allowance	2,755,937	3,078,989
	Conveyance allowance	328,356	369,933
	Medical allowance	551,183	615,805
	House maintenance	197,120	145,067
	Leave fare compensation (LFC)	442,115	515,519
	Car Allowance	420,000	420,000
	Washing allowance	4,839	4,400
	Company's contribution to provident fund	551,183	615,805
	Casual Wages	389,436	381,146
	Bonus	1,060,337	1,175,342
	Consolidated Salary	0	264,000
	Total	**12,212,392**	**13,743,935**
28.00	**Rent, taxes, insurance, electricity, etc**		
	Office Rent	2,312,630	2,134,736
	Sharing of Infrastructure Charge	120,000	120,000
	WASA Charge	54,623	63,181
	Generator Bill	8,050	2,665
	Electricity Bill	255,241	251,062
	Total	**2,750,544**	**2,571,644**
29.00	**Board Meeting Expenses**		
	Meeting fees & Legal fees	425,500	495,000
	Total	**425,500**	**495,000**
30.00	**Stationery, printing, advertisements, etc**		
	Printing and stationery	60,430	48,545
	Computer Accessories	66,987	73,529
	Advertisement & Publicity	9,600	9,200
	Total	**137017**	**131274**
31.00	**Audit & Consultancy Fees**		
	Audit fees	57,500	57,500
	Legal & Professional fee	46,000	171,350
	Total	**103,500**	**228,850**
32.00	**Postage, stamps, telecommunication, etc**		
	Wan Connectivity Charge	189,600	174,019
	Telephone and fax expenses	64,825	86,158

		Amount in Taka	
		31.12.2025	31.12.2024
	Wimax Charge	9,000	9,000
	Postage & Courier	9,252	9,395
	Total	**272,677**	**278,572**
33.00	**Repair and maintenance**		
	Cleaning expenses	149,832	131,468
	Office maintenance	35,000	10,410
	Total	**184,832**	**141,878**
34.00	**Registration & Renewal fees**		
	Stock Broker & Stock Dealer cert. Renewal fee	100,000	100,000
	DP Registration Renewal fee	50,000	50,000
	Authorized Representative fees	17,500	500
	TREC Renewal fee	100,000	100,000
	DBA Annual Membership fee	0	12,500
	Trade License Renewal fees	18,970	17,820
	Total	**286,470**	**280,820**
35.00	**Depreciation on Fixed Assets**		
	Furniture & Fixture	173,063	173,063
	Office equipment	194,400	194,400
	Office renovation & Decoration	310,880	310,880
	Computer & Server	0	0
	Software	0	0
	Total	**678,343**	**678,343**
36.00	**Other operating expenses**		
	Traveling & Conveyance	228,225	84,034
	DSE Charges	33,167	31,377
	DBA Subscription	25,000	0
	Newspaper & Perodicals	5,270	5,102
	Entertainment	489,518	439,321
	RJSC Expenses	101,663	29,869
	Software Upgradation	105,000	0
	Annual Maintenance fees for Software	0	262,500
	Uniform & Leverage	16,665	16,060
	Security Guard Bill	179,400	151,800
	Board Meeting Expenses	20,000	33,500
	Total	**1,203,908**	**1,053,563**
37.00	**Financial Expenses**		
	Profit Expenses on Bai-Muajjal(Gen)	51,991,905	42,821,078
	Bank Charges & Commission	90,205	101,066
	Total	**52,082,110**	**42,922,144**
38.00	**Earning Per Share (EPS):**		
	This is made up as follows:		
	Net profit after tax	0	24,479,198
	Number of Ordinary Share	80,000,000	80,000,000
	Earnings Per Share	**0**	**0.31**

STANDARD BANK SECURITIES LIMITED

Details of property, plant and equipment at 31 December,25

Particulars	Cost				Rate	Depreciation				Netbook value at 31December 2025
	Balance at 01 Jan 2025	Additions	Sale/ disposal	Total at 31 December 2025		To 01 Jan 2025	Charge for the Period	Adjustment	Total to 31 December 2025	
Furniture & Fixture	1,733,500	-	-	1,733,500	10%	362,279	173,063	-	535,342	1,198,158
Office equipment	2,071,963	-	-	2,071,963	20%	1,537,363	194,400	-	1,731,763	340,200
Office renovation & Decoration	3,108,800	-	-	3,108,800	10%	621,760	310,880	-	932,640	2,176,160
Computer & Server	4,813,267	-	-	4,813,267	20%	4,813,266	-	-	4,813,266	1
Software	930,050	-	-	930,050	20%	930,050	-	-	930,050	-
Balance 31.12.2025	**12,657,580**	**-**	**-**	**12,657,580**		**8,264,718**	**678,343**	**-**	**8,943,061**	**3,714,519**

STANDARD BANK SECURITIES LIMITED

Details of property, plant and equipment at 31 December,24

Particulars	Cost				Rate	Depreciation				Netbook value at 31December 2024
	Balance at 01 Jan 2024	Additions	Sale/ disposal	Total at 31 December 20254		To 01 Jan 2024	Charge for the Period	Adjustment	Total to 31 December 2024	
Furniture & Fixture	1,733,500	-	-	1,733,500	10%	189,216	173,063	0	362,279	1,371,221
Office equipment	2,071,963	-	-	2,071,963	20%	1,342,963	194,400	0	1,537,363	534,600
Office renovation & Decoration	3,108,800	-	-	3,108,800	10%	310,880	310,880	0	621,760	2,487,040
Computer & Server	4,813,267	-	-	4,813,267	20%	4,813,266	0	0	4,813,266	1
Software	930,050	-	-	930,050	20%	930,050	0	0	930,050	0
Balance 31.12.2024	**12,657,580**	**-**	**-**	**12,657,580**		**7,586,375**	**678,343**	**0**	**8,264,718**	**4,392,862**

STANDARD BANK SECURITIES LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)

STATEMENT SHOWING COMPUTATION OF CAPITAL ADEQUACY

As at 31 December 2025

A. Eligible Capital				31.12.2025	31.12.2024
Components	B/S Amount	Haircut	Haircut Amount	Eligible Amount	Eligible Amount
Paid up Capital	800,000,000	0%		800,000,000	800,000,000
Capital reserve	12,486,438	0%		12,486,438	12,486,438
Retained earnings	375,629	0%		375,629	375,629
Sum of Crore capital				**812,862,067**	**812,862,067**
General Provision	0	20%		0	0
Speific Provision:					
Margin Investment	39,628,232	30%		27,739,762	19,833,019
Investment in marketetable securities	93,246,756	30%		65,272,729	60,404,529
Sum of supplememtary capital				**93,012,492**	**80,237,548**
Total Capital				**905,874,559**	**893,099,615**

B. Total Risk Requirment (TRR)		31.12.2025	31.12.2024
Particulars	Risk factor	Applicable Amount	Applicable Amount
Operation Risk Requirement (ORR):			
Based on average annual gross income (see clase (b) of sub-rule(7.1) of rule7)	5%	3,219,670	4,000,628
Position Risk Requirement (PRR):			
i. Proprietary positions in Equity securities:			
Value of "A" category securities	10%	22,946,094	25,895,259
Value of "B/G/N/." category securities	12%	16,622,539	18,292,557
Value of "Z" category instruments	15%	18,685,958	12,445,843
ii. Proprietary positions in Debt Instruments & ABSs:	5%	626,066	626,066
Counterparty Risk Requirement (CPRR):			
i. Exposure of credit facilities to Clients	8%	47,143,760	45,534,785
Liability Risk Requirement (LRR):			
Annual Revenue Reported in last year	0%	48,958	88,753
Total Risk Requirement		**109,293,045**	**106,883,891**

C. Capital Adequacy Ratio (CAR):	"Total Capital ---------- X 100 Total Risk Requirement"	**"829% Or 8.29 times"**	**"836% Or 8.36 times"**

SBL CAPITAL MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF SBL CAPITAL MANAGEMENT LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the financial statements of **SBL Capital Management Limited** which comprise the statement of financial position as at 31st December, 2025 and 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 the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of **SBL Capital Management Limited** as at 31st December, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the companies Act 1994 and other applicable laws and regulations.

BASIS FOR QUALIFIED OPINION

1. We draw attention to Note 13 & 14 regarding the significant borrowing position of the Merchant Bank As at 31 December 2025, the Merchant Bank has borrowings from its parent entity, Standard Islami Bank PLC., amounting to BDT 2,710,000,000 under Bai-Muajjal and BDT 350,000,000 under Bai-Murabaha. The total outstanding borrowing liability of the Merchant Bank stands at BDT 4,051,995,689, of which BDT 991,995,689 relates to profit payable. During the last four years, the Merchant Bank has repaid only BDT 13,615,364 and has not made any profit payments, resulting in an accumulated profit charge of BDT 991,995,689. This indicates that the Merchant Bank currently does not have the financial capacity to repay its outstanding borrowing liabilities. In addition, certain assets of the merchant bank have remained unrealized for a considerable long period, creating uncertainty regarding their recoverability and the merchant bank's ability to meet its financial obligations.
2. As disclosed in Notes 4 and 20 to the financial statements, SBL Capital Management Limited's investment in shares amounted to BDT 1,698,087,687 as at 31 December 2025. The market value of these investments has declined, resulting in a diminution of BDT 909,969,538 from cost. The minimum required provision for this year is BDT 494,808,812 as per BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/659 dated November 16, 2025; however, SBL Capital Management Limited has recognized a provision of only BDT 480,780,954, resulting in a material understatement of provision and a corresponding overstatement of investments.
3. As disclosed in Notes 5 and 21 to the financial statements, SBL Capital Management Limited's investment in margin clients amounted to BDT 4,793,696,711 as at 31 December 2025. The market value of these investments has declined, resulting in significant shortfall exists amounting BDT 2,575,294,737 between the margin Investment balances and the market value of securities held in clients' portfolios. The minimum required provision for this year is BDT 566,942,995 as per BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/659 dated November 16, 2025; however, SBL Capital Management Limited has recognized a provision of only BDT 497,537,837, resulting in a material understatement of provision and a corresponding overstatement of margin investments.

   Furthermore, profit receivable amounting to BDT 413,943,713 as disclosed in Note 9, has been transferred to a suspense account due to negative equity positions of certain clients.

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 of the **SBL Capital Management Limited** in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

EMPHASIS OF MATTER

Without qualifying our audit opinion, we would like to draw the attention of the users of this report to the following issues:

1. We draw attention to note - 7.01, regarding adjustment of advance income tax (AIT).
2. We draw attention that the Merchant Bank did not prepare or maintain any ageing schedule for the relevant balance sheet heads such as receivables, payables, advances and other related accounts. Due to the absence of ageing analysis, we were unable to assess the collectability, settlement status, and proper classification of these balances. But the fact is the merchant bank again unable to maintain this provision.

Our audit opinion is not modified in respect of these matters.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Merchant 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 Merchant Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Merchant Bank'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.

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 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 but not for the purpose expressing an opinion on the effectiveness of the Merchant Bank's internal control.
- 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 Merchant 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 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 Merchant Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Merchant Bank's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Companies Act 1994 and other applicable laws and regulation, 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 except those mentioned in the basis for qualified opinion section;

b) in our opinion, books of accounts as required by law have been kept by the Merchant Bank so far as it appeared from our examination of these books except those mentioned in the basis for qualified opinion section, and

c) the statement of financial position and statement of profit or loss and comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Dated, Dhaka

29April 2026

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: **Md. Anisur Rahman FCA**
Managing Partner
Enrolment No.: 0350
Firm's Registration No: 11970 E.P.
DVC: 2604290350AS738465

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
STATEMENT OF FINANCIAL POSITION
As at 31st December, 2025

Particulars	Notes	Amount (In Taka)	
		31.12.2025	31.12.2024
ASSETS:			
Non-Current Assets:		**5,442,927**	**6,874,939**
Property, Plant & Equipment	2.00	5,442,927	6,874,939
Current Assets:		**7,436,581,075**	**7,184,934,775**
Advances, Deposits & Prepayments	3.00	375,299	1,397,153
Investment in Shares	4.00	1,698,087,687	1,768,620,599
Margin Investment to Clients	5.00	4,793,696,711	4,643,618,293
Accounts Receivable	6.00	19,199,913	14,590,848
Advance Income Tax	7.00	431,649,090	414,680,460
Stock of Stationery	8.00	69,690	69,690
Other Assets	9.00	413,943,713	330,278,659
Cash & Cash Equivalents	10.00	79,558,973	11,679,073
TOTAL ASSETS		**7,442,024,002**	**7,191,809,714**
EQUITY AND LIABILITIES:			
Capital and Reserve:		**1,501,864,187**	**1,501,864,187**
Share Capital	11.00	1,500,000,000	1,500,000,000
Retained Earnings	12.00	1,864,187	1,864,187
Current Liabilities:		**4,091,171,555**	**3,980,231,165**
Bai-Muajjal with Standard Islami Bank PLC.	13.00	2,710,000,000	2,712,865,363
Bai-Murabaha with Standard Islami Bank PLC.	14.00	350,000,000	400,000,000
Provision for Expenses	15.00	689,156	747,854
Sundry Deposit	16.00	20,323,962	23,088,605
Liability for withholding Tax, VAT, LFC & others	17.00	78,948	1,331,154
Accounts Payable	18.00	1,010,079,490	842,198,189
Other Liabilities:		**1,848,988,259**	**1,709,714,362**
Provision for Taxation	19.00	456,556,664	444,748,119
Provision for diminution in value of investment	20.00	480,460,981	472,958,248
Provision for Margin Investment	21.00	497,537,837	461,240,272
Provision for Profit waiver to Affected Small Investors	22.00	489,064	489,064
Profit Suspense Account	23.00	413,943,713	330,278,659
TOTAL EQUITY AND LIABILITIES		**7,442,024,002**	**7,191,809,714**
NAV per share (Per share value Tk. 100)	**38.00**	**100.12**	**100.12**

The accompanying notes form an integral part of these financial statements.

