

# BEYOND FINANCING

ANNUAL SUSTAINABILITY  
REPORT 2019



# SUSTAINABLE DEVELOPMENT GOALS



## Annual Sustainability Report 2019

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IDLC is committed to sustainable development by creating long-term value - value for our stakeholders, value for the environment and value for the community.

# Why Prepare a **Sustainability Report**

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The concept of long term profitability together with social development and environmental protection is fast gaining ground across organizations worldwide. These expectations will only increase and intensify as more and more customers, financiers and other stakeholders realize the need to move towards a truly sustainable economy.

The business climate is increasingly being influenced by governments, regulators, and the prevailing socio-political and environmental conditions. Businesses are steadily moving towards long term capital growth, and therefore are proactively engaging with a wider stakeholder set on sustainable value creation, both financial and non-financial. IDLC is adopting the principles of Global Reporting Initiative (GRI) as it aligns with our strategies and objectives for creating value for all stakeholders, as well as playing a greater role in economic, social and environmental development. This is IDLC's 10th disclosure on sustainability. It aims to provide clear and comprehensive narrative of our ability to create value in line with stakeholder needs, expectations and sustainable development goals.

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## Statement from **the Chairman**

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*“ Sustainability is an integral component of our value system. We remain strongly committed to the underlying principles of sustainable development - contribute to the economic prosperity, promote environmental sustainability, and propagate equitable and inclusive societal development. ”*

I am proud to announce that IDLC is publishing its 10th Sustainability Report for the year 2019 by using the Global Reporting Initiative (GRI)-G4 guidelines. This report conveys disclosures on IDLC's most critical impacts on the environment, society and economy. The 2019 report presents our continued endeavors in sustainability and ethical business practices.

Sustainability is an integral component of our value system. We remain strongly committed to the underlying principles of sustainable development - contribute to the economic prosperity, promote environmental sustainability, and propagate equitable and inclusive societal development.

Our approach to Corporate Social Responsibility or CSR is strategic: we ensure sustainability in all our programs and projects. We do not limit ourselves to simple philanthropy. We have implemented various projects for the underprivileged in the area of education and healthcare.

Through IDLC's unique 'Khushir Kheya' campaign, employees also participated in various community based programs aimed towards improving the lives of the marginalized people.

It is gratifying to see our hard work recognized and rewarded. We were privileged to receive the 'Euromoney Awards for Excellence 2019' as the 'Best Investment Bank in Bangladesh' and to receive the silver award for 'Best Women Friendly SME Bank of Bangladesh' by 'Global SME Finance Forum'.

In alignment with the 10 principles of UN Global Compact, IDLC is committed to ensure sustainable future for people and environment and to stand against corruption. Being a member of UNEP FI, IDLC is working to improve people's quality of life without compromising that of future generations.

Yours Sincerely,

**Aziz Al Mahmood**  
Chairman  
IDLC Finance Limited



## Statement from **the CEO and Managing Director** \_\_\_\_\_

*“ We are proud to be a Global Reporting Initiative (GRI) Standards Pioneer. This report serves as an annual disclosure to stakeholders on progress made in implementing the Ten Principles of the UN Global Compact in the areas of human rights, labor, environment and anti-corruption. We understand that, the challenges we face as a company and a society will continue to evolve, but we will keep making progress. And we aim to get better every step of the way. ”*



Since 1985, IDLC has long held the view that good business ethics do not come at the price of economic performance. Instead, we believe that good business ethics serve to strengthen long-term growth. We pursue prudent strategies for efficient capital allocation and management. Our robust governance and risk management frameworks guide us in doing so in an ethical manner.

Sustainability has always been a key success factor for the realm of our business. In alignment to IDLC's 'Financing Happiness' philosophy, through our unique business model we are making difference in the lives of many and thereby addressing the real need of people in the country.

We believe the most important investment we can make at IDLC is an investment in our team. Our team members take care of our customers. They are our brand's greatest ambassadors and advocates. We are investing in our team members, through industry-leading wage commitment, training and career development opportunities, to ensure that IDLC is a place where they can grow their skills and careers, take care of themselves and their families and make a difference in the society.

Customer-centricity is embedded in our organizational DNA and is at the core of our business. We strive to address varied needs to diverse customer groups through

innovative products and services. Our customer service model is deep-rooted in highest ethical standards to ensure that we serve our customers with integrity.

As society continues to increase its expectations for businesses to deliver solutions sustainable for our planet, we seek opportunities to offer solutions that can help meet those expectations. We are committed to promoting sustainable development and are continuously exploring opportunities that will help us contribute to the SDGs through our business operation and our community development initiatives.

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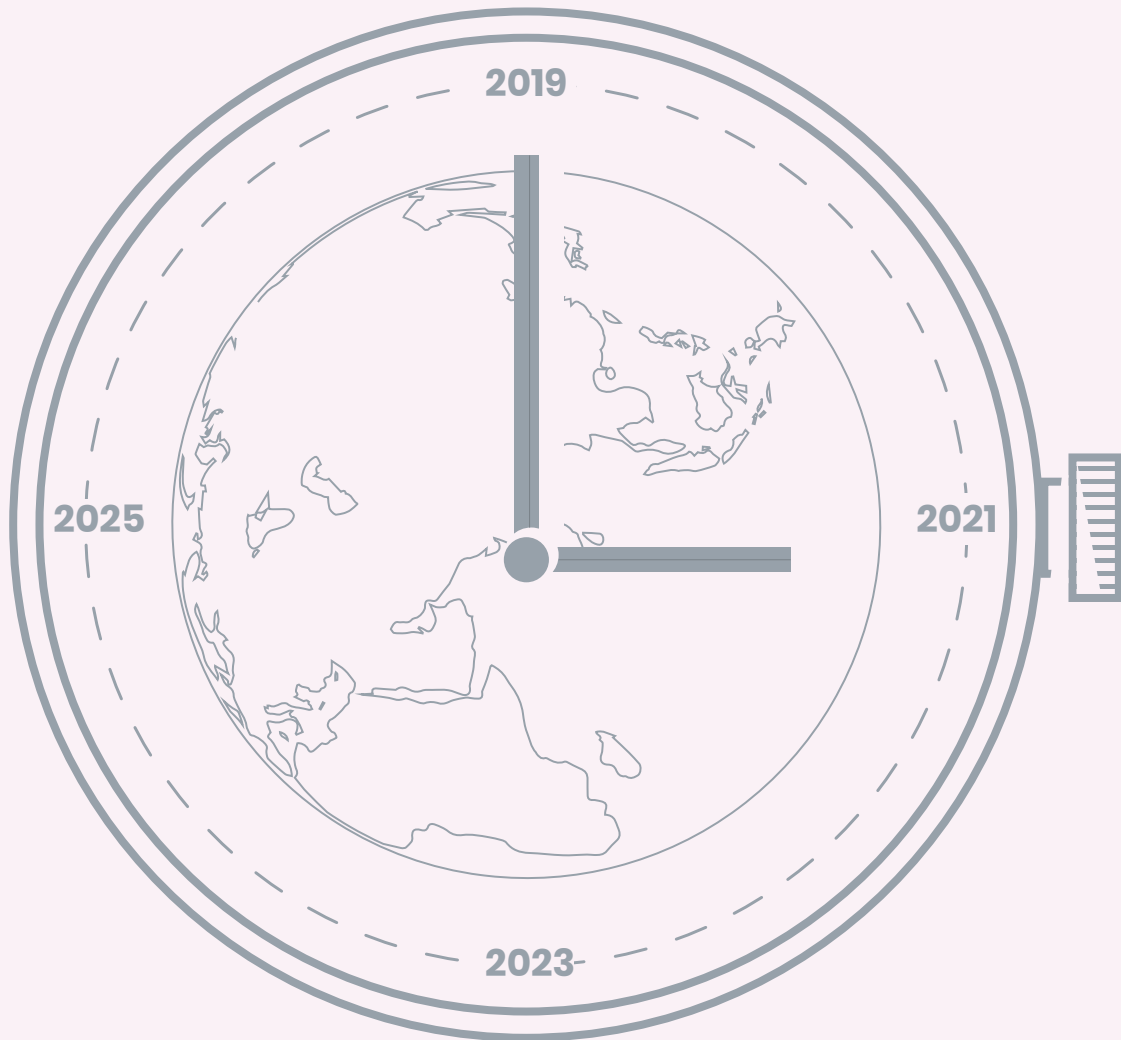
Thank you for your support and endorsements.