Chief Executive Officer (Acting)
SCML

Director
SCML

Chairman
SCML

Subject to our separate report of even date.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: **Md. Anisur Rahman FCA**
Managing Partner
Enrolment No.: 0350
Firm's Registration No: 11970 E.P.
DVC: 2604290350AS738465

Dated, Dhaka

29April 2026

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 31st December, 2025

Particulars	Notes	Amount (In Taka)	
		31.12.2025	31.12.2024
INCOME:			
Profit from Investment	24.00	295,349,068	311,522,282
Transaction /Settlement fees		3,776,557	5,946,618
Management Fee		6,685,501	10,710,274
Gain on Sale of Shares		12,694,506	16,293,841
Dividend on Investment in Shares	25.00	29,294,311	41,451,667
Other Income	26.00	4,989,200	1,590,600
Total Income (A)		**352,789,144**	**387,515,282**
EXPENDITURE:			
Profit paid for Borrowing	27.00	280,433,355	282,076,518
Salary & Other Allowances	28.00	9,131,433	14,341,289
Rent, Taxes, Insurance & Electricity	29.00	2,986,456	2,756,622
Postage, Stamp & Telecommunication	30.00	47,515	42,511
Stationery, Printing & Advertisement	31.00	234,586	246,622
Directors' Fee & Other expenses	32.00	379,398	540,422
Audit & Consultancy Fees	33.00	396,500	273,700
Depreciation		1,432,012	1,175,556
Other Expenses	34.00	1,839,199	2,158,076
CDBL Charges	35.00	299,848	545,529
Total Expenditure (B)		**297,180,300**	**304,156,846**
Profit before Provision (C=A-B)		**55,608,843**	**83,358,436**
Less: Provision for diminution in value of investments	20.00	7,502,733	7,853,254
Less: Provision for Margin Investment	21.00	36,297,565	33,138,195
Less: Provision for Profit waiver to A.S.I.	22.00	-	-
Total Provision (D)		**43,800,298**	**40,991,449**
Profit/(Loss) before tax (E=C-D)		**11,808,545**	**42,366,987**
Less: Provision for Taxation	19.00	11,808,545	19,874,566
Net Profit/(Loss) after tax		**-**	**22,492,422**
Earnings per share	**36.00**	**-**	**1.50**

The accompanying notes form an integral part of these financial statements.

Chief Executive Officer (Acting)
SCML

Director
SCML

Chairman
SCML

Subject to our separate report of even date.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
Signed by: **Md. Anisur Rahman FCA**
Managing Partner
Enrolment No.: 0350
Firm's Registration No: 11970 E.P.
DVC: 2604290350AS738465

Dated, Dhaka

29 April 2026

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
As at 31st December, 2025

Particulars	Share Capital	General Reserve	Retained earnings	Total (Taka)
Balance as on 01.01.2025	1,500,000,000	-	1,864,188	1,501,864,188
Interim Dividend for the year 2023				
Interim Dividend for the year 2025	-	-	-	-
Retained earnings during the Period	-	-	-	-
Balance as on 31.12.2025	**1,500,000,000**	**-**	**1,864,188**	**1,501,864,188**
Balance as on 31.12.2024	**1,500,000,000**	**-**	**1,864,188**	**1,501,864,188**

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
As at 31st December, 2024

Particulars	Share Capital	General Reserve	Retained earnings	Total (Taka)
Balance as on 01.01.2024	1,500,000,000	-	1,871,766	1,501,871,766
Interim Dividend for the year 2024			(22,500,000)	(22,500,000)
Retained earnings during the Period	-	-	22,492,422	22,492,422
Balance as on 31.12.2024	**1,500,000,000**	**-**	**1,864,188**	**1,501,864,188**
Balance as on 31.12.2023	**1,500,000,000**	**-**	**1,871,766**	**1,501,871,766**

Chief Executive Officer (Acting)
SCML

Director
SCML

Chairman
SCML

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
STATEMENT OF OF CASH FLOWS
For the period ended 31st December, 2025

	Particulars	Notes	Amount (In Taka)	
			31.12.2025	31.12.2024
A.	**Cash Flow from Operating Activities:**			
	Net Profit after tax	**12.00**	**-**	**22,492,422**
	Add: Non Cash Transaction		**11,929,652**	**21,182,041**
	Provision for Expenses	15.00	(58,699)	(207,502)
	Liability for withholding LFC & Others	17.00	(1,252,206)	339,422
	Provision for investment in securities	20.00	-	-
	Corporate Income Tax	19.00	11,808,545	19,874,566
	Depreciation	2.00	1,432,012	1,175,556
			188,361,115	**239,425,279**
	Sundry Deposit	16.00	(2,764,644)	19,287,355
	Accounts Receivable	6.00	(4,609,064)	2,416,643
	Advance Income Tax	7.00	(16,968,630)	(28,628,450)
	Stock of Inventory	8.00	-	-
	Advance deposit	3.00	1,021,854	1,021,854
	Account Payable	18.00	167,881,301	201,336,429
	Dividend Payable		-	-
	Other Assets	9.00	(83,665,054)	(87,273,161)
	Provision for Own Portfolio Investment	20.00	7,502,733	7,853,254
	Provision for Margin Investment	21.00	36,297,565	33,138,195
	Profit Suspense Account	23.00	83,665,054	90,273,160
	Net Cash flow from Operating Activities		**200,290,767**	**283,099,742**
B.	**Cash flow from Investing Activities :**			
	Investment in Shares	4.00	70,532,913	5,703,756
	Purchase of Assets	2.00	-	(1,398,850)
	Margin Investment to Client	5.00	(150,078,418)	(299,361,376)
	Net cash flow from Investing Activities		**(79,545,505)**	**(295,056,470)**
C.	**Cash Used by Financing Activities:**			
	Borrowing from SBPLC-Bai Muajjal	13.00	(2,865,364)	(1,650,000)
	Borrowing from SBPLC-Bai Murabaha	14.00	(50,000,000)	40,000,000
	Dividend		-	(22,500,000)
	Net cash flow from financing activities		**(52,865,364)**	**15,850,000**
D.	**Net Increase in cash and cash equivalents D=(A+B+C)**		**67,879,900**	**3,893,273**
E.	**Opening cash and cash equivalents**	**10.00**	**11,679,073**	**7,785,800**
	Closing cash and cash equivalents (D+E)		**79,558,973**	**11,679,073**
	Net Operating Cash Flow per share (Note-37)		**13.35**	**18.87**

Chief Executive Officer (Acting)
SCML

Director
SCML

Chairman
SCML

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31st December, 2025

1.00 Company and its Activities

SBL Capital Management Limited is a subsidiary company of Standard Islami Bank PLC. incorporated as a public limited company on 20th October, 2010 with the Registrar of Joint Stock Companies, Dhaka vide certificate of incorporation No. C-87663/10 dated 20 October, 2010 and commenced its business on the same date. The funtion of its were separated from Standard Islami Bank PLC. Limited by forming a subsidiary company in terms of Bangladesh Bank's BRPD circular No. 12 dated: 14 October, 2009. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued a full fledged Merchant Banking License in favour of SBL Capital Management Limited, vide letter No. SEC/Reg/MB/SUB/13/2010/529, dated: January 05, 2011 with effect from January 09, 2011.

1.02 Principal Activities:

The main objectives of the Company is to carry out the business of full fledged merchant banking activities like margin investment provided to clients for the Investment in securities, issue management, portfolio management, underwriting, corporate advisory services etc.

1.03 Significant Accounting policies:

Statement of Compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS)/ International Accounting Standards (IAS), the Companies Act. 1994, Securities & Exchange Rules, 1987 and other applicable laws in Bangladesh.

Basis of preparation of Financial Statements:

The financial statements are prepared on a going concern basis under historical cost convention in accordance with Generally Accepted Accounting Principles. Wherever appropriate, such principles are explained in succeeding notes. The financial statements includes:

(i) Statement of Financial Position (Balance Sheet)
(ii) Statement of Profit or Loss and Other Comprehensive Income
(iii) Statement of Cash Flows
(iv) Statement of Changes in Equity
(v) Notes to the Financial Statements

1.04 Reporting Period:

The Reporting period of the Company from 1st January, 2025 to 31st December, 2025.

1.05 Statement of Cash Flows:

Statement of Cash Flow is prepared in accordance with the International Accounting Standard (IAS)-7: Cash Flow statement has been presented under indirect method.

1.06 Property, Plant and Equipments:

Recognition and Measurement:

Items of Property, Plant & Equipment (PPE) are initially measured at cost. After initial recognition, the item of PPE are carried at cost less accumulated depreciation and Items of fixed assets are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the When parts of an item of fixed asset have different useful lives, they are accounted for as separate items location and condition necessary for it to be capable of operating in the intended manner. The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from Property, Plant and Equipment are recognized as assets in accordance with International Accounting Standards (IAS) 16 “Property Plant and Equipment”.

Subsequent costs:

The cost of replacing a component 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 group 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.

Changes in Depreciation Method:

Depreciation method has been changed from reducing method to straight line method from year 2017 for accounting policy alignment in accordance with the method followed by parent company (Standard Islami Bank PLC. Limited) which is to be treated as "Changes in Accounting Estimates" and prospective accounting has been done for changes in accordance with IAS 8.

Depreciation:

Depreciation is charged at the rates stated below on all fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Company. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Category of Assets	Rate of Depreciation
Office Equipments	20%
Office Appliances	10%
Furniture & Fixture	10%
Computer, Printer, UPS, Server etc.	20%
Renovation & Decoration	10%
Software	20%

1.07 Cash and Cash Equivalents:

Cash and Cash Equivalents comprise cash in hand and bank balances, which were held and available for use of the Company without any restriction.

1.08 Investments:

All Investment in securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investments. The valuation methods used for investments is:

Investment in listed securities are acquired and held primarily as well as secondarily for the purpose of selling them in the future or held for dividend income are reported at cost. Unrealised Gain /(Loss) are not recognised in the statement of profit or loss and other comprehensive income.

1.09 Receivables:

Receivables are recognised when there is a contractual right to receive cash of another financial assets from another entity.

1.10 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

1.11 Borrowing Funds:

Borrowing funds include borrowings from Standard Islami Bank PLC. (SBPLC) and Investment Corporation of Bangladesh (ICB), which is stated in the Statement of Financial Position (Balance Sheet) as investment.

1.12 Provision for Current Taxation:

Provision for current income tax has been made @ 27.50% on total income as prescribed in the Finance Ordinance 2025 on the accounting profit made by the Marchent Bank in compliance with IAS-12 “Income Taxes”.

1.13 Benefit to the Employees:

The retirement benefits such as Gratuity Fund, Incentive Bonus for the employees of the company as on reporting date have not yet been recongnised for in accordance with the provisions of International Accounting Standards-19, “Employess Benefits” as the company is not yet decided for those benefits.

1.14 Provision for Liabilities:

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS-37 "Provisions, Contingent Liabilities and Contingent Assets."

1.15 Provision for Margin Investment:

A provision for Equity shortfall of investors in portfolios have been made as per circular of BSEC Directive No. BSEC/SMMID/NE/AP/2025/108/659 dated, November 16, 2025.

1.16 Profit Income:

In terms of the provisions of IFRS-15 “Revenue from Contracts with Customers”, Profit income is recognised on accrual basis.

1.17 Investment Income:

Investment Income on investment is recognised on accrual basis. Capital Gains are recognised when these are realised.

1.18 Fees and Commission Income:

Fees and Commission income arising on services provided by the Company are recognised on accrual basis.

1.19 Dividend Income on Shares:

Dividend on shares is recognised during the period in which it is declared and ascertained i.e, establised as the right of shareholders.

1.20 Events after the reporting period:

Where necessary, all the material events after the reporting date has been considered but no adjustment/ disclosures is required to be made in the financial statements.

1.21 Directors responsibility on Financial Statements:

The board of directors of the company is responsible for the preparation and presentation of these financial statements.

1.22 General:

1) The financial statements are presented in Bangladeshi Taka (BDT) Currency, which is the company's functional currency.

2) Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.

3) Figures and account titles of previous year have been rearranged whenever considered necessary to conform with current year's presentation.

Particulars		Amount (In Taka)	
		31.12.2025	31.12.2024
2.00	**Property, Plant & Equipments:**		
	Opening Balance	12,973,747	11,574,897
	Add: Addition during the period	-	1,398,850
	Less: Adjustment	-	-
	Closing Balance (A)	**12,973,747**	**12,973,747**
	Depreciation:		
	Opening Balance	6,098,808	4,923,252
	Add: Charge for the period	1,432,012	1,175,556
	Less: Adjustment	-	-
	Closing Balance (B)	**7,530,820**	**6,098,808**
	Written Down Value (A-B)	**5,442,927**	**6,874,939**
	Details are shown in **Annexure-1**		
3.00	**Advance, Deposits & Prepayments:**		
	Advance for Office Rent	170,309	1,192,163
	Advance for Custody DP-CDBL	200,000	200,000
	Security deposit	4,990	4,990
	Total	**375,299**	**1,397,153**
4.00	**Investment in Shares:**		
	Total Investments (Note-4.01)	1,698,087,687	1,768,620,599
	Total	1,698,087,687	1,768,620,599

4.01

Ordinary Shares	No. of Company	Cost value 31.12.2025	Cost value 31.12.2024
Investment in Secondary Share Market (Note: 4.01.01)	79	1,698,087,687	1,768,620,599
Total		**1,698,087,687**	**1,768,620,599**

4.01.01	**Investment in Secondary Share Market:**		
	Banking Company	179,528,663	219,851,184
	Non Banking Financial Institutions	228,743,633	228,743,633
	Insurance Company	133,969,441	173,712,563
	Investment Company	104,457,319	104,457,319
	Fuel and Power	266,319,586	266,319,586
	Manufacturing Company and Others	785,069,045	775,536,314
	Total	**1,698,087,687**	**1,768,620,599**

Particulars	Amount (In Taka)	
	31.12.2025	31.12.2024

Investment in shares represents cost price of securities which have been invested by the company in the capital market.