Yours Sincerely,

**Arif Khan, CFA, FCMA**  
CEO & Managing Director  
IDLC Finance Limited

“ The key to understanding the future is  
**one word: sustainability.** ”

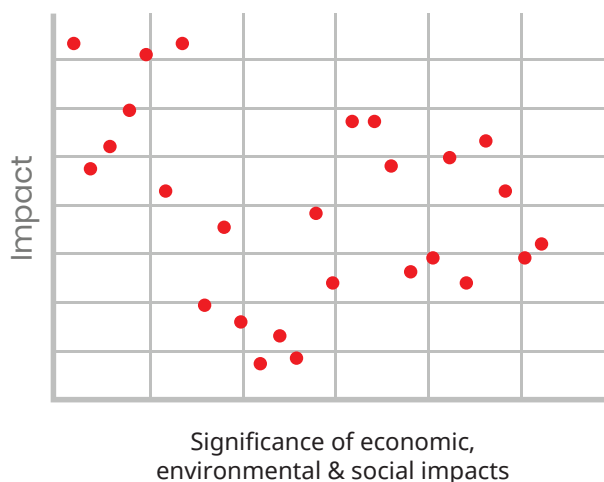
– Patrick Dixon



About  
**This Report**

# Materiality Mapping

Our approach to sustainability is based on materiality principles of understanding what is important to our stakeholders and to achieve our long term business strategies. The materiality matrix is an outcome of an engagement with our management to assess sustainability topics both from the business and stakeholders' perspective. This data is very important to us as a company because it helps us to prioritize where we need to put our focus on. The entire diagram is presented here:



Based on our Materiality Mapping we have seen that the most important issues that our management think important for our business are: Economic Performance, Employment Generation, Training and Education and Local Communities. Based on this information, IDLC management has decided on top of the universal standards, it would address topics in all three of the topic specific standards for the betterment of our stakeholders, our community and environment. A view of the topics that will be covered in this report is mentioned below:



## Economic

- Economic Performance
- Procurement Practice
- Anti-Corruption
- Tax



## Environment

- Energy
- Environmental Compliance



## Social

- Employment
- Training & Education
- Non-discrimination
- Local Communities
- Customer privacy
- Diversity & equal opportunity
- Occupational health & safety
- Socio-economic compliance

# Defining the Report Content and **Aspect Boundaries**

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IDLC is a non-banking financial institution in Bangladesh with 40 Branches, 1476 Employees at 20 geographical locations across Bangladesh. The content of the report is based on the social, environment, economic and sustainability practices relevant to the organization and its stakeholders. A materiality assessment has been conducted to define the content of the report and there has been a slight revision in the topic boundaries from the previous reporting period.

Through sustainability reporting, IDLC is committed to report transparently on how it manages its economic, environmental, social and governance performance.



## Reporting Parameters

**Period:**

January 1- December 31, 2019

**Reporting Cycle:**

Annual

**Most recent previous report:**

Annual Sustainability Report 2018

**GRI Guidelines followed:**

G4 Guideline

**In Accordance Option Chosen:**

In Accordance 'Core'



## Contact Information

Please email your valuable suggestions and opinions at **sfarhana@idlc.com** or contact **Farhana Sharmin, Assistant Manager**, Marketing Communications and CSR, IDLC Finance Limited at **01674769507**.

You can also contact **Khandker Nagib Anwar, Second Focal Point**, Marketing Communications and CSR, IDLC Finance Limited at **01967627436** or email at **nagib@idlc.com**

# Stakeholder Engagement

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At IDLC Stakeholder satisfaction is of very high concern to the company values and the matter is taken very sincerely. Our stakeholders include those who are associated directly or indirectly to our business. Being a business leader in our respective industry, we have set up various communication channels that ensure transparency both within and outside the organization. These channels of engagement help our stakeholders to reach us in an easy and convenient manner.

IDLC finance reserves special interest in identifying all applicable stakeholders and understanding their expectations to remain sustainable in the long run. The feedback received through multiple channels help us develop appropriate strategies and plans to address the right issues today and tomorrow in a timely, effective and targeted way. IDLC is growing sustainably and we believe that a fully sustainable company will have all its stakeholders engaged in the key processes of the business.

IDLC's engagement with key stakeholders is summarized in table below:

## Internal Stakeholders

### Stakeholders Group

### Addressing Stakeholders Expectation



Employees

01. Investing in a wide range of training programs for every member of the human capital to ensure personal and professional growth.
02. Engaging employees in activities other than business as usual, to achieve a balanced productive environment which is beneficial for both.



Shareholders

01. IDLC preserve the lawful benefits and interests of the shareholders.
02. IDLC make utmost endeavor to maximize shareholders value through, among other things, maximizing profit and increase payout ratio for the shareholders and manage the same ethically and properly.

## External Stakeholders

### Stakeholders Group

### Addressing Stakeholders Expectation



Regulators

01. Putting in place processes, practices and controls to ensure compliance with applicable rules and regulations imposed by local and international laws and regulations.
02. Maintaining sound relation with regulators.
03. Always thriving to achieve global best practices.



Service providers  
& Suppliers

01. Rigorously following internal procurement policy and upgrading the policy regularly to ensure strong control and fair treatment of suppliers.

## Stakeholders Group

## Addressing Stakeholders Expectation



Customers  
& clients

01. Spreading the geographical boundaries through opening more branches across the nation.
02. Molding existing service suits to cater to the diversified customer requirements.
03. Continuously innovating in product suite and operational process to meet customer requirements in the most efficient manner.
04. Serve the customers equally, promptly and honestly;
05. Ensure complete secrecy of customers affairs/account information at all times unless asked by any competent court or any other lawful authority;
06. Issue notice with reasonable time in case of closure of accounts for any legitimate reason(s);
07. Keeping customers updated regarding any suspicious operations, in his account;
08. Exercise due diligence in the operation of customer accounts;



Community

01. Implementing programs and initiatives targeted at marginalized communities and underprivileged to address the requirement of society in education/ skills development, healthcare and overall poverty alleviation
02. Enhancing financial access to marginalized population
03. Adding value to the society by being a good and transparent corporate citizen.



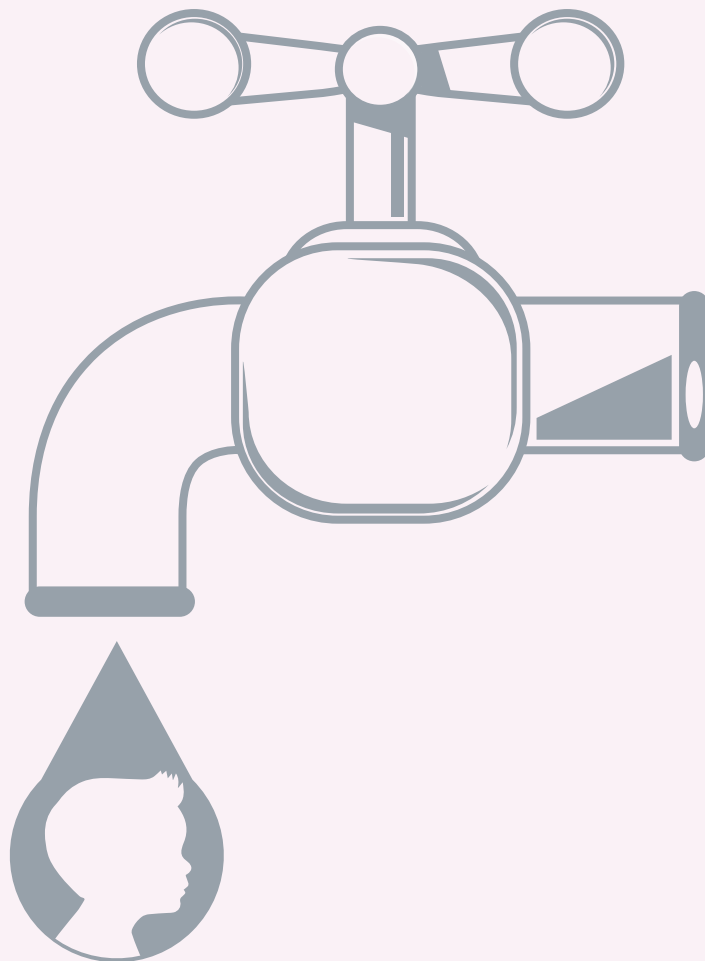
Environment

01. Implementing Green Banking practices and ensuring compliance through Green Reporting to Bangladesh Bank
02. Holding a rigid control on energy consumption to reduce wastage.



“ Sustainability is no longer about doing less harm.  
**It's about doing more good.** ”

– Jochen Zeitz



IDLC:

**The Company**

# About IDLC

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IDLC started as a single product lease finance company back in 1985 with 5 staff members, 34 years down the line, the company has emerged as the largest multi-product, multi-segment, non-banking financial institution in the country. As one of the most respected financial brands in the industry, IDLC Finance Limited holds a strong and diversified footing in Corporate, SME, Retail and Capital Market segments.

## Vision

We will be the best financial brand in the country.

## Mission

We will focus on quality growth, superior customer experience and sustainable business practices.