5.00	**Margin Investment to Clients:**		
	Portfolio Margin Investment	4,649,648,629	4,497,857,076
	Profit Free Block Investment	144,048,082	145,761,217
	Total	**4,793,696,711**	**4,643,618,293**
6.00	**Account Receivable:**		
	Receivable from Brokers against Investors portfolio	1,393,599	81,571
	Dividend Receivable	15,844,563	12,547,527
	Underwriting Commission Receivable	1,961,750	1,961,750
	Total	**19,199,913**	**14,590,848**
7.00	**Advance Income Tax**		
	Opening Balance	414,680,460	386,052,010
	Add: Tax deducted at source during the period (Note: 7.01)	5,682,205	8,210,690
	Add: Advance Income Tax Paid during the period	11,286,425	20,417,760
	Total	**431,649,090**	**414,680,460**
	Less: Adjustment of Advance Income Tax for the period	-	-
		431,649,090	414,680,460
	Less: Adjustment of demand Tax for the period	-	-
	Closing Balance	**431,649,090**	**414,680,460**
7.01	**Tax deducted :**		
	Tax deducted on Profit from SND Bank Account	257,790	61,570
	Tax deducted on Dividend Income & Others	5,424,415	8,149,120
	Total	**5,682,205**	**8,210,690**
8.00	**Stock of Stationery :**		
	Opening Balance	69,690	69,690
	Add: Addition during the period	-	-
		69,690	69,690
	Less: Stock consumed during the period	-	-
	Closing Balance	**69,690**	**69,690**
9.00	**Other Assets:**		
	ii) Profit receivable on Suspense A/c	413,943,713	330,278,659
	Closing balance	**413,943,713**	**330,278,659**
10.00	**Cash & Cash Equivalent**		
	Cash in hand	-	-
	Bank Balances with SBPLC, Principal Branch (Note-9.01)	79,558,973	11,679,073
	Total	**79,558,973**	**11,679,073**
10.01	**Bank Balance with SBPLC, Principal Branch:**		
	SBL Capital Mgt. Ltd. Investor's (A/C: 00236001807)	54,659,341	6,047,662
	SBL Capital Mgt. Ltd. (A/C: 00236001808)	1,176,347	4,177,743
	SBL Capital Mgt. Ltd. Own Portfolio (A/C: 00236001810)	23,419,154	1,169,782
	Public Issue Application (SBL Cap. Mgt.) (A/C:00236001876)	3,034	4,357
	SBL Capital Mgt. Ltd.-ICB Fund (A/C: 00236001960)	301,098	279,529
	Closing Balance	**79,558,973**	**11,679,073**
11.00	**Share Capital:**		
11.01	**Authorized Capital: Tk. 5,000,000,000**		

Particulars		Amount (In Taka)	
		31.12.2025	31.12.2024
	50,000,000 Ordinary Shares of Tk. 100/- each	**5,000,000,000**	**5,000,000,000**
11.02	**Issued, Subscribed and Paid Up Capital: Tk. 1,500,000,000**		
	15,000,000 Ordinary Shares of Tk. 100/- each	1,500,000,000	1,500,000,000
		1,500,000,000	**1,500,000,000**

11.03 Pattern of Shareholdings:

SL. No.	Name	No. of Shares	Amount (TK.)	% of Share
1	Mr. Kamal Mostafa Chowdhury	50	5,000	0.0003%
2	Mr. S. A. MD Hossain	50	5,000	0.0003%
3	Mr. Gulzar Ahmed			
4	ICB, represented by its Managing Director	50	5,000	0.0003%
5	Mr. Kazi Khurram Ahmed	50	5,000	0.0003%
6	Mr. Sheikh Omar Faruque	50	5,000	0.0003%
7	Mrs. Humayra Ahmed	50	5,000	0.0003%
8	Miss Sumaiya Hossain	50	5,000	0.0003%
9	Ms. Faria Sultana Suma	50	5,000	0.0003%
10	Ms. Tasnia Hussain	50	5,000	0.0003%
11	Ms. Joobaida Khan	50	5,000	0.0003%
12	Mr. Intishar Mostafa Chowdhury	50	5,000	0.0003%
13	Ms. Aniva Saha	50	5,000	0.0003%
14	Standard Islami Bank PLC., represented by the Managing Director & CEO	14,999,400	1,499,940,000	99.9960%
	Total	**15,000,000**	**1,500,000,000**	**100%**

12.00	**Retained Earnings**		
	Opening Balance	1,864,187	1,871,765
	Add: Profit/(Loss) for the period	-	22,492,422
		1,864,187	24,364,187
	Less: Dividend paid for year 2024	-	22,500,000
	Less: Interim Dividend for year 2025	-	-
	Total	**1,864,187**	**1,864,187**
13.00	**Bai-Muajjal with Standard Islami Bank PLC.:**		
	Opening Balance	2,712,865,363	2,714,515,363
	Add: Addition during the period	-	-
		2,712,865,363	2,714,515,363
	Less: Refund during the period	2,865,364	1,650,000
	Closing Balance	**2,710,000,000**	**2,712,865,363**

The above Bai-Muajjal was taken from Standard Islami Bank PLC. bearing profit @ 9.00 % per annum on quarterly basis vide reference No. SBL/HO/INV/2022/159/486 dated 08.03.2022.

14.00	**Bai-Murabaha with Standard Islami Bank PLC.:**		
	Opening Balance	400,000,000	360,000,000
	Add: Addition during the period	-	40,000,000
		400,000,000	**400,000,000**
	Less: Refund during the period	50,000,000	-
	Closing Balance	**350,000,000**	**400,000,000**

The above Bai-Murabaha was taken from Standard Islami Bank PLC. bearing profit @ 9.00 % per annum on quarterly basis vide reference No. SBLPLC/HO/IRND/463/2024/1768 dated 19.11.2024

15	**Provision for Expenses:**		
	Accrued Expenses (Note: 15.01)	689,156	747,854
	Total	**689,156**	**747,854**
15.01	**Accrued Expenses:**		
	Opening Balance	747,854	955,356

	Particulars	Amount (In Taka)	
		31.12.2025	31.12.2024
	Add: Accrued Exp. during the period	510,426	588,166
	Total	**1,258,280**	**1,543,522**
	Less: Adjustment during the period	569,125	795,668
	Closing Balance	**689,156**	**747,854**
16	**Sundry Deposit:**		
	Portfolio Deposit Account (Investors)	20,306,561	23,088,605
	Unclaimed deposit in bank	17,401	-
	Total	**20,323,962**	**23,088,605**
17.00	**Liability for withholding Tax, VAT & Others:**		
	VAT deducted at source payable	30,473	1,275,549
	Tax deducted at source payable	1,542	8,671
	LFC payable (Note-17.01)	46,934	46,934
	Total	**78,948**	**1,331,154**
17.01	**LFC Payable:**		
	Opening Balance	46,934	46,934
	Add: Addition during the period	357,279	565,967
	Total	**404,213**	**612,901**
	Loss: Disbursement during the period	357,279	565,967
	Closing Balance	**46,934**	**46,934**
18.00	**Accounts Payable:**		
	Dividend Payable	-	72,510,000
	Non-Shari'ah Share Income	18,083,801	9,348,354
	Profit payable to SBPLC on Bai-Muajjal & Bai-Murabaha	991,995,689	760,339,835
	Total	**1,010,079,490**	**842,198,189**
19.00	**Provision for Tax :**		
	Opening Balance	444,748,119	424,873,553
	Add: Provision for income tax made during the period (19.01)	11,808,545	19,874,566
		456,556,664	444,748,119
	Less: Over Provision of Tax for the Financial year	-	-
		456,556,664	444,748,119
	Less: Adjustment of Advance Income Tax for the Financial year	-	-
	Closing Balance	**456,556,664**	**444,748,119**
19.01	**Provision for income tax made during the period**		
	The computation of tax provision for the period is as under:		
	Tax on gain on sale of shares [Tk. 12,694,506.42 @ 15%]	1,904,176	1,629,384
	Tax on dividend from investment in share [Tk. 29,294,311.30 @ 20%]	5,858,862	8,290,333
	Tax on Business Income [Tk. 13,620,026.98 @ 27.50% + Perquisite Tk. 3.00 Lac]	4,045,507	9,954,848
	Provision of income tax for Financial year 2025	**11,808,545**	**19,874,566**
	Add: Provision of income tax for Financial year 2011 & 2012	**-**	**-**
	Total Tax Provision	**11,808,545**	**19,874,566**
20.00	**Provision for diminution in value of Investment:**		
	Opening Balance	472,958,248	465,104,994
	Add: Provision made during the period @ 1.717%	7,502,733	7,853,254
	Closing Balance	**480,460,981**	**472,958,248**
	Based on market value prevailing on 31st December of 2025, total value of shares in different companies held by SBL Capital Management Ltd. comes to Tk. 788,118,149.17 (Cost value was Tk. 1,698,087,686.82). Thus difference between market value and cost value of total shares comes to Tk. 909,969,537.65. This represents diminution in investment value. Shortfall in provision are shown below:		
	Total diminution in investment value	909,969,538	857,767,670
	Less: Provision maintained for diminution in investment value	472,958,248	465,104,994
	Total deficit provision againt shortfall maintained within 31st December, 2025.	**437,011,290**	**392,662,676**

Against above, no provision had been remained deficit in accounts which represents (as per BSEC Letter No. BSEC/SMMID/NE/AP/2025/108/659 dated, November 16, 2025) in comprehensive income statement for the year under audit. Arises shortfall loss in investment value would be taken into accounts within December 31, 2025.

Particulars	Amount (In Taka)	
	31.12.2025	31.12.2024
21.00 Provision for Margin Investment:		
Opening Balance	461,240,272	428,102,077
Add: Provision made during the period	36,297,565	33,138,195
Closing Balance	**497,537,837**	**461,240,272**

There arises loss/shortfall in Investors portfolio investment (except rescheduling account shortfall Tk. 674,096,182.34) amounting to Tk. 2,575,294,737.07 representing difference of Margin Investment balance and market value of securities on December 31, 2025 this shortfall/ loss should be provided in account. However, BSEC has given a facilities to the Investors by using a circular on BSEC/ SMMID/NE/AP/2025/108/659 dated, November 16, 2025 that loss/shortfall in provision for investment might be amortized within 31 December, 2030. Provision made for Tk. 36,297,564.68 against net shortfall of portfolio investment of Tk. 2,114,054,465.16 (except rescheduling account shortfall Tk. 674,096,182.34). As such, shortfall in provision stands at Tk. 2,077,756,900.47 would be taken into accounts within 31 December, 2030 as per above BSEC circular which is made up as follows:

Provision for Margin Investment:		
Required Provision for Margin Investment	3,249,390,919	2,766,766,273
Less: Rescheduling amount shortfall	674,096,182	594,548,680
Less: Provision maintained previous year	461,240,272	428,102,077
Deficit Provision	**2,114,054,465**	**1,744,115,516**
Less: Amortized in Income Statement of current period @ 1.717%	36,297,565	33,138,195
Net provision shortfall (Need to maintain within 31st December, 2030)	**2,077,756,900**	**1,710,977,321**
22.00 Provision for Profit Waiver to Affected Small Investor's (A S I):		
Opening Balance	489,064	489,064
Add: Provision made during the period	-	-
Closing Balance	**489,064**	**489,064**
23.00 Profit Suspense:		
Opening Balance	330, 278,659	240,005,499
Add: Maintained during the period	83,665,054	90,273,160
Closing Balance	**413,943,713**	**330,278,659**

Profit suspense account represents that the total Profit receivable from top forty Margin Investment clients which have not been accounted as profit earn due to negative equity of those clients.

24.00 Net Profit Earned from Investment:		
Profit received from Margin Investment	294,489,767	311,317,050
Less: Charges for Margin Investment	-	-
Net Profit from Margin Investment	294,489,767	311,317,050
Profit earned on Corporate Mudaraba SND	859,301	205,232
Profit on Term Deposit	-	-
Total	**295,349,068**	**311,522,282**
25.00 Dividend on Investment in Shares:		
Gross Dividend on Investment in Shares	32,653,971	43,035,169
Less: Dividend Income from Non-Shari'ah Shares	3,359,659	1,583,502
Net Dividend on Investment in Shares (Excluding Non-Shari'ah)	**29,294,311**	**41,451,667**
26.00 Other Profit:		
Arranger Fees	3,500,000	-
Issue Management Fees	-	50,000
Charge for Investment Certificate	33,000	30,600
Account Closing Charges	6,200	-
Sharing Infrastructure Charge	1,260,000	1,320,000
Trustee Fees	190,000	190,000
Total	**4,989,200**	**1,590,600**
27.00 Profit paid:		
Profit paid to Standard Islami Bank PLC. (Note: 27.01)	280,433,355	282,076,518
Total	**280,433,355**	**282,076,518**

	Particulars	Amount (In Taka)	
		31.12.2025	31.12.2024
27.01	**Profit paid to Standard Islami Bank PLC.:**		
	i) Profit paid to SBPLC for Bai-Muajjal	247,460,855	248,267,768
	ii) Profit paid to SBPLC for Bai-Murabaha	32,972,500	33,808,750
	Total Profit paid to SBPLC	**280,433,355**	**282,076,518**
28.00	**Salary & Allowances:**		
	Salaries (Basic)	4,248,500	6,614,930
	House Rent Allowance	2,124,256	3,307,471
	House Maintenance & Utility	185,120	311,160
	Medical Allowance	424,852	661,497
	Conveyance Allowance	408,680	561,180
	Provident Fund (Company contribution)	424,852	661,497
	Leave Fare Compensation (LFC)	357,279	565,967
	Festival Bonus	812,414	1,257,887
	Washing Allowance	4,800	9,600
	Casual Wages & Others	140,680	390,100
	Total	**9,131,433**	**14,341,289**
29.00	**Rent, Taxes, Insurance & Electricity:**		
	Rent for Office Premises	2,546,120	2,350,264
	Electricity	314,874	292,004
	Generator Expenses	9,600	9,600
	Water & Sewerage	59,912	71,904
	WAN Connectivity Expenses	55,950	32,850
	Total	**2,986,456**	**2,756,622**
30.00	**Postage, Stamp & Telecommunication:**		
	Postage and Courier	17,020	10,724
	Telephone Expenses	7,195	8,487
	Mobile Expenses	23,300	23,300
	Total	**47,515**	**42,511**
31.00	**Stationery, Printing & Advertisement :**		
	Printing & Stationery	174,700	106,792
	Computer, Printer & Networking Accessories	59,886	139,830
	Total	**234,586**	**246,622**
32.00	**Director's Fee & Other Expenses:**		
	Director's Meeting fees	333,500	494,500
	Director's haltage expenses	-	10,672
	Director's Traveling Expenses	45,898	35,250
	Total	**379,398**	**540,422**
33.00	**Audit & Consultancy:**		
	Audit Fees	57,500	57,500
	Legal Fees	270,000	207,000
	Professional Expenses	69,000	9,200
	Total	**396,500**	**273,700**
34.00	**Other Expenses:**		
	Travelling & Conveyance expenses	37,820	26,250
	Entertainment Expenditure (Note-34.01)	415,080	565,573
	Photocopy & Photograph	42,918	42,642
	Uniform & Leverage	9,600	19,400
	Cleaning/Security Services from Outsourcing	305,173	131,468
	Legal Charges	36,800	-
	Rate & Taxes	-	1,000