## Core Values

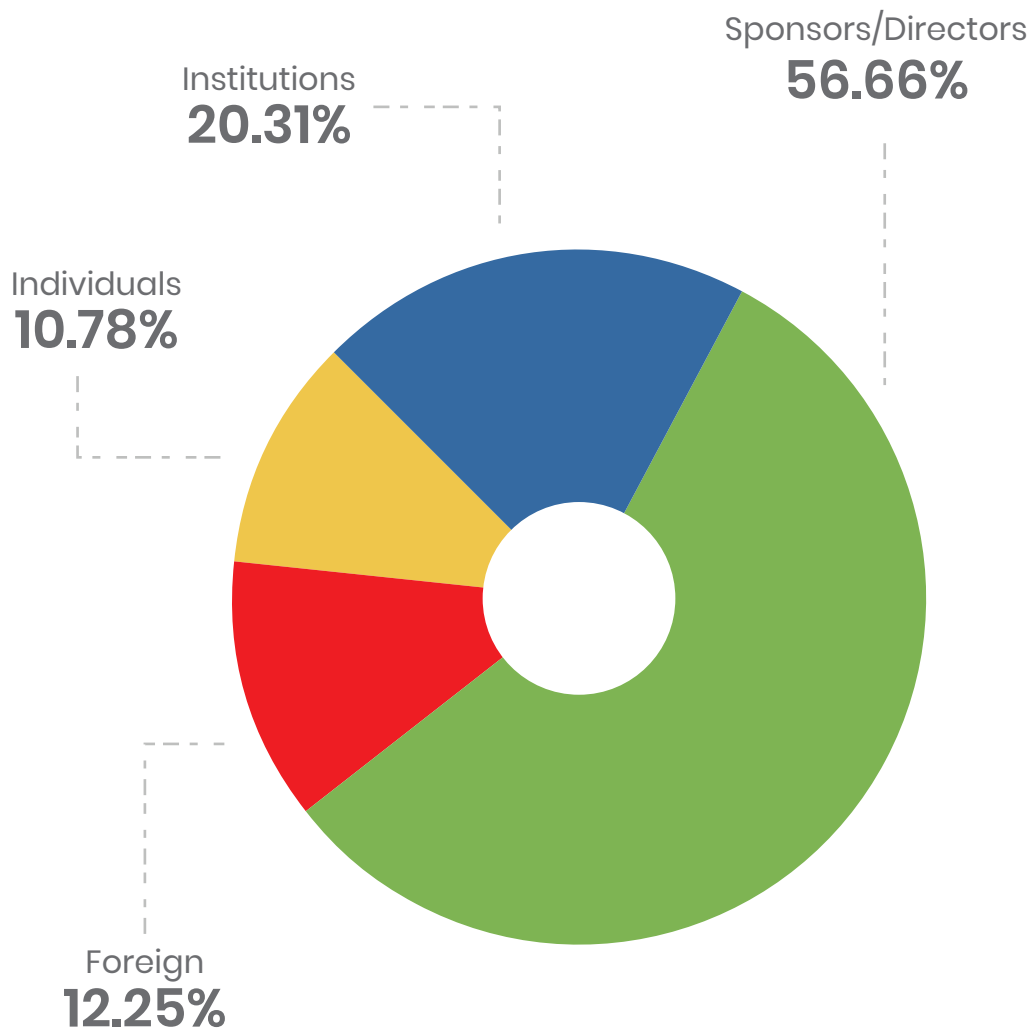


# Shareholding Structure

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As of December 31, 2019 IDLC has 377,050,780 number of shares, as per the following shareholding structure:

## Shareholding Composition



## Our Business

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### Location of Headquarters:

Bay's Galleria (1st Floor),  
57 Gulshan Avenue, Dhaka 1212



### Location of Operations:

**20** Geographical locations  
across Bangladesh



### Type of Business:

Financial Institution

## Scale of the Organization

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**1476**

Total number  
of employees



**BDT 3,183 Million**

Net revenue-operating  
income-Group



**BDT 117,385 Million**

Total assets-Group

## Notable Award and Accolades

**Euromoney Awards for Excellence 2019'** has awarded IDLC Investments as the 'Best investment Bank in Bangladesh'. IDLC won the recognition for consecutively second time.

Euromoney has awarded IDLC Investments for its deal quality, outstanding financial performance compared to other market participants, and its track record of delivering tailored and innovative solutions to clients across a range of products and services.

**SAFA (South Asian Federation of Accountants)** awarded IDLC as Best Presented Annual Report Awards 2018 –Integrated Reporting-Certificate of merit & Best Presented Annual Report Awards 2018 –Financial Services Sector-Certificate of merit.

**Global SME Finance Forum** awarded IDLC with silver award as 'Best Women Friendly SME Bank of Bangladesh'.

**Asia Money Best Bank Awards 2019** has awarded IDLC as "Best Bank for SMEs".



## Membership of Association

**IDLC is signatory** to few local and international initiatives promoting sustainable business practices to CSR activities. Although these initiatives are voluntary in nature, compliance is mandatory as per globally acceptable standards:

**Became Member** of United Nations Global Compact (UNGC) in 2007.

**Became a Member** of United Nations Environment Programme Finance Initiative UNEP FI in 2011

**Founding Signatory** to the Principles for Responsible Banking of UNEP FI.

**Founding Signatory** to the Collective Commitment to Climate Action of UNEP FI.

**Signatory** to the pledge of Tobacco-free Portfolios.

**Member** of SME Finance Forum

**Founding Member** of CSR Centre-a private sector start-up funding to raise awareness about Corporate Social Responsibility (CSR) and to contribute to achieve SDGs through private sector led growth.

# Notable **Highlights**

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**10<sup>th</sup>** Annual Sustainability Report following GRI Guideline



**100%**

retention rate of employees that took parental leave

**144** training programs organized and total training hours spent amounted to

**21,507**



**190,000+**

deprived people are benefited through CSR initiative's in health and education sector



**635** female business owners received loan to take their ventures to the next level

Introduction of financial inclusion of

**unbanked**

population



# Business Overview

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## SME Division

IDLC's SME Division, the largest segment of the company, provides various financing solutions for the Micro, Small and Medium Enterprises of Bangladesh. In 2019, IFC conducted a diagnostic test on IDLC SME Division and proposed to alleviate customer segment adulteration between Medium Enterprise Finance (MEF) and Small Enterprise Finance (SEF) teams. To maximize client outreach, SME Division was restructured to increase focus on the smaller segments of SMEs. As such, clients with large exposures, along with their respective relationship managers, were shifted to our Corporate Division under the name Local Corporate. This is expected to bring increased synergy in our corporate vertical while facilitating SME Division's strategic goal of moving towards smaller ticket loans.

## Consumer Division

With consumer loan services such as home loan, car loan and personal loan, the Consumer Division of IDLC has been engaged in augmenting the growth of the company since 1997. We are continuously working to further enhance efficiency so that we can deliver our services within the fastest possible time. With its core focus on home loans, this division is always working on ways to leverage the positive social economic trends of the country through offering more intricate and customized solutions in the housing finance market.

## Corporate Division

Originally the only business vertical of IDLC, the Corporate Division, mostly serves local and foreign companies operating in Bangladesh for their various business needs. Despite the deposit shortage and increase in non-performing loans in the industry, the business parameters of the Corporate Division showed upward trends in 2019, validating the strategies taken during the year. In order to bring further synergy within business processes, Medium Enterprise Finance (MEF) was brought under the Corporate Business wing with effect from October, 2019; under the name Local Corporate. IDLC's Corporate Lending thrived on the back of efficient fund management mainly through Treasury activities, posting a growth of 10.20%.



## **IDLC Asset Management Limited**

IDLC Asset Management Limited, a fully owned subsidiary of IDLC Finance Limited, was incorporated in November, 2015 and awarded with an asset management license in June 2016 with an initial paid-up capital of BDT 100,000,000 (BDT one hundred million only). We expect to operate in the nascent but growing asset management industry of Bangladesh. The Company's principal objective is to conduct the business of asset management, primarily through launching and managing mutual funds, to cater towards the diverse needs of investors. Alongside, we also manage a venture capital fund and provide related corporate advisory services.

## **IDLC Investments Limited**

IDLC Finance commenced its merchant banking operations in 1999 through participating in underwriting of IPOs. Aligning with regulatory requirements, the merchant banking operation was carved-out and established as IDLC Investments Limited in 2011 as a fully-owned subsidiary of IDLC Finance. IDLC Investments provides a high standard of professional and personalized services to its local and international customers. The company possesses a proven track record of catering to a diverse set of client needs while concurrently maintaining strict compliance with the country's laws and the highest ethical standards. IDLC Investments is positioned as one of the top-ranking merchant banking enterprises in the country, renowned for its quality in investment banking and portfolio management services. IDLC Investments has been the entrusted partner of most of the multinational companies that have been listed in Bangladesh.

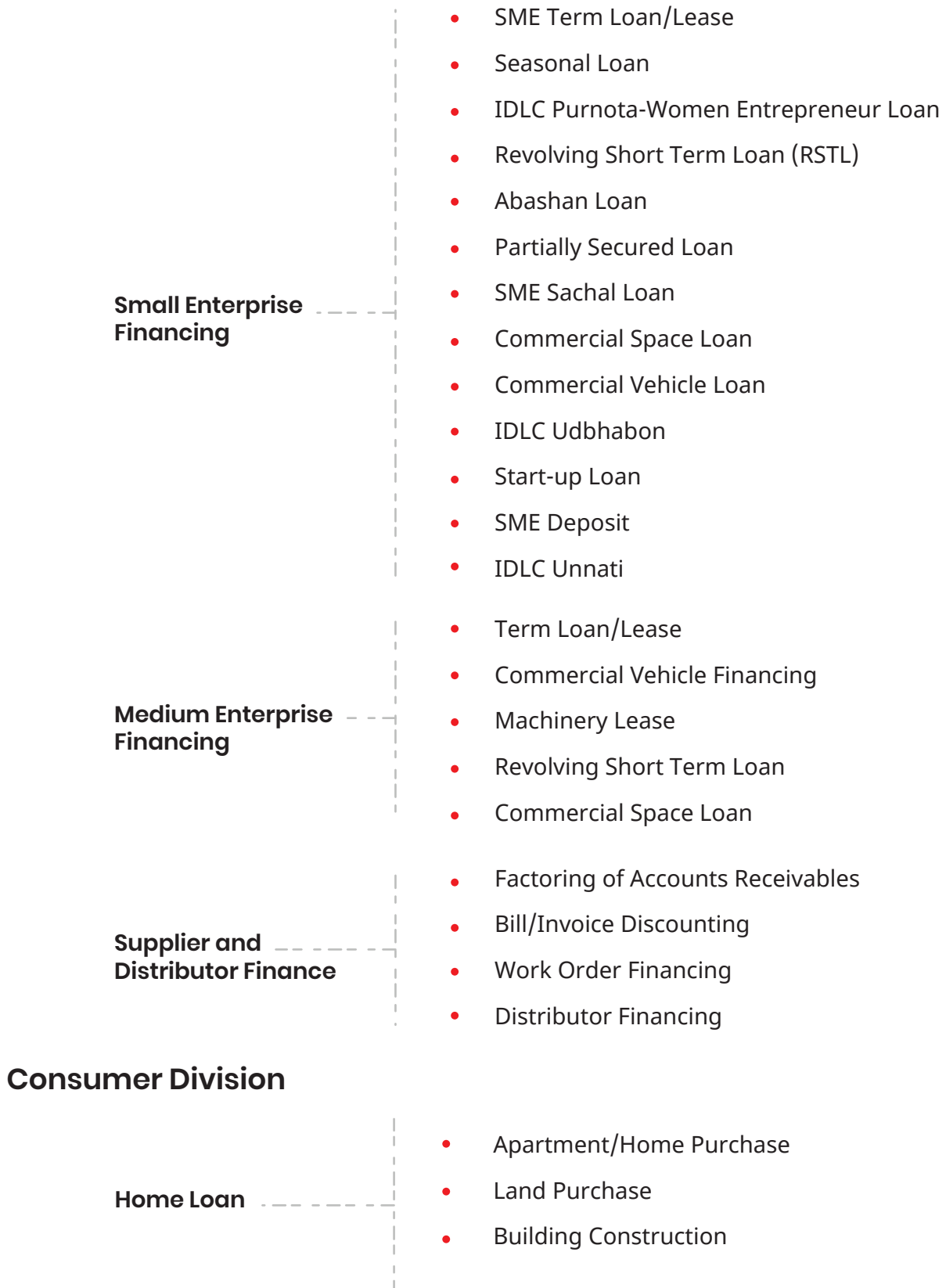
## **IDLC Securities Limited**

IDLC SL, one of the top brokerages of Bangladesh, commenced operations in September 2006. The company provides brokerage services to more than 15,834 retail, local & foreign institutional investors through reliable trading platforms on both the Dhaka and Chittagong stock exchanges. It also serves more than 2,500 customers of its enlisted merchant banks as a panel broker. It possesses a proven track record of delivering quality customer service while maintaining high standard of compliance and corporate ethics. The company also offers premium brokerage services, which is a bundle of research and advisory support in addition to execution brokerage, mostly targeted towards High Net Worth (HNWs) clients, as well as institutional and foreign investors. Moreover, the company has a reliable online trading system under its Order Management Unit, which was developed in-house and launched in 2010.

# Products and **Services**

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## SME Products and Services



- Commercial Space
- Home Equity
- Registra Loan
- IDLC ASHA
- IDLC ULLAS
- Affordable Housing Finance Scheme

- Car Loan**
- Brand New
  - Reconditioned

- Personal Loan**
- Secured
  - Unsecured

**Loan Against Deposit (LAD)**

- Deposits**
- Flexible Term Deposit Package
  - Regular Earner Package

**Corporate Division**

- Corporate Finance**
- Lease Financing
  - Term Loan Financing
  - Commercial Space Financing
  - Project Financing
  - Short Term Loans  
(To meet working capital requirements)
  - Specialized Products  
(for meeting seasonal demand)

- Structured Finance Solutions**
- Debt Syndication  
(Local and Foreign Currency)
  - Working Capital Syndication
  - Agency & Trusteeship
  - Fund Raising through Zero Coupon & Coupon Bearing Bonds
  - Commercial Paper

## Green Banking Solutions

- Arrangement of Private Equity & Preference Shares
- Corporate Advisory for Mergers
- Over 50 products offered under Green Banking and Sustainable Finance department as per Bangladesh Bank Green Re-finance scheme.

# Capital Market **Operations**

## Asset Management Limited Products

- Mutual Funds
- Alternative Investment Funds
- Corporate Advisory

## IDLC Securities Limited

### Products

- Cash Account
- Margin Account
- Easy IPO
- Premium Brokerage for High Networth Individuals (HNIs), Institutions and Foreign Investors

### Services

- Trade execution through the Dhaka and Chittagong stock exchanges
- Internet based trading facilities
- Online based IPO Application
- Custodial and CDBL services
- Bloomberg terminal for foreign clients
- Research and Advisory Services

## IDLC Investments Limited

### Products

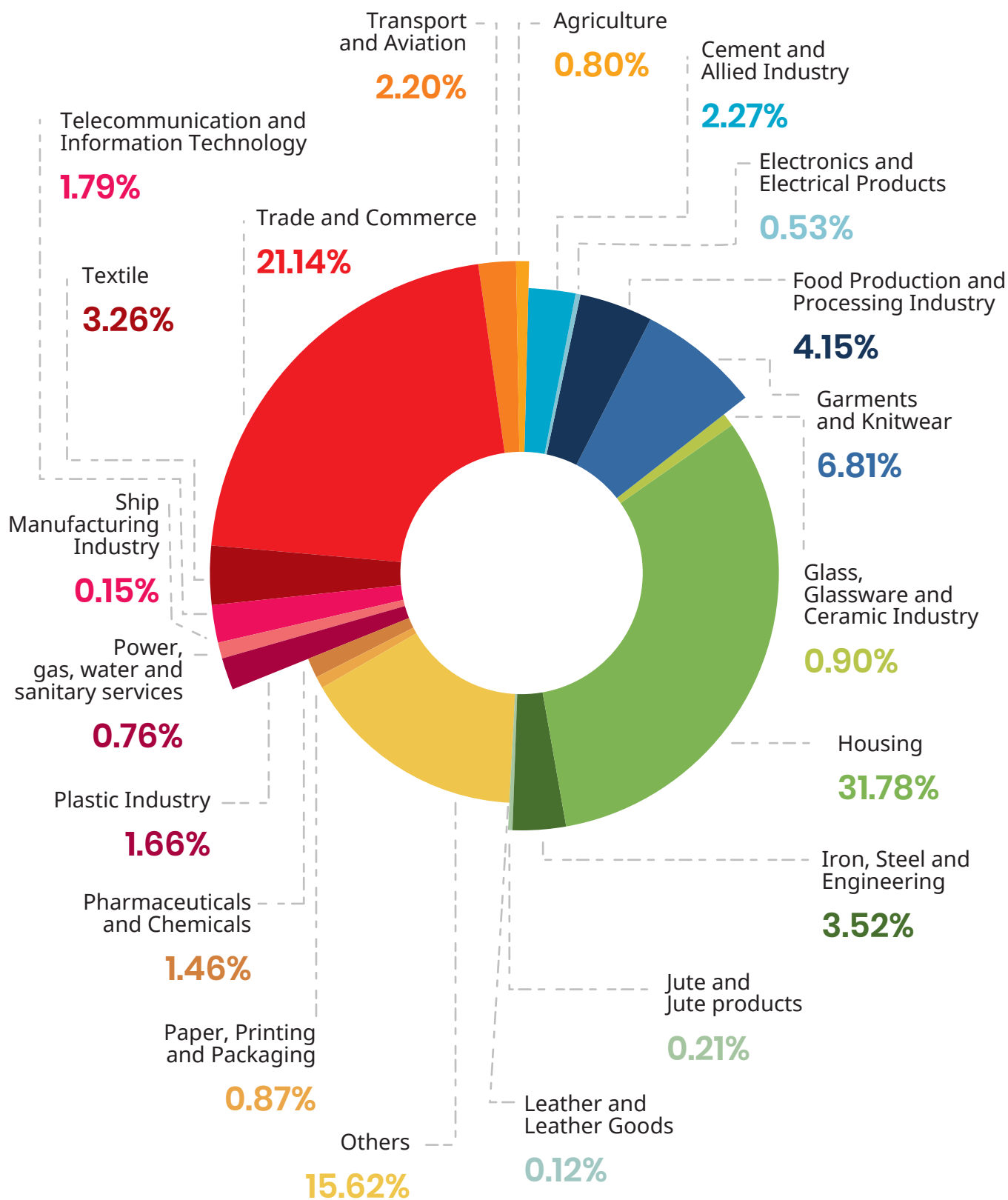
- Margin Loan
- Discretionary Portfolio Management