	Particulars	Amount (In Taka)	
		31.12.2025	31.12.2024
	Bidding Expenses	-	5,000
	Public Issue registration charge	-	-
	RJSC Fess & Charges	35,473	10,043
	Registration & Renewal fees	324,486	324,536
	Annual Maintenance Fees-Leads	252,000	252,000
	BO Account Maintenance Fee	300	700
	Miscellaneous expenses for Board Meeting	96,748	54,944
	Office Maintenance Expenses	120,290	67,215
	Advertisement & Publicity	14,175	-
	Business Development	11,400	-
	Paper & Periodicals	924	-
	Insurance premium (Motor Vehicle)	-	23,609
	Car Allowances	36,167	559,056
	Neon Signboard, Banner	1,500	-
	Bank Charges	98,345	74,640
	Total	**1,839,199**	**2,158,076**
34.01	**Entertainment Expenditure:**		
	Entertainment for the Board Meetings	91,200	82,672
	Entertainment Allowances	284,200	426,880
	Entertainment Expenses (Office)	39,680	56,021
	Total Entertainment Expenditure	**415,080**	**565,573**
35.00	**CDBL Charges:**		
	CDBL Charges	299,848	545,529
	Less: Cash back rebate from CDBL	-	-
	Net charges	**299,848**	**545,529**
36.00	**Earning Per Share (EPS):**		
	Net profit after tax	-	22,492,422
	Weighted average outstanding number of shares	15,000,000	15,000,000
	Earning Per Share	**-**	**1.50**
37	**Net Operating Cash Flow per share (NOPCFPS):**		
	Net cash flow from operating activities	200,290,767	283,099,742
	Number of shares	15,000,000	15,000,000
	Net Operating Cash Flow per share	**13.35**	**18.87**
38	**NAV per share:**		
	Shareholders' equity	1,501,864,188	1,501,864,188
	Number of shares	15,000,000	15,000,000
	NAV per share	**100.12**	**100.12**

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS
As at 31st December, 2025

Annexure- 1 A

Particulars	Cost				Dep. Rate	Depreciation				Written Down Value as on 31.12.2025
	Balance as on 01.01.2025	Addition during the year	Adjustment	Balance as on 31.12.2025		Balance as on 01.01.2025	Charge during the year	Adjustment	Balance as on 31.12.2025	
Office Equipment	75,140	-	-	75,140	20%	24,395	15,028	-	39,423	35,717
Office Appliances	1,032,000	-	-	1,032,000	10%	258,000	103,200	-	361,200	670,800
Computer, Printer, UPS, Server etc.	26,898,123	-	-	2,689,813	20%	1,431,369	537,963	-	1,969,332	720,481
Office Renovation	7,344,118	-	-	7,344,118	10%	2,659,401	734,412	-	3,393,812	3,950,306
Furniture & Fixture	414,092	-	-	414,092	10%	307,060	41,409	-	348,469	65,623
Software	1,418,584	-	-	1,418,584	20%	1,418,584	-	-	1,418,584	-
		-	-					-		
Total Balance as on 31.12.2025	**12,973,747**	**-**	**-**	**12,973,747**		**6,098,808**	**1,432,012**	**-**	**7,530,820**	**5,442,927**

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS
As at 31st December, 2024

Annexure- 1 B

Particulars	Cost				Dep. Rate	Depreciation				Written Down Value as on 31.12.2024
	Balance as on 01.01.2024	Addition during the year	Adjustment	Balance as on 31.12.2024		Balance as on 01.01.2024	Charge during the year	Adjustment	Balance as on 31.12.2024	
Office Equipment	75,140	-	-	75,140	20%	9,367	15,028	-	24,395	50,745
Office Appliances	1,032,000	-	-	1,032,000	10%	154,800	103,200	-	258,000	774,000
Computer, Printer, UPS, Server etc.	1,290,963	1,398,850	-	2,689,813	20%	1,149,863	281,507	-	1,431,369	1,258,443
Office Renovation	7,344,118	-	-	7,344,118	10%	1,924,989	734,412	-	2,659,401	4,684,718
Furniture & Fixture	414,092	-	-	414,092	10%	265,651	41,409	-	307,060	107,032
Software	1,418,584	-	-	1,418,584	20%	1,418,584	-	-	1,418,584	-
Total Balance as on 31.12.2024	**11,574,897**	**1,398,850**		**12,973,747**		**4,923,252**	**1,175,556**	**-**	**6,098,808**	**6,874,939**

SBL CAPITAL MANAGEMENT LIMITED

(A SUBSIDIARY OF STANDARD ISLAMI BANK PLC.)
WORKINGS FOR ACCRUED EXPENSES
As at 31st December, 2025

Amount in Taka

Sl	Expenses Head	Period	31.12.2025	31.12.2024
i)	CDBL Charges	December	4,933	50,000
ii)	Electricity Expense	December	25,000	32,500
iii)	Generator Expense	Jan-Dec	9,600	9,600
iv)	Telephone Expense	December	346	2,000
v)	Water & Sewerage Expense	Nov-Dec	11,047	13,000
vi)	Audit Fees	Year 2025	50,000	50,000
vii)	Legal Fees	Jan-Oct	150,000	144,000
viii)	Wan Connectivity	December	4,350	4,350
ix)	Photocopy Bill	December	3,150	6,180
x)	Leads Corporation	Year 2025	252,000	252,000
xi)	Trade License Fees		-	24,536
Total Accrued Expenses for during this period			**510,426**	**588,166**
	Opening Balance		747,854	955,356
	Add: During this period (Upto 31.12.2025)		510,426	588,166
	Total		1,258,280	1,543,522
	Less: Adjustment this period (Upto 31.12.2025)		569,125	795,668
	Closing Balance		**689,155**	**747,854**

STANDARD EXCHANGE COMPANY (UK) LTD.

STANDARD EXCHANGE COMPANY (UK) LTD .

COMPANY INFORMATION

For the year ended 31 December 2025

DIRECTORS

Mr. Mohammed Abdul Aziz

MD. Habibur Rahman

REGISTERED NUMBER

06851946

REGISTERED OFFICE

101

WHITECHAPEL ROAD

LONDON

E1 1DT

ACCOUNTANTS

Jahan & Co

Chartered Management Accountants

22 Osbom Street

London

E1 6TD

SECRETARY

Muhammad Abdul Ahad

BANKERS

Clear Bank

STANDARD EXCHANGE COMPANY (UK) LTD.

DIRECTORS' REPORT

For the year ended 31 December 2025

Directors report and financial statements

The Directors present his [her [their report and the financial statements for the year ended 31 December 2025.

Principal Activities

Principal activity of the company during the financial year was of financial intermediation

Diectors

The directors who served the company throughout the year were as follows:

MD Habibur Rahman (from 06-04-2023)

Mr. Mohammed Abdul Aziz (from 11-09-2024)

Statement of Director's responsibilities

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations and in accordance with Uninted Kingdom Generally accepted Accounting Practice . Company law requires the directors to prepare financial statements for each financial year . Under that law the Direcotrs have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102) Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

Select suitable accounting policies and then apply them consistently

Make judgements and accounting estimates that are reasonable and prudent

State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and

Explained in the financial statements and

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions This report was approved by the board and signed on its behalf by

Mohammed Abdul Aziz

Director

Date approved : 19 January 2026

STANDARD EXCHANGE COMPANY (UK) LTD .

ACCOUNTS' REPORT

For the year ended 31 December 2025

In order to assist you to fulfil your duties under Companies Act 2006, we have prepared for your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LTD. for the year ended 31 December 2025 which comprise the Statement of Comprehensive Income the Statement of Financial Position and related notes from the company's accounting records and from information and explanations you have given us.

As a practicing member of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at CIMA's website.

This report is made solely to the member of STANDARD EXCHANGE COMPANY (UK) LTD., as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LTD. and state those matters that we have agreed to state to the Board of STANDARD EXCHANGE COMPANY (UK) LTD., as a body, in this report in accordance with the requirements of the Chartered Institute of Management Accountants and as detailed at its website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than STANDARD EXCHANGE COMPANY (UK) LTD. and its members as a body for our work or for this report.

It is your duty to ensure that STANDARD EXCHANGE COMPANY (UK) LTD. has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and Profit of STANDARD EXCHANGE COMPANY (UK) LTD. You consider that STANDARD EXCHANGE COMPANY (UK) LTD. is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of STANDARD EXCHANGE COMPANY (UK) LTD. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Jahan & Co
Chartered Management Accountants
22 Osbom Street
London
El 6TD
19 January 2026

STANDARD EXCHANGE COMPANY (UK) LTD.

ACCOUNTS' REPORT

For the year ended 31 December 2025

Turnover	Notes	2025	2024
		£	£
Gross Profit		258,845	251,673
		258,845	251,673
Selling and distribution costs		(4,000)	(2,600)
Administrative Expenses		(249,414)	(253,217)
Operating Profit	2	5,431	(4,144)
Profit/(loss) on ordinary activities before taxation		5,431	(4,144)
Tax on profit on ordinary activities		-	-
Profit/(loss) for the financial year		5,431	(4,144)

STANDARD EXCHANGE COMPANY (UK) LTD.

STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2025

	Notes	2025	2024
Fixed Assets		£	£
Tangible Assets	4	4,966	4,858
		4,966	
Current Assets			
Debtors: amounts falling due within one year	5	10,346	10,595
Debtors : amounts falling due after one year	6	85,289	88,289
Cash at Bank and in hand		84,634	78,231
		180,269	177,115
Creditors : amount falling due within one year	7	(36,349)	(38,518)
Net current assets		143,920	138,597
Total Assets less current liabilities		148,886	143,455
Net assets		148,886	143,455
Capital and Reserves			
Called up Share Capital	8	300,000	300,000
Profit and Loss Account	9	(151,114)	(156,545)
Shareholders' Equity		148,886	143,455

For the year ended 31 December 2025 the company was entitled to exemption from audit under section 477 of the companies act

2006 relating to small companies.

Directors' responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the companies act 2006 with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regme.

The financial statements were approved by the board of directors on 19 January 2026 and were signed on its behalf by:

Mohammed Abdul Aziz
Director

Md Siddiqur Rahman
Director

Muhammad Abdul Ahad
Secretary

STANDARD EXCHANGE COMPANY (UK) LTD.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Equity Share	Retaine Earnings	Total
	£	£	£
At 01 January 2024	300,000	(152,401)	147,599
Profit for the year		(4,144)	(4,144)
Total comprehencive income for the year	-	(4,144)	(4,144)
Total investments by and distributions of owners	-	-	-
at 31 December 2024	300,000	(156,545)	143,455
at 01 January 2025	300,000	(156,545)	143,455
Profit for the year	-	5,431	5,431
Total comprehencive income for the year		5,431	5,431
Total investments by and distributions of owners	-	-	-
at 31 December 2025	300,000	(151,114)	148,886

STANDARD EXCHANGE COMPANY (UK) LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

General Information

STANDARD EXCHANGE COMPANY (UK) LTD. is a private company, limited by shares, registered in England and Wales, registration number 06851946, registration address 101, WHITECHAPEL ROAD, LONDON, E1 1DT. **The presentation currency is £ sterling.**

1 Accounting policies

Significant accounting policies

Statement of compliance

These financial statements have been prepared in compliance with FRS 102 — The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and certain financial instruments measured at fair value in accordance with the accounting policies.

The financial statements are prepared in sterling which is the functional currency of the company.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures and Fittings	20% Reducing Balance
Plant and Machinery	20% Reducing Balance

2 Operating profit/(loss)

	2025	2024
The operating profit/(loss) is stated after charging:	£	£
Depreciation of tangible fixed assets	1131	1453

3 Average number of employees

Average number of employees during the year was 3 (2024: 3).

STANDARD EXCHANGE COMPANY (UK) LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 Tangible fixed assets

Cost or valuation	Plant and Machinery	Fixtures and Fittings	Total
	£	£	£
At 01 January 2025	25500	44065	69565
Additions	1239		1,239
Disposals	-	-	-
At 31 December 2025	26739	44065	70804
Depreciation			
At 01 January 2025	23268	41439	64707
Charge for year	643	488	1131
On disposals	-	-	-
At 31 December 2025	23911	41927	65838
Net book values			
Closing balance as at 31 December 2025	2828	2138	4966
Opening balance as at 01 January 2025	2232	2626	4858

5 Debtors: amounts falling due within one year

	2025	2024
	£	£
Prepayments & Accrued Income	1595	1845
Rent Deposit	8750	8750
	10345	10595

6 Debtors: amounts falling due after one year

	2025	2024
	£	£
Other Debtors	85289	88,289
	85,289	88,289

7 Creditors: amount falling due within one year

	2025	**2024**
	£	£
PAYE & Social Security	1,852	915
Accrued Expenses	1,000	1,500
Other Creditors	-	(1)
Rent Deposit Received	33,497	36,104
TT Payable	36,349	38,518

8 Share Capital

	2025	**2024**
	£	£
Allotted, called up and fully paid		
	300,000	300,000
300,000 Class A shares of £ 1.00 each	300,000	300,000

9 Profit and loss account

	2025
	£
Balance at 01 January 2025	(156,545)
Profit for the year	5,431
Balance at 31 December 2025	(151,114)

STANDARD EXCHANGE COMPANY (UK) LTD.

DETAILED INCOME STATEMENT

For the year ended 31 December 2025

	2025		2024	
Turnover	**£**		**£**	
Remittance Commissions	127,704		140,723	
Exchange Rate Gains	96,292		95,300	
Other Trading Income	34,849		15,650	
	258,845		251,673	
Gross Profit	**258,845**		**251,673**	
Selling and Distribution costs				
Advertising	4000		2,600	
		(4,000)		(2,600.00)
Administrative expenses				
Wages & Salaries	**74,446**		**66,061**	
Pension Contributions	3,861		3,466	
Staff Welfare	386		340	
Accountency Fees	3,965		4,910	
Legal and Professional Fees (Allowable)	1,905		1,750	
Light, Heat & Power	6,063		7,570	
Cleaning of Premises	990		805	
Rent Rates & Taxes	61,464		56,711	
General Travel Expenses	40		40	
Bad Debts Written Off(Specific)	3,000		1,146	
Bank Charges	78,213		89,878	
Depriciation Charge:Leasehold properties			368	
Depriciation Charge:Plant & Machinery	643		508	
Depreciation Charge: Fixtures & Fittings	488		577	
Fees & Subscription	3,608		1,820	
General Insurance	2,376		1,095	
Repairs and renewals	697		624	
Stationery & Postege	445		728	
Telephone Fax & Internet	1,390		1,504	
Business Development Cost	1,230		4,000	
Security Expenses			280	
IT Expenses	3,604		4,036	
Compliance Fee	600		5,000	
Operating Profit/(loss)		(249,414)		(253,217)
		5,431		(4,144)
Profit /(Loss) on ordinary activities before taxation		**5,431**		**(4,144)**
Profit/(Loss) for the financial year		**5,431**		**(4,144)**

STANDARD CO (USA) INC.

STANDARD CO. USA INC.
(D/B/A STANDARD EXPRESS)

(A WHOLLY-OWNED SUBSIDIARY OF STANDARD ISLAMI BANK PLC., BANGLADESH)
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
Year Ended December 31, 2025

ARMAN CHOWDHURY CPA PC
Certified Public Accountants
8754 168th Street, Suite 201 | Jamaica, NY 11432

ARMAN CHOWDHURY CPA PC

CERTIFIED PUBLIC ACCOUNTANTS
8754 168th Street, Suite 201 | Jamaica, NY 11432

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholder
Standard Co. USA Inc.
Jackson Heights, New York

OPINION

We have audited the financial statements of Standard Co. USA Inc. (the "Company"), which comprise the balance sheet as of December 31, 2025, and the related statements of operations, stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Standard Co. USA Inc. as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Standard Co. USA Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EMPHASIS OF MATTER — GOING CONCERN

The accompanying financial statements have been prepared assuming that Standard Co. USA Inc. will continue as a going concern. As discussed in Note 11 to the financial statements, the Company has experienced recurring net losses (a net loss of $138,095 for the year ended December 31, 2025) and is dependent on financial and operational support from its Parent, Standard Bank Limited, Bangladesh, including continued forbearance with respect to intercompany payables totaling approximately $3,100,865 at December 31, 2025. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans concerning these matters are also described in Note 11. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Standard Co. USA Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Arman Chowdhury CPA PC

By: Jawad Chowdhury _____

Jawad Chowdhury, CPA

Engagement Partner
Jamaica, New York
April 29, 2026

STANDARD CO (USA) INC.

BALANCE SHEET

For the year ended 31 December 2025

	2025		2024
Current Assets			
	$		$
Cash and Cash Equivalents	4,599,148		3,683,644
Cash -Branch Funds	137,257		1,504,420
Prepaid Expenses	7,007		7,870
Rent deposits	68,940		
Total Current Assets	**4,812,352**		**5,195,934**
Fixed Assets- at Cost			
Property and Equipment, net (Notes 2 and 5)	12,754		19,450.00
Right-of-Use Assets, operating leases (Notes 2 and 7)	836,678		1,215,950.00
Total Assets	5,661,784.00	-	6,500,274.00
LIABILITIES AND STOCKHOLDERS EQUITY			
Current Liabilities			
Payable to Standard Islami Bank PLC. Limited (Note 9)	**3,100,865.00**		**2,682,092.00**
Accrue Taxes and Expenses	51,586.00		14,198.00
Operating Lease Liability (Current portion)	24,850.00		278,818.00
Payroll liabilities	22,891.00		
Payroll tax payable	5,209.00		
Remittance payable	9,593.00		
Sub-lessee security deposit	9,500.00		9,500.00
Accounts Payable			24,645.00
Due to Beneficiaries			790,332.00
Security Deposit Payable	0.00		
Total Current Liabilities	**3,224,494.00**		**3,799,585.00**
Long Term Liabilities			
Operating lease liability — long-term portion (Note 7)	811,828		937,132.00
	811,828.00		937,132.00
Total Liabilities	**4,036,322.00**		**4,736,717.00**
Stockholders'Equity			
Paid- In -Capital	1,550,000.00		1,550,000.00
Retained earnings	75,462.00		213,557.00
Total Stockholders'Equity	**1,625,462.00**		**1,763,557.00**
Total Liabilities and Sthockholder's Equity	**5,661,784.00**	**$**	**6,500,274.00**

STANDARD CO (USA) INC.

STATEMENT OF OPERATIONS

For the year ended 31 December 2025

	2025		2024
	$		$
Revenue			**592,545**
Exchange gain — Standard Islami Bank PLC. Limited (Note 9)	1,296,067		1,224,864.00
Commission income	441,499		
nterest income	25,022		6,482.00
Rental income (sublease	51,600		48,600.00
Other income	41,983		16,595.00
	1,856,171		1,889,086.00
Operating Expenses			
Salaries and wages	789,226.00		762,586.00
Payroll Taxes	73,170.00		67,755.00
Festival Bonus	25,000.00		-
Directors honorarium	4,200.00		
Rent			75,094.00
Lease costs — amortization of ROU asset (Note 7)	379,271.00		291,042.00
Bank Service Charges	248,088.00		250,468.00
Examination fee — DFS / DFPI	44,109.00		
Software Lease	43,648.00		38,596.00
Taxes — corporate (federal, state, local)	39,790.00		
Professional Fees	41,275.00		51,699.00
DFS assessment fee	40,479.00		
Office Supplies	39,743.00		33,326.00
Utilities	32,004.00		28,939.00
Telophone & Internate	24,559.00		29,800.00
Insurance	23,364.00		17,767.00
Cleaning expenses	16,638.00		16,325.00
Meals & Entertainment	12,700.00		14,140.00
Security Expenses	12,089.00		13,271.00
Depreciation (Note 5)	6,696.00		6,696.00
Travel and conveyance	6,246.00		11,708.00
Repairs amd Maintenance	3,497.00		9,275.00
Armord Service	66,631.00		60,204.00
Bond premium — CA branch	3,656.00		
Training Expenses	3,451.00		1,148.00
Property Taxes	2,740.00		930.00
Assessment fee — CA DBO	2,736.00		28,453.00
License Fee	2,975.00		750.00
Advertisement and publicity	2,268.00		700.00
Incidental business loss	1,519.00		
Printing	1,119.00		
Hotel and accommodation	713.00		
Postage and delivery	323.00		
Miscellaneous Expense	320.00		-
Payee service fee	27.00		
Amortization Expense			1,274.00
Office Expense			4,771.00
Bond Premium (License)			4,157.00
Provission for TAX			15,721.00
Total Operating Expenses	$1,994,267		1,836,595.00
(loss) Before Other Revenue and Provisional for Income Taxes	(138,095.00)	-	52,491.00

STANDARD CO (USA) INC.

STATEMENT OF STOCKHOLDERS EQUITY

For the year ended 31 December 2025

	2025			2024		
	Paid-up Capital	Retained Earnings	Total Equity	Paid-up Capital	Retained Earnings	Total Equity
	$	$	$	$	$	$
Balance, January 1, 2025 (as restated, Note 12)	1,550,000	213,557	1,763,557	1,550,000	161,063	1,711,063
Net loss for the year ended 31st December 2025 & 2024	0	(138,095.00)	(138,095.00)		52,494	52,491
Balance, December 31, 2025 & 2024	**1,550,000**	**75,462.00**	**1,625,462.00**	**1,550,000**	**213,557**	**1,763,554**

STANDARD CO (USA) INC.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025	2024
Cash Flows From Operating Activities	**$**	**$**
Net (Loss)	(138,095)	(1,172,370.00)
Adjustments to reconcile net (loss) to net cash from operating activities :		
Depreciation Expense	6,696	6,696.00
Amortization of right-of-use asset	379,271	
Changes in operating assets and liabilities		
Increase in agent receivables	(137,257)	-
Decrease in prepaid expenses and deposits	$8,000	
Increase in payable to Standard Islami Bank PLC. Limited	418,773	
Decrease in operating lease liability	(395,893)	
Decrease in remittance payable	(749,641)	
Increase in accrued income tax	37,388	
Other working capital changes	12,500	
(Increase) in Prepaid Expenses		635.00
(Increase) in Security Deposits		(1,200.00)
Increase (Decrease) in Accounts Payable		5,499.00
Increase (Decrease) in Due to Correspondence-Related Party		1,615,940.00
Increase in Accrued Income Taxes		(20,030.00)
(Increase) in ROU Asset		-
Increase in Due to Beneciary		(507,591.00)
Payment Arising from Operating Leases	-	-
Net Cash (Used in) Operating Activities	(558,258)	(72,421)
Cash Flows From Investing Activities		
Net Cash from Investing Activities	0	0
Cash Flows from Financing Activities	0	0
Net Cash from Financing Activities		
Gain From Translation of Adjustmentof Foreign Currency		
Net Decrease in Cash and Cash Equivalents	(558,258)	(72,421)
Cash and Cash Equivalents- Beging of Year	5,157,406	5,260,485
Cash and Cash Equivalents - End of Year	4,599,148	5,188,063
SUPPLEMENTAL DISCLOSURES		
Cash Basis	0	1,317
Taxes Paid		
Interes Paid		
Nonmonetary Operating Transactions		
Right of Use Assets (Net of accumulated amortization of $1,112,390 and $ 860,179 respectively)	0	1,337,303
Total Operating Lease Liabilities		1,337,303

STANDARD CO. USA INC.

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2025

NOTE 1 — NATURE OF OPERATIONS

Standard Co. USA Inc. (the "Company"), a New York corporation incorporated on February 1, 2010 and doing business as "Standard Express," is a licensed money transmitter providing international remittance services primarily for Bangladeshi expatriates in the United States. The Company is a wholly-owned subsidiary of Standard Islami Bank PLC., a publicly listed bank in Bangladesh ("Standard Bank" or "Parent"). The Company is licensed and regulated as a money transmitter by the New York State Department of Financial Services (NY DFS), license number MT 102403, effective January 31, 2011, and by the California Department of Financial Protection and Innovation (CA DFPI). The Company operates seven branch locations: Bronx, Brooklyn, Buffalo, Jackson Heights, Jamaica (headquarters), Los Angeles, and Ozone Park.

The Company's primary business consists of facilitating the transfer of funds from customers in the United States to recipients in Bangladesh through its Parent, Standard Bank Limited, and through correspondent banks in Bangladesh including Agrani Bank, Dutch-Bangla Bank, Pubali Bank, and Uttara Bank.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand at branch locations, deposits maintained at HAB Bank (12 accounts) and Seaport Federal Credit Union (one account titled "Standard Money Transfer"), petty cash funds, and certificates of deposit with original maturities of three months or less. Money market accounts and certificates of deposit considered cash equivalents are reflected at carrying value, which approximates fair value. The Company's cash balances at HAB Bank substantially exceed the FDIC insurance limit of $250,000 per depositor; the Seaport Federal Credit Union deposits are insured by the National Credit Union Administration to the same limit.

Agent Receivables — Settlement Funds

Agent receivables represent funds held by the Company's correspondent banks in Bangladesh (Agrani Bank, Dutch-Bangla Bank, Pubali Bank, and Uttara Bank) for settlement of remittances. These balances are restricted to remittance settlement and are not available for general corporate use. Accordingly, they do not meet the definition of cash or cash equivalents under ASC 305 and are presented separately on the balance sheet.

Property and Equipment

Leases

The Company accounts for leases in accordance with ASC 842, Leases. The Company recognizes a rightof-use (ROU) asset and a lease liability at the lease commencement date. Operating lease ROU assets and operating lease liabilities are recognized based on the present value of lease payments over the lease term using the Company's incremental borrowing rate. Operating lease costs are recognized on a straight-line basis over the lease term.

Revenue Recognition

Commission Income — Commission and fee income is recognized upon initiation of each remittance transaction, when the customer pays the fee and the Company commits to transmit the funds. The performance obligation is satisfied at the point of transaction initiation.

Exchange Gain Income — Exchange gain represents the spread realized between the U.S. dollar amount received from customers and the U.S. dollar equivalent of Bangladeshi Taka (BDT) disbursed to recipients. Exchange gain income is recognized at the time the remittance settles (i.e., when funds are disbursed in BDT to recipients) and is determined under the Schedule of Taka Drawing Arrangements with Standard Bank Limited dated February 20, 2011 (Note 9).

Interest Income — Interest income is recognized as earned on certificates of deposit and money market accounts.

Rental Income — Rental income from sublease arrangements is recognized on a straight-line basis over the term of the sublease.

Income Taxes

The Company is taxed as a C-corporation. Income taxes are provided based on the asset and liability method of accounting under ASC 740, Income Taxes, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between financial reporting and tax bases of assets and liabilities at currently enacted tax rates.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits and agent receivables from correspondent banks. Cash deposits at HAB Bank and Seaport Federal Credit Union exceed federally insured limits. The Company has not experienced any losses related to these accounts. Agent receivables are concentrated with four correspondent banks in Bangladesh.