### Services

- Corporate Advisory
- Issue Management
- Underwriting

# Sectoral Exposure

IDLC has a well-diversified industrial portfolio in which the credit risk is spread across different sectors of the economy as detailed below:



## Ethics and Integrity

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IDLC is committed to execute its business strategy which promotes transparency, ethical standards, and integrity while engaging and meeting the needs of our stakeholders, as outlined in our Codes of Conduct. To this end we developed robust mechanisms to ensure compliance with existing regulations and legal, constitutional, and industry norms.

## Policies and Guidelines

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The values of integrity, accountability, transparency and excellence in service are integral to the culture at IDLC and is an essential part of the way we conduct our business. To ensure that our all employees maintain the highest professional standards, we try to ensure that all our stakeholders do the same. In this regard, we have formulated and implemented a range of policies and guidelines. An overview of the most relevant of these is presented below:

## Code of Conduct

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The code of conduct sets the principles for the stakeholders of IDLC-Members of the Board of Directors and its committees, employees of all levels and categories, business partners and service providers and receivers to and from IDLC to uphold and promote the interest of IDLC. The code of conduct is aligned with the code of conduct guidelines issued by Bangladesh Bank for banks and financial institutions. Objectives of IDLCs Code of Conduct:

- i. Protect the interests of customers, owners and employees, stakeholders as well as the counter parties, in addition to the wider interests of society as a whole.
- ii. Ensure integrity, high ethical standards, due skill, care and diligence in all of IDLC's business and allied activities, including the stakeholders.
- ii. Promote rational behavior between/amongst all of IDLC's stakeholders.

All IDLC employees are required to sign an annual declaration confirming that they have read and understood the Code of Conduct. The Human Resource department circulates the required declaration, and ensures that all employees have signed the declaration. The Internal Control and Compliance (ICC) department, through regular audits, assesses whether any employees have breached the Code of Conduct.

## Customer Rights Policy

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IDLC Customer Charter describes its commitment to service and outlines the overall standards of service a customer can expect to receive. It also draws the kind attention of the customer where there cooperation is needed.

## Whistle Blower **Policy**

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IDLC Whistle Blower Policy was introduced in early 2019. The policy is expected to encourage and empower the employees to report any instances of misconduct witnessed within IDLC by providing for anonymity (if the reporting employees desired so) and by guaranteeing them protection against any form of retaliation (where the whistleblower's identity was disclosed). The Whistle Blower committee is comprised of the CEO and Managing Director and the Head of Internal Control and Compliance. In the event that the complaint is against any member of the Whistleblower Committee, the same would be made to the Audit Committee of IDLC.

## Customer Data Storage & **Protection**

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Storage of data in electronic form is regulated by the Guideline on ICT Security for Banks and Non-Bank Financial Institutions 2015. Among other things, this covers matters such as data centre security, network security, the use of cryptography to protect sensitive customer information, the establishment of monitoring systems and processes to facilitate prompt detection of unauthorized or malicious activities, as well as data backup and restore management.

## Procurement **Policy**

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To ensure an effective procurement of business required items, materials, commodities and services IDLC Finance Ltd. has a comprehensive Procurement Manual comprising of procurement policies, procedures & guidelines. The Procurement Manual is detailed in nature and describes most of the possible scenario relating to procurement. Highlights of the IDLC procurement policy:

- The policy introduces the acts, purpose, scope, interpretation, guiding principles, methods of procurement, general procedure of vendor selection, method of financing and guidelines of general procurement.
- The policy brings together vendor selection factors, RFQ method, competitive price, transparent communication, expenditure authorization, payment methods, limited tender method, cash purchase method and others.
- The policy provides guidance on documentation procedure which needs to be kept for future record.
- Any complain and dispute related issues are discussed and guideline is given for complain resolve procedure.

# Corporate Governance

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IDLC takes part in conducting business in an open and transparent manner. Our well established governance framework represents our commitment to integrity while ensuring flexibility that allows fast decision making and effective management.



IDLC's six core areas emphasize 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. 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. The



sustenance of effective corporate governance remains a key priority of IDLC's Board. 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.

IDLC 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.

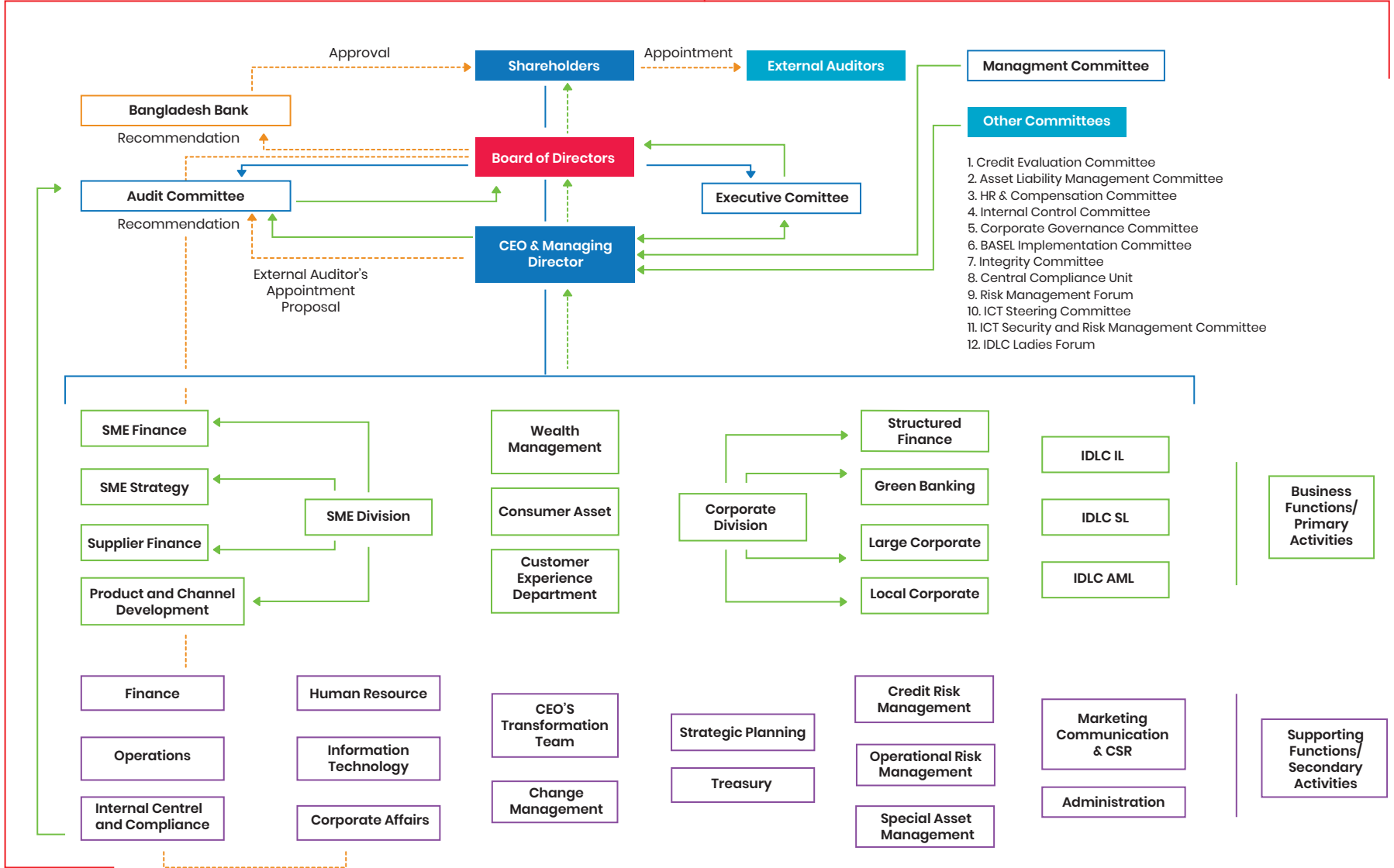
IDLC considers that its corporate governance practices comply with all the aspects of the revised Corporate Governance Code (CGC) notification no. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 3, 2018, and notification No. SEC/CMRRCD/2006-158/208/Admin/81, dated June 20, 2018, on financial reporting and disclosure issued by Bangladesh Securities and Exchange Commission (BSEC) and all aspects of Bangladesh Bank's DFIM Circular No. 7 dated September 25, 2007 and subsequent circulars there on DFIM Circular No. 09, dated October 08, 2007, DFIM Circular No. 18, dated October 26, 2011 and DFIM Circular No. 06, dated June 17, 2012.