NOTE 3 — CASH AND CASH EQUIVALENTS

	2025
Cash and cash equivalents at December 31, 2025 consisted of the following:	
Cash on hand at branch locations:	
Bronx	$431,902
Brooklyn	$668,886
Buffalo	$47,002
Jackson Heights	$166,293
Jamaica	$573,207
Los Angeles	$97,946
Ozone Park	$409,163
Petty cash	$493
Total cash on hand at branches	$2,394,892
Bank deposits — HAB Bank:	
HAB Main	$1,151,357
HAB Money Market	$200,000
HAB Certificate of Deposit	$525,022
HAB Payroll	$46,859
HAB Bronx, Brooklyn, Buffalo, Jackson Heights, Jamaica, LA, Ozone Park (branches)	$92,515
HAB Expense	$17,603
Total HAB Bank deposits	$2,033,356
Seaport Federal Credit Union	$150,662
Bank instrument	$20,238
	$170,900
Total Cash and Cash Equivalents	**$4,599,148**

NOTE 4 — AGENT RECEIVABLES

Agent receivables represent settlement funds held in foreign correspondent banks for remittance settlement. These funds are restricted to remittance operations and are not available for general corporate use. Composition at December 31, 2025:

Cash held at Agrani Bank, Bangladesh	$41,474
Cash held at Dutch-Bangla Bank, Bangladesh	$36,565
Cash held at Pubali Bank, Bangladesh	$30,374
Cash held at Uttara Bank, Bangladesh	$28,843
Total Agent Receivables	**$137,257**

These balances were previously classified as cash; the reclassification to agent receivables in 2025 follows the corrected presentation that was established in the 2024 reissued financial statements following the California DFPI examination findings.

NOTE 5 — PROPERTY AND EQUIPMENT

	2025
Property and equipment at December 31, 2025 consisted of the following:	
Furniture	$40,112
CCTV alarm system equipment	$10,682
IT equipment and appliances	$46,657
Office signs	$25,508
Leasehold improvements (Brooklyn, Buffalo, Jamaica)	$314,622
Total cost	**$437,581**
Less: Accumulated depreciation and amortization	$(424,827)
Property and Equipment, net	**$12,754**

Depreciation expense for the year ended December 31, 2025 was $6,696

NOTE 6 — RIGHT-OF-USE ASSETS AND LEASES

[See Note 7 — Operating Leases]

NOTE 7 — OPERATING LEASES

The Company leases its seven branch and headquarters facilities under non-cancelable operating leases. Lease terms range from one to seven years, with options to renew. The Company has elected the practical expedient to combine lease and non-lease components for all asset classes. The Company recognizes operating lease expense on a straight-line basis over the lease term.

The components of operating lease balances at December 31, 2025 are as follows:	2025
Right-of-use assets	$836,546
Operating lease liability — current	$24,850
Operating lease liability — long-term	$811,828
Total operating lease liability	**$836,678**

Operating lease cost for the year ended December 31, 2025 was approximately $379,271, which is included in lease costs — amortization of right-of-use asset on the Statement of Operations. Cash paid for operating leases (lease payments) approximated lease cost during the year.

NOTE 8 — INCOME TAXES

The Company is taxed as a C-corporation. The income tax provision for the year ended December 31, 2025 consisted of:

Federal income tax	$29,350
New York State franchise tax	$4,166
New York City corporate tax	$4,183
California Franchise Tax Board	$2,025
Property tax (NY Hicksville location)	$2,740
Total income tax expense	**$42,464**

Accrued income tax at December 31, 2025 was $51,586. The Company received a federal income tax refund of $37,388 on November 12, 2025.

Deferred income taxes have not been calculated because management has determined that the tax effects of timing differences are immaterial to the financial statements as a whole.

NOTE 9 — RELATED PARTY TRANSACTIONS

The Company is a wholly-owned subsidiary of Standard Bank Limited, Bangladesh (the "Parent"). The Company maintains a commercial relationship with the Parent governed by the Schedule of Taka Drawing Arrangements dated February 20, 2011, under which the Parent disburses Bangladeshi Taka to recipients on behalf of the Company in exchange for U.S. dollar wires from the Company. The Company maintains both a Non-Resident Non-Convertible Bangladeshi Taka account and a Non-Resident Foreign Currency U.S. Dollar account at the Parent.

Related party transactions and balances during 2025:

Exchange gain income from Parent	$1,296,067
Cover fund wires sent to Parent (debit activity)	$121,903,268
Cover fund wires received from Parent (credit activity)	$122,322,041
Payable to Parent at year-end	**$3,100,865**

The payable to Standard Islami Bank PLC. represents unsettled remittance obligations under the Schedule of Taka Drawing Arrangements. No interest is paid by the Parent on the credit balance in the BDT account, and no interest is charged by the Parent on the U.S. dollar account.

Key Management Personnel Compensation

During 2025, total compensation paid to or for the benefit of the President and CEO (Mohammed A. Malek) consisted of (a) cash compensation of $63,400 reported on Form W-2, comprising salary and bonus; (b) conveyance allowance of $3,600 ($300 per month); and (c) reimbursement of health insurance premiums of $2,744. Total CEO compensation for 2025: $69,744.

In addition, the SBPLC Board Resolution dated December 28, 2022 (Reference SBL/BD/370BM/Remittance/81/1372) authorizes the Managing Director / CEO of Standard Islami Bank Limited to apply a +/- BDT 3.00 cushion to the BAFEDA prescribed exchange rate when converting cover funds remitted by the Company. This authorization is the formal corporate basis for the exchange rate spread that generates the Company's exchange gain revenue.

NOTE 10 — STOCKHOLDER'S EQUITY

The Company has authorized and issued common stock with paid-up capital of $1,550,000. All shares are owned by Standard Islami Bank PLC.

NOTE 11 — GOING CONCERN

The Company has experienced recurring net losses, including a net loss of $138,095 for the year ended December 31, 2025, and is dependent on financial and operational support from its Parent, Standard Islami Bank PLC. The Parent has historically supported the Company through (i) operational backing including correspondent banking infrastructure, (ii) continued forbearance with respect to intercompany payables, which totaled $3,100,865 at December 31, 2025, and (iii) reputational support through shared name and ownership. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

Management's plans to address these conditions include (a) continued growth in remittance volume; (b) maintenance of cost discipline; (c) continued relationship management with regulators including NY DFS and CA DFPI; and (d) continued operational and financial support from the Parent. Management has obtained representations from the Parent confirming the Parent's commitment to provide financial support to the Company for at least 12 months from the date of issuance of these financial statements. The Parent's continued support is essential to the Company's ability to continue as a going concern.

The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 12 — REISSUANCE OF 2024 FINANCIAL STATEMENTS / OPENING BALANCES

The Company's financial statements for the year ended December 31, 2024 were reissued by the predecessor auditor following an examination by the California Department of Financial Protection and Innovation (DFPI). The reissuance reflected the following corrections to the originally issued 2024 financial statements:

- Reclassification of exchange gain revenue (covering periods 2021–2024) to align with U.S. GAAP presentation;
- Reclassification of $137,257 in correspondent bank settlement funds from cash to agent receivables; and
- Adjustments to right-of-use assets and operating lease liabilities under ASC 842 to align classification with applicable accounting standards.

These corrections have been carried into the opening balances reflected in the 2025 financial statements. Retained earnings as of January 1, 2025 reflect the cumulative effect of the reissuance corrections through that date.

NOTE 13 — REGULATORY MATTERS

The Company is licensed and regulated as a money transmitter in New York and California:

New York State Department of Financial Services

Money Transmitter License No. MT 102403, effective January 31, 2011. The Company files quarterly financial reports with NY DFS and is subject to periodic examination.

California Department of Financial Protection and Innovation

Money Transmitter License (effective December 19, 2013). The Company files annual audited financial statements and other periodic reports. The CA DFPI conducted an examination in connection with the prior period that resulted in the reissuance of the 2024 financial statements (Note 12). The 2025 financial statements reflect the corrected presentation established through that reissuance. Submission of the 2025 audited financial statements to CA DFPI was made after the original deadline of March 31, 2026; CA DFPI accepted the late submission.

Surety Bonds

The Company maintains surety bonds in support of its money transmitter licenses, including a California surety bond of $250,000 issued by Platte River Insurance Company (Bond #41290604) effective November 22, 2025 through November 22, 2026. The Company also maintains a New York surety bond required under NY DFS regulations.

Bank Secrecy Act / Anti-Money Laundering

The Company is registered with the Financial Crimes Enforcement Network (FinCEN) as a money services business and maintains a Bank Secrecy Act / Anti-Money Laundering compliance program. The Company files Currency Transaction Reports (CTRs) and Suspicious Activity Reports (SARs) as required by federal law.

NOTE 14 — SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 29, 2026, the date the financial statements were available to be issued. Other than the matters described in Note 11 (Going Concern) and Note 13 (Regulatory Matters), no events have occurred subsequent to December 31, 2025 that would require adjustment to or disclosure in these financial statements.

NOTE 15 — COMMITMENTS AND CONTINGENCIES

Operating Lease Commitments

Future minimum lease payments under non-cancelable operating leases are reflected in the lease liability balances disclosed in Note 7.

Litigation, Claims, and Assessments

In the ordinary course of business, the Company may become party to legal proceedings. Based on management's review and the response from the Company's outside legal counsel, there are no pending or threatened lawsuits, claims, or assessments that would result in a material loss requiring accrual or disclosure under U.S. GAAP.

Sublease Arrangements

The Company subleases space at four of its branch locations. Sublease rental income for 2025 totaled $51,600. A security deposit of $9,500 is held at year-end.

BRANCH NETWORK

DHAKA REGION

Afaz Nagar Branch
Branch Code: 226
Razia Tower (1st floor), Afaznagar Residential Area, Gate No. 1, Fatulla, Narayanganj
Cell: 8801701221930
Email: afaznagar@standardbankbd.com

Aganagar Branch
Branch Code: 95
Haji Alim Ullah Complex, East Aganagar, South Keranigonj, Dhaka
Cell: 8801701221646
Email: aganagar@standardbankbd.com

Ashkona Branch
Branch Code: 71
Bazar 247 Dana Plaza (1st floor), Ashkona, Dakkhinkhan, Dhaka 1230.
Cell: 8801701221643
Email: ashkona@standardbankbd.com

Ashulia Branch
Branch Code: 97
Bhai Bhai Plaza (1st floor), Bogabari, Baipail, Ashulia, Savar, Dhaka.
Cell: 8801701221683
Email: ashulia@standardbankbd.com

Bakshigonj Branch
Branch Code: 76
Sawdagor Shopping Complex (1st floor), Old Bus Stand Road, Bakshigonj, Jamalpur
Cell: 8801701221884
Email: bakshigonj@standardbankbd.com

Banani Branch
Branch Code: 26
Hakam Foundation, Plot # 98, Road-11, Bloc-C, Banani, Dhaka.
Cell: 8801701221540
Email: banani@standardbankbd.com

Bantibazar Branch
Branch Code: 199
Hazi Musa Plaza (1st Floor), Banti Adarsha Bazar, Araihazar, Narayanganj
Cell: 8801701221699
Email: bantibazar@standardbankbd.com

Bhairab SME/Krishi Branch
Branch Code: 54
Bismillah Tower, Holding No. 806, Ranir Bazar, Bhairab, Kishorgonj.
Cell: 8801701221711
Email: bhairab@standardbankbd.com

Bhulta Branch
Branch Code: 220
Rabet Al- Hasan Shopping Center (2nd Floor), Bhulta Bus-Stand, Narayangonj
Cell: 8801701221693
Email: bhulta@standardbankbd.com

Chashara Branch
Branch Code: 229
Raju Palace (1st Floor), 208/5 Bhasha Sainik Sarak, Narayanganj Sadar, Narayanganj.
Cell: 8801701221939
Email: chashara@standardbankbd.com

Dakkhin Khan Branch
Branch Code: 28
57, Dakkhin Khan Bazar, Sultan Market , P.O + P.S- Dakkhin Khan, Dhaka-1230.
Cell: 8801701221625
Email: dakkhinkhan@standardbankbd.com

Dhaka Branch
Branch Code: 237
Uddyan Uddyn Dil (1st floor), Holding No.16, Haji Dil Mohammad Avenue, Block#B, Mohammadpur, Dhaka
Cell: 8801701221963
Email: dhakaudyan@standardbankbd.com

Dhanmondi Branch
Branch Code: 14
Sima Blossom (Ground Floor), House no-3, Road no-27 (old) 16 (New),Dhanmondi R/A, Dhaka-1209.
Cell: 8801701221525
Email: dhanmondi@standardbankbd.com

Ekuria Branch
Branch Code: 24
(Near at China BD Friendship Bridge-1), Hasnabad, Ekoria, South Keranigonj, Dhaka
Cell: 8801701221673
Email: ekoria@standardbankbd.com

Foreign Exchange Branch
Branch Code: 13
PFI Tower (1st floor), 56-57, Dilkusha C/A., Dhaka-1000.
Cell: 8801701221520
Email: foreignexchange@standardbankbd.com

Gazipur SME/Krishi Branch
Branch Code: 50
Sahabuddin Complex (1st floor), 168, Joydebpur Bazar, Gazipur 1700.
Cell: 8801701221689
Email: gazipur@standardbankbd.com

Green Road Branch
Branch Code: 51
Castle Green (1st floor), 142 Green Road, Dhaka.
Cell: 8801701221550
Email: greenroad@standardbankbd.com

Gulshan Branch
Branch Code: 9
Shezad Palace (1st & 2nd Floor), 32, Gulshan Avenue, North Commercial Area, Gulshan-2, Dhaka-1212.
Cell: 8801701221510
Email: gulshan@standardbankbd.com

Gulshan-1 Branch
Branch Code: 18
Uday Tower, 57 & 57A, Gulshan Avenue (South), Circle-1, Gulshan, Dhaka
Cell: 8801701221505
Email: gulshan1@standardbankbd.com

Hemayetpur Branch
Branch Code: 207
Maolana Shopping Complex, Hemayetur, Savar, Dhaka
Cell: 8801701221705
Email: hemayetpur@standardbankbd.com

Imamgonj Branch
Branch Code: 4
Udayan Market (1st, 2nd and 3rd Floor) Holding No. 47, Biren Bose Street PS- Chakbazar Model, Dhaka-1100. Dhaka
Cell: None
Email: None

Islampur Branch
Branch Code: 213
Textile Center (1st Floor), 12 Islampur Road, Katowali, Dhaka-1100
Cell: 8801701221676
Email: islampur@standardbankbd.com