In addition to establishing the highest standards of corporate governance, IDLC 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 IDLC to achieve excellence in corporate governance.

**Regulators**

Oversight

- 1. Bangladesh Bank
- 2. Registrar of Joint Stock Companies & Firms
- 3. Bangladesh Securities and Exchange Commission
- 4. Dhaka Stock Exchange
- 5. Chittagong Stock Exchange
- 6. National Board of Revenue



External Auditors Chain ↑

Responsible to ↑

Delegation of Authority ↑

# Risk Management

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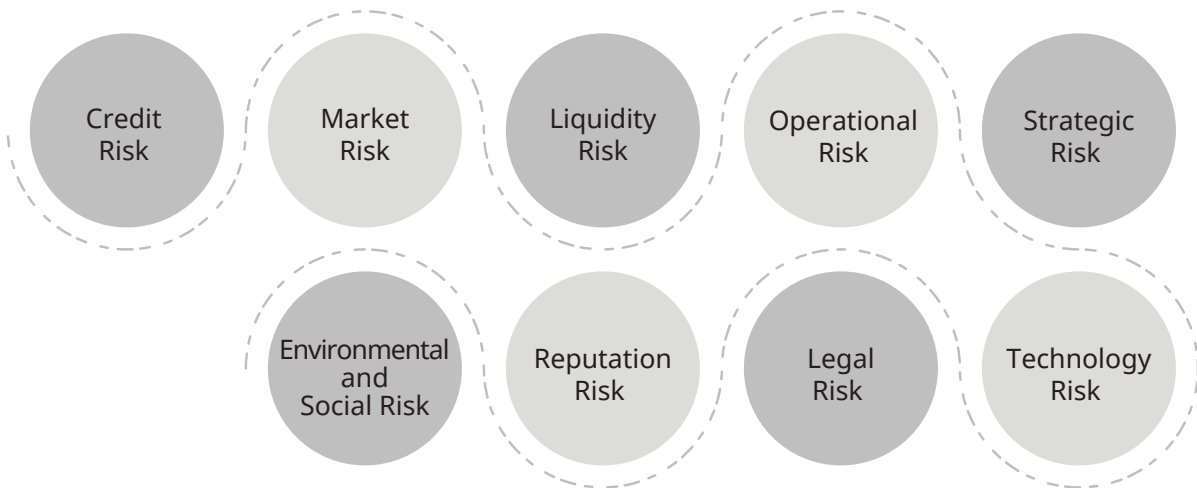
For effective and efficient adaptation of the business climate, IDLC’s risk management approach follows strong practices of Corporate Governance in order to strengthen the enterprise risk management framework.

The governance of risk management starts with the board and is interlaced around a strong management structure, information system, risk-rating system and robust policies. Alongside ensuring best industry practices of identifying, assessing and measuring risk, IDLC considers guidelines for Managing Core Risks of Financial Institutions issued by the Bangladesh Bank vide FID Circular No. 10 dated September 18, 2005 and Integrated Risk Management Guidelines for Financial Institutions issued by the Bangladesh Bank in 2016.

Strong inter-department communication link on risk factors and a culture of collaboration in decision-making among the revenue generating units, independent control and support functions, committees and the senior management help the company in effective management of organizational risks.

Effective management, coupled with the adoption of BASEL-II recommendations benefits IDLC by augmenting capitalization and optimizing costs to risk and funding.

## Risks at IDLC are broadly classified into 9 categories:



## Risk Management Framework:



## Our Supply Chain

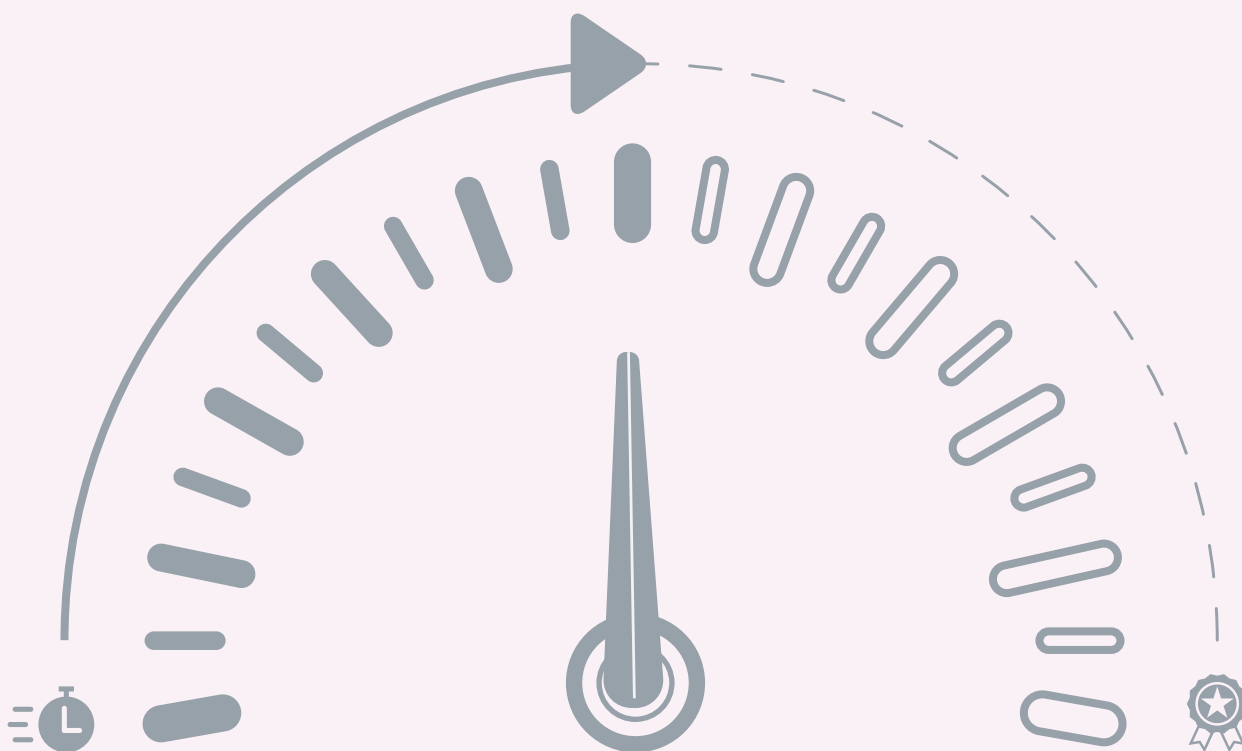
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Since IDLC is a financial institution its doesn't have a huge scale of supply chain like the manufacturing companies however, as IDLC is the largest NBFI of the country it has large scale of operation and for operating all the offices a pool of suppliers / vendor such as land / property owner, consultation firms, architect, infrastructure development firms / builders, furniture and fixtures vendor, office equipment vendor, IT vendor, electric vendor is required. Also there is a need of vehicle supplier to purchase official vehicles and vehicle repair workshops. For regular operation there are requirement of printing items, gifts items, AC & Generator servicing and to support these types of needs IDLC has a good number of related suppliers and vendor in pool. To conduct different event IDLC also has good number of event management vendor, agreement with hotels and resorts. Also for specialized service IDLC has enlisted legal firms, recovery agents etc.

Around 1000 service providers are engaged by the organization.

“ To maintain sustainable **economic development**, we need to shift our focus from **speed to quality**. ”

– Li Yuanchao



# Economic **Performance**

IDLC is considered to be one of the major contributors in the economy of Bangladesh both in monetary and non-monetary terms. IDLC is the largest employer, financial service provider and taxpayer among the non-banking financial institutions in the country.

## Taxes to Government

In 2019, IDLC deposited BDT 1,012 million to the Government exchequer as corporate income tax and BDT 61 million as VAT against fee income; thus in total BDT 1,073 million paid as Tax and VAT against the income earned by IDLC. Also, BDT 1,167 million was collected and deposited to the Government exchequer as withholding tax (BDT 1,017 million), withholding VAT (BDT 62 million) and excise duty (BDT 88 million).

## Employment Generation

IDLC has created economic impact by creating employment and giving appropriate training to the employees. As of December 31, 2019, IDLC Group accounts for 1,476 talented employees. During 2019, the group paid BDT 1,191 million as salaries and allowances to its employees and spent BDT 10.66 million for both local and foreign trainings. Moreover, at a time when job creation is a top priority for government, we continue to catalyze our lending to small and medium enterprises (SME), thereby helping accelerate both direct and indirect job creation.

## Economic Value Created

Particulars	2019 (Amount in Million)
Direct economic value generated: operating revenue	BDT 13,022
Direct economic value distributed: employees remuneration	BDT 1,191
Direct economic value distributed: payments to government as taxes	BDT 868
Direct economic value distributed: To shareholders as stock dividend (cash and stock)	BDT 1,320

## Rolling out **Environmental & Social Management System (ESMS)** in Business Activity

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Environmental and climate change risk refers to the uncertainty/probability of losses that may originate from any adverse environmental/climate change events. IDLC has been the pioneer in Bangladesh in adopting the 'Environmental & Social Management System (ESMS)', which is a global standard to minimize Environmental & Social Risks from the financial operations of the organization. It has a robust ESMS system which has been developed with the assistance of FMO (the Netherlands Development Finance Company) and FI Consult. In the preparation of the ESMS system, IDLC has taken the few guidelines into consideration: Environmental & Social Risk Management (ESRM) Guideline by Bangladesh Bank, the Environment Conservation Rules 1997, IFC Performance Standards, and ADB Safeguard for Financing. Additionally, IDLC has adopted the 10 UNGC (United Nations Global Compact) principles within the organizational frameworks and is also the signatory of UNEP FI (United Nations Environment Programme Finance Initiatives).

## Procurement **Practice**

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IDLC Finance Ltd has a procurement practice which is guided by the procurement manual. The practice which are followed in light of the procurement manual is very high in standard. Vendors are treated in an unbiased manner and according to their individual's strength. It is paramount for IDLC Finance Ltd that all the purchase practice must comply with procurement guideline, policy and principle. Cash purchase is highly discouraged and only conducted where alternative option is not available. For all purchase, at least 3 quotations are obtained to ensure competitive cost. However, purchase of direct manufacturer, sole distributor, and specific model with no alternative vendor can be done by single quotation. In all steps of procurement high standard and transparency is maintained and procurement committee is addressed where applicable. IDLC consistently maintains the practice to procure equipment with sustainable features like inverter enabled electrical items, energy efficient lighting system etc.



# Tax

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Tax expense comprise of current and deferred tax.

## **Deferred Tax**

The company accounts for deferred tax as per International Accounting Standard (IAS) 12: 'Income Taxes'. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. It is measured at the tax rates that are expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the date of reporting of the financial statements.

The company provides disclosures based on the classes of assets and liabilities related to the temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognized for all taxable temporary differences and it is probable that temporary differences will not reverse in the foreseeable future. Both the deferred tax assets and liabilities are reviewed at each reporting date considering the probability of benefit or determine realizable.

Deferred tax assets and liabilities are not offset and are presented separately as per Bangladesh Bank directive.

## **Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any, in accordance with provisions of Income Tax Ordinance, 1984. It is measured using tax rates enacted or substantively enacted at the reporting date. Applicable tax rate for the Company for the year 2019 will be declared by Finance Act 2020. For the purpose of these financial statements, management has assumed that the existing tax rates will be applicable for income year 2019 as well, which are mentioned below:

<b>Regular business tax rate</b>	<b>Rates</b>
IDLC FL - Publicly traded Financial Institution	37.50%
IDLC SL - Private Limited Company	35.00%
IDLC IL - Merchant Bank	37.50%
IDLC AML - Private Limited Company	35.00%

<b>Other business tax rate</b>	<b>Rates</b>
Dividend income	20.00%
Asset Management fee of Mutual Funds	15.00%
Capital gain on sale of fixed assets	15.00%
Capital gain on sale of marketable securities	10.00%

The company's existing accounting policy for uncertain income tax treatments is consistent with the requirements of IFRIC 23 Uncertainty over income Tax Treatments, which became effective on 1 January 2019. We already accounted for uncertainty of taxes and further disclosure is not required.

“ If everyone is moving forward together, then  
**success takes care of itself.** ”

– Henry Ford

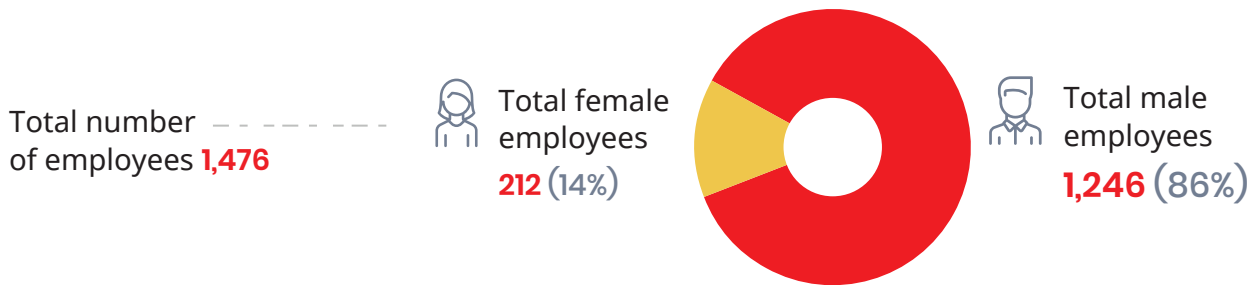


Social  
**Development**

# Employment

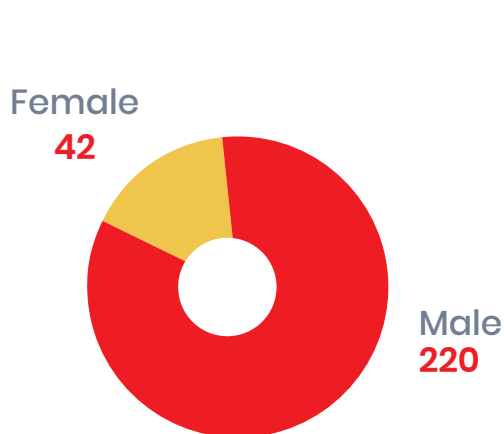
IDLC considers its people as its greatest source of competitive advantage. We understand that, in order to be the most well regarded company we must have the most dedicated and efficient employees. In the year 2019, we hired a total of 262 people and released 182 people. We have organized 21,507 man hours of training on various topics. Overall every employee at IDLC is entitled to Hospitalization Insurance and Group Life Insurance. Along with 6 months maternity leave, since 2017, IDLC has introduced 5 days of paternity leave. All the employees at the Group are permanent. IDLC does not have any temporary employees. IDLC does have some contractual employees who are provided by third party agencies and remain in contract for 3 to 6 months depending on the requirement of the particular department. Contractual employees mostly work at CAD, CED, IT, Collection and CIB-CIF.