Kamarpara Branch
Branch Code: 48
A. R. Complex, 75 Kamarpara, Uttara, Turag, Dhaka.
Cell: 8801701221696
Email: kamarpara@standardbankbd.com

Kanchpur Branch
Branch Code: 72
Jamir Khan Complex (1st Floor), Kanchpur Bus Stand, Kanchpur, Sonargoan, Narayangonj.
Cell: 8801701221670
Email: kanchpur@standardbankbd.com

Karwan Bazar Branch
Branch Code: 200
Hasney Tower (1st Floor), 3/A, Kawran Bazar C/A, Dhaka-1215
Cell: 8801701221649
Email: kawranbazar@standardbankbd.com

Kholamora Branch
Branch Code: 201
Aziz Super Market (1st Floor), Kholamora Launch Ghat, Samaruddin Nagor, Ward- 2, Kholamora, South Keranigonj, Dhaka-1312
Cell: 8801701221702
Email: kholamora@standardbankbd.com

Madhabdi Branch
Branch Code: 210
MMK Tower (1st Floor), Madhabdi Bazar, College Road, Anondimoor, Madhabdi, Narshindi
Cell: 8801701221708
Email: madhabdi@standardbankbd.com

Malibagh Branch
Branch Code: 68
Faith Tower (1st Floor & 2nd Floor), 476/A, DIT Road, Malibagh, Dhaka-1217
Cell: 8801701221658
Email: malibagh@standardbankbd.com

Matuail Branch
Branch Code: 32
Momenbagh Chowrasta, Paradogair, Konapara, Matuail, Demra, Dhaka-1362
Cell: 8801701221628
Email: matuail@standardbankbd.com

Mirpur Branch
Branch Code: 31
Northern Lion's R.P. Tower (1st Floor), Plot-4, Block-D, Section-2, Chiriakhana Road, Mirpur, (Near Sony Hall) Dhaka 1216.
Cell: 8801701221545
Email: mirpur@standardbankbd.com

Mohakhali Branch
Branch Code: 74
Ambon Complex, Ground Floor, 99 Bir Uttam A.K. Khandaker Road (Mohakhali), Banani, Dhaka-1212. Dhaka
Cell: None
Email: None

Mohammadpur Branch
Branch Code: 66
Manama Turag (1st Floor), 14/23 Shahjahan Road, Block-A, Mohammadpur, Dhaka-1207.
Cell: 8801701221637
Email: mohammadpur@standardbankbd.com

Munshikhola Branch
Branch Code: 11
Dhaka-Nararangonj Road, Munshikhola, Shampur, Dhaka 1204.
Cell: 8801701221652
Email: munshikhola@standardbankbd.com

Mymensingh Branch
Branch Code: 53
Canada Square Shopping Complex, 27, Rambabu Road, Mymensingh.
Cell: 8801701221793
Email: mymensingh@standardbankbd.com

Narayanganj Branch
Branch Code: 22
Nazrul Super Market,1st & 2nd Floor,61/2 new, 28(old), BB Road, DIT, Narayangonj
Cell: 8801701221535
Email: narayangonj@standardbankbd.com

Narsingdi Branch
Branch Code: 219
Jewellery potti, Kalibari Road, Narsindgi Sadar, Narsingdi
Cell: 8801701221664
Email: narsingdi@standardbankbd.com

Nawabgonj Branch
Branch Code: 67
Nawabgonj Adhunik Biponi, Zilla Parishad Market (1st Floor), Nawabgonj, Dhaka.
Cell: 8801701221640
Email: nawabgonj@standardbankbd.com

Nawabpur Branch
Branch Code: 42
Shahi Bhaban (1st floor), 106, BCC Road,Thatari Bazar, Dhaka 1203.
Cell: 8801701221634
Email: nawabpurroad@standardbankbd.com

Nayanpur Branch
Branch Code: 227
Alhaj Nizamuddin Tower (1st floor), Nayanpur Bazar, Sreepur, Gazipur
Cell: 8801701221933
Email: nayanpur@standardbankbd.com

New Eskaton Branch
Branch Code: 81
129, New Eskaton Road, Eskaton Tower, Mogbazar, Ramna.Dhaka-1000
Cell: 8801701221661
Email: neweskaton@standardbankbd.com

North Brook Hall Road Branch
Branch Code: 233
19, Northbrook Hall Road (1st & 2nd floor), Bangla Bazar,Sutrapur, Dhaka
Cell: 8801701221954
Email: northbrookhall@standardbankbd.com

North South Road Branch
Branch Code: 222
43/44, Malitola Road, Dhaka
Cell: 8801701221667
Email: northsouth@standardbankbd.com

Pallabi Branch
Branch Code: 236
Alam Tower (1st & 2nd floor), Holding No.18, Road-03, Section-7, Pallabi Main Road, Pallabi, Dhaka
Cell: 8801701221957
Email: pallabi@standardbankbd.com

Panthapath Branch
Branch Code: 17
77, Bir Uttam C.R. Dutta Road, Free School Street, Hatirpool, Dhaka.
Cell: 8801701221565
Email: panthapath@standardbankbd.com

Pragoti Sarani Branch
Branch Code: 38
KA-70, Hazi Ahmed Plaza (1st Floor), Pragati Sharani, Kuril, Khilkhet, Dhaka 1229.
Cell: 8801701221632
Email: progotisharani@standardbankbd.com

Principal Branch
Branch Code: 2
Metropolitan Chamber & Commerce Building (Mezzanine floor), 122-124, Motijheel C/A., Dhaka-1000.
Cell: 8801701221500
Email: principal@standardbankbd.com

Ring Road Branch
Branch Code: 59
Probal Tower, 45-49 Ring Road (1st floor), Adabor, Shamoly, Dhaka.
Cell: 8801701221655
Email: ringroad@standardbankbd.com

Savar Branch
Branch Code: 52
SME/Krishi B-66, Bazar Road, Savar-1340, Dhaka
Cell: 8801701221682
Email: savar@standardbankbd.com

Shafipur Branch
Branch Code: 43
Shapna Joy Tower (1st Floor), Shafipur Bazar, Kaliakair, Gazipur.
Cell: 8801701221679
Email: shafipur@standardbankbd.com

Sonargaon Janapath Branch
Branch Code: 82
Muktijoddha K.S. Tower (1st Floor), Sonargaon Janapath Avenue, House-01, Road-17/B, Sector-12, Uttara, Dhaka-1230
Cell: 8801701221690
Email: sonargaonjanapath@standardbankbd.com

Tangail Branch
Branch Code: 73
Khan Super Market, Holding -533, Ward-13, Tangail Pouroshova,Tangail
Cell: 8801701221781
Email: tangail@standardbankbd.com

Tongi Branch
Branch Code: 217
Amin Bhaban, 12 Chearg Ali Market Tongi, Gazipur
Cell: 8801701221686
Email: tongi@standardbankbd.com

Topkhana Branch
Branch Code: 5
Road 36, Crescent Center, 1st Floor, Topkhana Road, Dhaka-1000.
Cell: 8801701221515
Email: topkhana@standardbankbd.com

Uttara Branch
Branch Code: 15
Model Town Latif Emporium, Plot#27, Road#7, Sector#3, Mymensingh Road, Uttara Model Town, Dhaka-1230.
Cell: 8801701221530
Email: uttara@standardbankbd.com

CHATTOGRAM REGION

Agrabad Branch
Branch Code: 7
World Teade Center, Agrabad C/A, Chattogram
Cell: 8801701221585
Email: agrabad@standardbankbd.com

Bagichahat Branch
Branch Code: 225
Bilkis Super Market (1st Floor), 8, Hasimpur, Bagichahat, Chandanaish, Chattogram
Cell: 8801701221921
Email: bagichahat@standardbankbd.com

Bahaddarhat Branch
Branch Code: 30
Manila Tower (1st Floor), 4544, Bahaddarhat Moor, Chattogram.
Cell: 8801701221742
Email: bahadderhat@standardbankbd.com

Bakalia Branch
Branch Code: 89
Hossain Tower (1st Floor), 3615/A,Shah Amanat Bridge Connecting Road,Kalamia Bazar,Bakalia ,Chattogram.
Cell: 8801701221820
Email: bakalia@standardbankbd.com

Basurhat Branch
Branch Code: 63
Noakhali Rupali Plaza (1st floor), Rupali Chattar, Bashurhat, Companigonj, Noakhali.
Cell: 8801701221799
Email: None

Brahmanbaria Branch
Branch Code: 27
Peara Miah Tower (1st Floor), 1034, Court Road, Brahmanbaria
Cell: 8801701221748
Email: brahmanbaria@standardbankbd.com

CDA Branch
Branch Code: 23
Avenue Barnch Moriam Villa (1st floor), 1012/A, CDA Avenue, East Nasirabad, Chattogram 4000
Cell: 8801701221778
Email: cdaavenue@standardbankbd.com

Chaktai Branch
Branch Code: 77
330, Chaulpotti, Natun Chaktai, Bakalia, Chattogram
Cell: 8801701221733
Email: chaktai@standardbankbd.com

Chandpur Branch
Branch Code: 230
South Plaza (1st floor), 235, Shahid Muktijoddah Sarak, Chandpur Sadar, Chandpur
Cell: 8801701221948
Email: chandpur@standardbankbd.com

Chattagrom EPZ Branch
Branch Code: 29
Gazi Complex (1st Floor), Airport Road, EPZ Gate, Bandar, Chattogram
Cell: 8801701221718
Email: cepz@standardbankbd.com

Chattogram University Branch
Branch Code: 208
Abul Hossain Building (1st Floor), Chattogram University Gate No. 1, Hathazari Road Chattogram
Cell: 8801701221829
Email: ctguni@standardbankbd.com

Chowdhuryhat Branch
Branch Code: 6
Fatehabad, Chikondandi, Hathazari, Chattogram.
Cell: 8801701221739
Email: chowduryhat@standardbankbd.com

Cox's Bazar Branch
Branch Code: 37
Hefazat Market (1st Floor), 103, Main Road, East Bazar Ghata, Cox's Bazar
Cell: 8801701221754
Email: coxsbazar@standardbankbd.com

Cumilla Branch
Branch Code: 61
4/4 Kapariapatti (1st floor), Chawkbazar, Comilla.
Cell: 8801701221852
Email: comilla@standardbankbd.com

Feni Branch
Branch Code: 96
Sayed Ambia Tower (1st & 2nd floor), 74-75, Trank Road, Rajbari Gate, Feni 3900.
Cell: 8801701221896
Email: feni@standardbankbd.com

Gunagori Branch
Branch Code: 80
S. M. Chowdhury Super Market, Khasmohol, Gunagari, Kalipur, Banskhali, Chattogram
Cell: 8801701221887
Email: gunagari@standardbankbd.com

Jamalkhan Branch
Branch Code: 218
Road Moitree bhaban (1st Floor), 370/A-378, Momin Road, Chattogram
Cell: 8801701221736
Email: jamalkhanroad@standardbankbd.com

Jubilee Branch
Branch Code: 12
Road Aziz Chamber (1st Floor), 6 Noor Ahmed Road, Jubilee Road, Chattogram
Cell: 8801701221580
Email: jubilee@standardbankbd.com

Kadamtoli Branch
Branch Code: 204
Rahat Centre, 295 D. T. Road Kadamtoli, Chattogram
Cell: 8801701221730
Email: kadamtoli@standardbankbd.com

Karnaphuli Branch
Branch Code: 93
Haji Jafor Ahmed market (2nd & 3rd floor), Moizzartek, Chorpathorghata, Karnaphuli, Chattogram
Cell: 8801701221775
Email: karnaphuli@standardbankbd.com

Khatungonj Branch
Branch Code: 3
Khatungonj Trade Centre (1st Floor), Ramjoy Mohajan Lane (Post Office Goli), Khatungonj, Chattogram.
Cell: 8801701221590
Email: khatungonj@standardbankbd.com

Kumira Branch
Branch Code: 203
SA Tower (1st Floor), Ghatghar, Boro Kumira, Sitakunda, Chattogram
Cell: 8801701221899
Email: kumira@standardbankbd.com

Moheshkhali Branch
Branch Code: 238
Nurul Amin Park Vision (1st floor), Holding No. 04-145, Dak Bangla Sarak, Gorokghata, Moheshkhali, Cox's Bazar
Cell: 8801701221966
Email: moheshkhali@standardbankbd.com

Nangalmora SME/Krishi Branch
Branch Code: 44
Nangalmora High School Market (1st floor), Nangalmora Bazar, Hathazari, Chattogram.
Cell: 8801701221876
Email: nangolmora@standardbankbd.com

Nimsar Branch
Branch Code: 94
Insaf Super Market (1st Floor), Nimsar, Burichong, Cumilla
Cell: 8801701221826
Email: nimsar@standardbankbd.com

Oxygen More Branch
Branch Code: 69
Square Ali Noor Complex (1st floor), Oxygen More, Chattogram.
Cell: 8801701221760
Email: oxyzenmore@standardbankbd.com

Pahartali Branch
Branch Code: 36
Abul Khair Bhaban, 20/44, D.T. Road, CDA Market, Pahartali, Chattogram
Cell: 8801701221924
Email: pahartali@standardbankbd.com

Panchlaish Branch
Branch Code: 87
S.F.A. Tower (Ground Floor), Probortak More, 132 Panchlaish, Chattogram.
Cell: 8801701221838
Email: panchlaish@standardbankbd.com

Patherhat Branch
Branch Code: 86
School Market (1st Floor), Noapara, Raozan, Chattogram.
Cell: 8801701221817
Email: patherhat@standardbankbd.com

Ramchandrapur Branch
Branch Code: 88
NGS Bhaban (1st Floor), Ramchandrapur Bazar, Muradnagor, Cumilla
Cell: 8801701221861
Email: ramchandrapur@standardbankbd.com

Sadarghat Branch
Branch Code: 49
291, Hourbourage Dream, Sadarghat Road,Chattogram
Cell: 8801701221927
Email: sadarghat@standardbankbd.com

Sandwip Branch
Branch Code: 234
Mohammadia Market (1st Floor)
Haramia, Chattogram. Cell: 8801701221951
Email: swandip@standardbankbd.com

Shakpura Branch
Branch Code: 224
Noor Plaza (1st Floor) Shakpura, Chowmohoni Boalkhali, Chattogram
Cell: 8801701221918
Email: shakpura@standardbankbd.com

Sheikh Mujib Road Branch
Branch Code: 205
Sekander Bhaban (1st Floor), 545, Sheikh Mujib Road, Dewanhat, Chattogram 4100
Cell: 8801701221769
Email: skmujibroad@standardbankbd.com

Sultanpur Branch
Branch Code: 228
Haji Market (1st floor), Yakubnagar, Sultanpur, Brahmanbaria
Cell: 8801701221936
Email: sultanpur@standardbankbd.com

KHULNA REGION

Alamdanga Branch
Branch Code: 90
640/A, London Tower (1st floor), Alif Uddin Road, Alamdanga, Chuadanga
Cell: 8801701221864
Email: alamdanga@standardbankbd.com

Bagerhat Branch
Branch Code: 65
Haider Plaza (1st floor), 119/2 K, Ali Road, Mithapukurpar, Amlapara, Bagerhat.
Cell: 8801701221802
Email: bagerhat@standardbankbd.com

Barisal Branch
Branch Code: 33
Mannan Plaza, 84, Sadar Road, Barisal
Cell: 8801701221772
Email: barisal@standardbankbd.com

Benapole Branch
Branch Code: 20
Nahar Tower, 13, Main Road, Benapole Bazar (Opposite of BDR Camp), Benapole, Jessore
Cell: 8801701221805
Email: benapole@standardbankbd.com

Bhojeshwar Bazar Branch
Branch Code: 78
Shahnoor Shopping Complex (1st floor), Bhojeshwar Bazar, College Road, Naria, Shariatpur.
Cell: 8801701221858
Email: bhojeswar@standardbankbd.com

Chuadanga Branch
Branch Code: 206
Joarder Tower, (1st Floor), 10,Shahid Abul Kashem Sarok, Badurtola, Chuadanga
Cell: 8801701221870
Email: chuadanga@standardbankbd.com

Faridpur Branch
Branch Code: 58
R.K. Plaza (1st floor), 244 Goalchamot, Hazralota, Faridpur Sadar, Faridpur
Cell: 8801701221757
Email: faridpur@standardbankbd.com

Goalanda Branch
Branch Code: 209
Akbar Plaza (1st Floor), Ahladipur, Goalanda More, Rajbari
Cell: 8801701221832
Email: goalanda@standardbankbd.com

Gopalganj Branch
Branch Code: 25
City Square Shopping Mall, College Road, Gopalgnoj
Cell: 8801701221784
Email: gopalgonj@standardbankbd.com

Jashore Branch
Branch Code: 21
Utshab Bhaban, 6/D, R.N. Road, P.S.-Katwali, Dist.-Jashore
Cell: 8801701221715
Email: jessore@standardbankbd.com

Jhenaidah Branch
Branch Code: 99
Mokbul Hossain Plaza (1st Floor), 250 H.S.S. Road, Jhenaidah Sadar, Jhenaidah
Cell: 8801701221766
Email: jhenaidah@standardbankbd.com

Kashiani Branch
Branch Code: 223
Abdus Samad Market (1st Floor) Chowrasta Moor, Thana Road, Kashiani Bazar, Gopalgonj
Cell: 8801701221906
Email: kashiani@standardbankbd.com

Khan Jahan Ali Branch
Branch Code: 92
Haji Hanif Complex (2nd & 3rd floor), 12-13, Khan Jahan Ali Road, Khulna
Cell: 8801701221724
Email: khanjahan@standardbankbd.com

Khulna Branch
Branch Code: 8
Chamber Building, 5, K.D.A. C/A (Ground Floor), Khulna-9100.
Cell: 8801701221570
Email: khulna@standardbankbd.com

Kotalipara Branch
Branch Code: 35
K.M. Super Market (1st Floor), Ghagor Bazar, Kotalipara, Gopalgonj.
Cell: 8801701221787
Email: kotalipara@standardbankbd.com

Kumarkhali Branch
Branch Code: 235
Kumarkhali Tower (1st floor), Holding No. 43-10, Shahid Golam Kibria Sarak, Kumarkhali, Kushtia
Cell: 8801701221960
Email: kumarkhali@standardbankbd.com

Kushtia Branch
Branch Code: 47
43, N.S. Road (1st floor), Amlapara, Kushtia.
Cell: 8801701221745
Email: kushtia@standardbankbd.com

Mathbaria Branch
Branch Code: 211
Haji Adam Ali Khan Super Market (1st & 2nd Floor), 288 Pharmacy Road, Mathbaria, Pirojpur
Cell: 8801701221873
Email: mathbaria@standardbankbd.com

Muksudpur Branch
Branch Code: 232
M. Rahman Plaza (1st floor), South Chandibordi, Muksudpur, Gopalganj
Cell: 8801701221942
Email: muksudpur@standardbankbd.com

Patgati Bazar Branch
Branch Code: 79
Munshi Market (1st Floor), Patgati Bazar, Tungipara, Gopalgonj
Cell: 8801701221763
Email: tungipara@standardbankbd.com

Patuakhali Branch
Branch Code: 57
Gazi Plaza (1st floor), 02 Sadar Road, Patuakhali.
Cell: 8801701221877
Email: patuakhali@standardbankbd.com

Satkhira Branch
Branch Code: 64
Islam Tower (1st Floor), Holding No.-5043, Ward No.-8, Shahid Kazal Sharani, Palashpole, Satkhira Sadar, Satkhira
Cell: 8801701221855
Email: satkhira@standardbankbd.com

Shibchar Branch
Branch Code: 62
286 Iman Gomosta Market (1st floor), Guatola, Shibchar, Madaripur.
Cell: 8801701221796
Email: shibchar@standardbankbd.com

Takerhat Bazar Branch
Branch Code: 16
UP Road, Takerhat Bazar, Rajoir, Madaripur
Cell: 8801701221808
Email: takerhatbazar@standardbankbd.com

Atrai Branch
Branch Code: 214
Sayma Plaza (1st Floor), Thana Road, Atrai, Naogaon
Cell: 8801701221835
Email: atrai@standardbankbd.com

RANGPUR REGION

Baneswar Branch
Branch Code: 212
Mahi Plaza (1st floor), Baneswar Bazar, Puthia, Rajshahi
Cell: 8801701221902
Email: baneswar@standardbankbd.com

Bogura Branch
Branch Code: 34
Helal Mansion (1st Floor), Sherpur Road, Sutrapur, Bogura Sadar, Bogura
Cell: 8801701221751
Email: bogra@standardbankbd.com

Chapainawabgonj Branch
Branch Code: 98
Shaleha Sadan, 30 Islampur (Boro Indara More), Chapainawabgonj
Cell: 8801701221727
Email: chapainawabgonj@standardbankbd.com

Dinajpur Branch
Branch Code: 56
Northern Plaza (Ground Floor), Goneshtala, Dinajpur sadar, Dinajpur.
Cell: 8801701221721
Email: dinajpur@standardbankbd.com

Fulbari Branch
Branch Code: 215
R. K. Tower (1st floor), Holding No. 0315-05 Dhaka Dinajpur Highway Road, Ward No. 5, Fulbari Pourashava, PS- Fulbari, Dinajpur
Cell: 8801701221912

Gobindagonj Branch
Branch Code: 75
Gobindagonj Muktijoddha Complex (1st floor), Plot No. 464/1, Ward No. 06, Fish Market Road, Gobindagonj, Gaibandha
Cell: 8801701221881
Email: gobindagonj@standardbankbd.com

Hatikumrul Branch
Branch Code: 83
Saima Plaza (1st floor), Holding No. 2397, Natore Road, Choria Shikar, Hatikumrul, Ullapara, Sirajgonj
Cell: 8801701221814
Email: hatikumrul@standardbankbd.com

Hili Branch
Branch Code: 216
Alhaj Shafi Uddin Mondal Tower (1st Floor), Charatha More, Bus stand Road, Bangla Hili, Hakimpur, Dinajpur
Cell: 8801701221909
Email: hili@standardbankbd.com

Kansat Branch
Branch Code: 91
Idris Plaza Super Market (2nd floor), Kansat more, Sona Mosjid Road, Shibgonj, Chapainawabgonj
Cell: 8801701221823
Email: kansat@standardbankbd.com

Mohadevpur Branch
Branch Code: 221
Shafali Market (1st & 2nd Floor), Mach chatter, Main Road, Mohadebpur, Naogaon
Cell: 8801701221915
Email: mohadevpur@standardbankbd.com

Nilphamari Branch
Branch Code: 60
Nilphamari Chamber of Commerce & Industry Bhaban (1st floor), Hazi Mohsin Sarak, Nilphamari Bazar, Nilphamari.
Cell: 8801701221849
Email: nilphamari@standardbankbd.com

Pabna Branch
Branch Code: 85
BGC Complex (1st Floor),Opposite to central Girls High School, Thana Road, Pabna Sadar, Pabna-6600
Cell: 8801701221893
Email: pabna@standardbankbd.com

Pirgonj Branch
Branch Code: 202
Muktijoddha Complex (1st Floor), Thana Road, Projapara, Pirgonj, Rangpur
Cell: 8801701221867
Email: pirgonj@standardbankbd.com

Rajshahi Branch
Branch Code: 19
The Sun (1st Floor) ,923 Natore Road, Ward No. 22, Rajshahi City Corporation, Boalia, Rajshahi 6100 Rangpur
Cell: 01701221712
Email: rajshahi@standardbankbd.com

Rangpur Branch
Branch Code: 39
Shah Jamal Market (1st Floor), Station Road,Rangpur-5400
Cell: 8801701221790
Email: rangpur@standardbankbd.com

Rohanpur Branch
Branch Code: 70
Alhaz Abdul Latib Super Market (1st Floor), Rohanpur Boro Bazar, Rohanpur, Gomostapur, Chapai Nawabgonj.
Cell: 8801701221811
Email: rohanpur@standardbankbd.com

Saidpur SME /Krishi Branch
Branch Code: 55
Khaled Market (1st floor), Shahed Dr. Zhikrul Haque Road, Saidpur, Nilphamari.
Cell: 8801701221848
Email: saidpur@standardbankbd.com

SYLHET REGION

Beani Bazar Branch
Branch Code: 40
Holding no 0612,Word no 06, Azir Super Market (1st floor), Beanibazar Pourashava, Sylhet
Cell: 8801701221841
Email: beanibazar@standardbankbd.com

Bishwnath SME/Krishi Branch
Branch Code: 45
Tanni Complex, 1st Floor, Jagannathpur Road, Biswanath, Sylhet. Sylhet
Cell: 8801701221905
Email: biswanath@standardbankbd.com

Goala Bazar SME /Krishi Branch
Branch Code: 46
Kaher Mansion Shopping Complex (1st & 2nd Floor), Holding # 1174, Dag: 2210, 5 No. Goalabazar Sylhet
Cell: 8801701221847
Email: goalabazar@standardbankbd.com

Moulvibazar Branch
Branch Code: 41
Kusumbag Shopping City, Sylhet Road, Kusumbag, Moulvibazar
Cell: 8801701221844
Email: moulvibazar@standardbankbd.com

Sreemangal Branch
Branch Code: 231
Anik Super Market (1st floor), 182, Station Road, Sreemangal, Moulvibazar
Cell: 8801701221945
Email: sreemangal@standardbankbd.com

Sunamganj Branch
Branch Code: 84
Nasir Plaza, Station Road, Sunamganj
Cell: 8801701221890
Email: sunamgonj@standardbankbd.com

Sylhet Branch
Branch Code: 10
Thikana Tower (1st Floor), Nayasarak, Sylhet
Cell: 8801701221575
Email: sylhet@standardbankbd.com

Standard Islami Bank PLC.

Registered Office
Metropolitan Chamber Building (3rd Floor)
122-124 Motijheel C/A, Dhaka 1000.
Phone : 88-02-223357913, 223385106, 223358385
Fax : 88-02-223390321
Web : www.standardbankbd.com

Revenue Stamp
TK. 100/-

PROXY FORM

I/we.....

of.....

being a member of Standard Islami Bank PLC., do hereby appoint Mr./Ms.....

of.....

as my/our proxy, to attend and vote for me/us on my/our behalf at the 27th (Twenty Seventh) Annual General Meeting (AGM) of Standard Islami Bank PLC. which will be held on Thursday, the 30th July, 2026 at 11:00 a.m. through hybrid system. The in-person meeting will be held at Police Convention Hall, 37/3/B, Eskaton Garden Road, Ramna, Dhaka and the online participation link will be https://sbplc.bdvirtualagm.com and or at any adjournment thereof.

No. of Share Held :

(Signature of the Member)

Member's BO/Folio No. :

(Signature of the Proxy)

Notes:

A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form duly filled, signed and stamped at BDT 100 must be sent through email to share@standardbankbd.com no later than 72 hours before commencement of AGM.

Standard Islami Bank PLC.

Registered Office
Metropolitan Chamber Building (3rd Floor)
122-124 Motijheel C/A, Dhaka 1000

ATTENDANCE SLIP

Note: Please complete the attendance slip and mail it to share@standardbankbd.com

I hereby record my attendance at the 27th (Twenty Seventh) Annual General Meeting (AGM) of Standard Islami Bank PLC. which will be held on Thursday, the 30th July, 2026 at 11:00 a.m. through hybrid system. The in-person meeting will be held at Police Convention Hall, 37/3/B, Eskaton Garden Road, Ramna, Dhaka and the online participation link will be https://sbplc.bdvirtualagm.com or at any adjournment thereof.

Name of the Member/Proxy : .....

Member's BO/Folio No. :

.....

Signature of Member/Proxy and Date

N.B.: No gift, Gift Coupon or Food Box etc. will be distributed to the shareholders at 27th AGM to be held Annual General Meeting (AGM) of the company being held on Thursday, the 30th July, 2026 at 11:00 a.m. as per instruction of Bangladesh Securities and Exchange Commission's (BSEC) Circular No. SEC/CMRRCD/2009-193/154 dated 24 October, 2013.

Standard Islami Bank PLC.

Concept & Design: amiliez

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