## Employee Distribution

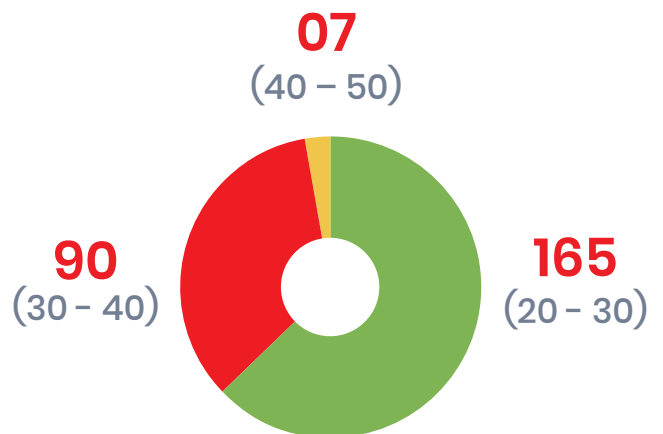


## Total new hires 262

Gender distribution of hiring



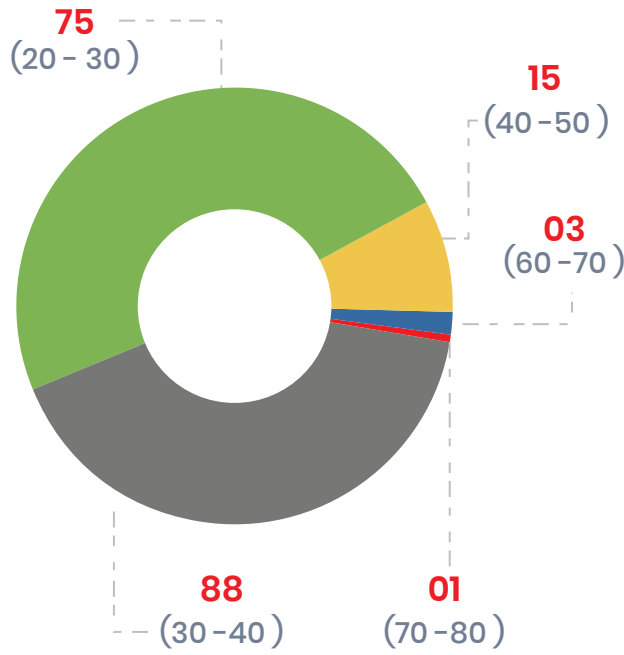
Age distribution of hiring



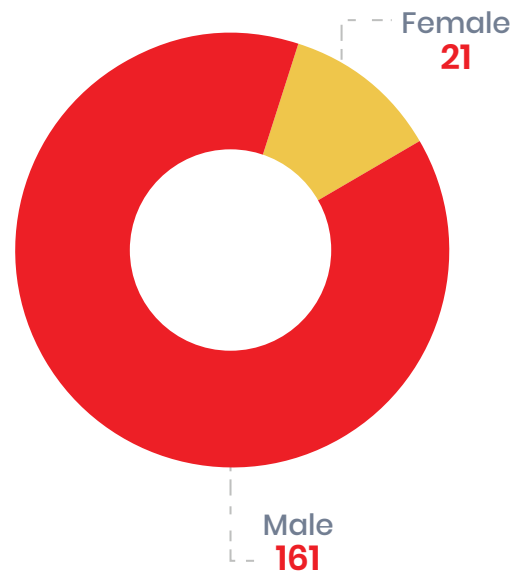
## Termination

Total employee released **182**

Age distribution of termination



Gender distribution of termination



## Salary and Remuneration

Ratio of basic salary and remuneration of men to women

	Total Employee	Average Basic	Ratio of Average (Male:Female)
Annual Performance Bonus Scheme	937	38,992	
Male	784	40,487	
Female	153	29,381	
			<b>1.38:1</b>

	Total Employee	Average Basic	Ratio of Average (Male:Female)
Sales Incentive Scheme	385	8,589	
Male	356	8,488	
Female	29	9,824	
			<b>1.16:1</b>

# Employee **Benefits**

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## Hospitalization Scheme

IDLC Finance Limited provides hospitalization scheme for all the confirmed employees. The hospitalization scheme is also provided to the confirmed employees' immediate family members as well which include wife/husband and dependent sons and daughters. Children attaining 18 years of age or on getting married, whichever is earlier, is not entitled to reimbursement of the cost of medical treatment. IDLC also reimburses any kind of maternity related medical bill.

## Provident Fund

Upon confirmation, 10% of employee's basic salary is contributed towards the Employee Provident Fund by both the employee and IDLC.

## Gratuity

All confirmed employees, upon completion of 5 years of continuous confirmed service shall be eligible. While calculating gratuity, 6 (six) months or more may be considered as 1 full year.

### Entitlement scale details:

- i. 5 years and above, up to 10 years: 1 (one) month's Basic
- ii. 10 years and above, up to 15 years: 1.5 times of monthly Basic
- iii. 15 years and above: 2 times of monthly Basic

## Welfare Fund

IDLC provides welfare fund benefit to all its permanent employees. The fund is subscribed by non-refundable annual

contribution of the employees of IDLC. The objective of this fund is to provide token of appreciation or financial assistance to the employees and his / her family members for any possible reasons.

## Encashment of Annual Leave Balance

Maximum 60 (sixty) day's leave may be encashed based on last drawn basic.

## Group Life Insurance

IDLC has a group life insurance scheme for all its permanent employees.

## Parental Leave

All permanent employees are entitled to take up to 6 (six) months maternity leave and up to 5 (five) working days paternity leave during the pre and post-natal period.

Number of employees that took parental leave in 2019

**60**

Maternity Leave

**14**

Paternity Leave

**46**

Return to work and retention rates of employees that took parental leave is

**100%**

## Workplace Health and Safety

In the area of safety measures IDLC is committed to maintain high standard and continuous development. In IDLC offices and branches, standard safety measures is ensured by providing adequate number of fire detection system, fire extinguisher, emergency signage, emergency light, obstacle free evacuation path, fire hydrant system and water sprinkle system. The fire safety devices are periodically checked and audited so that they can work effectively in emergency situation.

IDLC organizes training and workshops to educate and aware its employees on basic safety aspects such as emergency evacuation, basic firefighting by using fire extinguisher, dos and don'ts during emergency situation by periodic emergency evacuation drill, fire safety training and awareness program.

## Employee Health and Well-being

Health and well-being of our employees is an integral part of our employee engagement practices. In this direction, IDLC provides its employees with the opportunity to pursue their health, fitness and recreational interests. In-house medical facilities are available for all IDLC employees.

## Housing Loan

The objective of the housing loan policy is to provide the employees of IDLC financial assistance for acquisition and/or ownership of apartment / flat / houses for residential purpose. All confirmed employees having completed 5 years continuous service in IDLC are eligible for the loan. However, service length requirement in case of lateral entry will be different.

## Education Support Scheme

IDLC provides education support scheme to all its confirmed employees to encourage employees to participate in the self-development program for enhancement of individual capacity. All confirmed permanent employees, having completed at least five (5) years of continuous service with IDLC, are eligible for applying for assistance under this scheme. The education support scheme includes both local and foreign programs.

## Employee Training and Education

Throughout the year, employees at IDLC receive various types of training based on requirement. The total training hours spent in 2019, amounted to 21,507 hours. The graph below shows the average training hours in accordance with gender.





### **Percentage of Employees Receiving Regular Performance and Career Development Reviews:**

- i. **Performance Review-SIS-Monthly**  
Performance Review (100%), APB-Yearly  
Performance Review (100%)
- ii. **Career Development Review- Yearly**  
review only for APB (100%)

### **Management approach to diversity and equal opportunity**

IDLC is committed to maintain a work environment that is free from discrimination or harassment stemming from race (including color, nationality, ethnicity or origin), religion, belief, gender, age, disability, sexual orientation or any other characteristics.

IDLC is also committed to equal employment opportunity and unbiased treatment of all employees strictly based on job-related qualifications.

### **Management approach to sexual harassment**

There is no written or official policy on sexual harassment. However, IDLC is committed to providing a safe environment for all its employees free from any kind of harassment at work. Any discriminatory

treatment or harassment of employees, customers and others is a violation of the company's values. Complaints of sexual harassment will be taken seriously and treated with respect and in confidence. It would be dealt with appropriate disciplinary action, which may even lead to termination.

Sexual harassment includes, without limitation, any behavior, whether in person or by way of assisting other(s) or by other means such as email, phone calls etc. that is offensive to individuals or groups, including unwelcome sexual advances, uninvited suggestive remarks of a sexual nature, sexist or racist comments or otherwise any such words or gestures which may be reasonably deemed as inappropriate if such behavior interferes with an employee's work performance or creates an threatening, hostile or offensive work environment.

Currently IDLC is working on establishing an official sexual harassment policy to provide a safe work environment for its employees.

“ The environment is where we all meet, where all have a mutual interest; **it is the one thing all of us share.** ”

– Lady Bird Johnson



# Environmental **Practice**

# Environmental Practice

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IDLC is focused on sustainability, shifting from the traditional financing approach. In this regard, the company is strengthening its credit appraisal process to be much more stringent from an environment and social (E&S) perspective, evaluating all the environmental and social factors such as project impacts on the environment and the community in the long run, prior to sanction a loan.

## Green Banking

Green Banking is the financial service that integrates Environmental, Social and Governance (ESG) criteria into investment decision making process for the sustainable advantage of both clients and society at large. Green Banking Unit (GBU) of IDLC is committed towards sustainable financing by prioritizing the ESG to contribute to the country's overall financial growth and achieving Sustainable Development Goals (SDGs) in the process. IDLC has developed its own Green Banking Policy which is aligned with the 'Policy Guidelines for Green Banking' by Bangladesh Bank.

IDLC offers 52 green products under 8 categories as defined by Bangladesh Bank to cater to the specialized needs of different industries and segments. The products segments are renewable energy, waste management, recycling, environment-friendly brick production, green industry/building and others such as occupational health & safety in factories.

At the end of the year 2019, the Green Banking portfolio stands at BDT 1,408.32 million and cumulative disbursement in green segment is BDT 2,295.49 million. This year, IDLC has availed refinance worth of BDT 232.50 million from Bangladesh Bank.

## Direct Environmental Impacts

Being a service oriented industry, our environmental footprint primarily stems from large office buildings and branches, especially the use of energy to run our operations. As part of our continued focus on energy efficiency we have taken various steps to manage our environmental impacts, such as energy efficiency, material resource efficiency, and renewable energy use and employee awareness initiatives.

## **In-house Environmental Management**

IDLC upholds a vision to encourage and catalyze transformation towards sustainable business practices. In line with the vision, one of IDLC's branch located in the World Trade Centre at Chattogram, achieved the prestigious LEED (Leadership in Energy and Environmental Design), Gold Certification from USGBC (United States Green Building Council) under the category of 'commercial interiors'. This branch is first of its kind to achieve such an endorsement under the aforementioned category among the financial institutions of Bangladesh.

The IDLC Green Banking Unit periodically organizes in-house training & awareness programs for the employees and provides necessary technical assistance towards strengthening organizational portfolio through Sustainable Financing.

Even though Green banking is yet to take off fully in this country, Bangladesh Bank's active participation in environmentally sustainable financing and its progress only means that it will continue to move ahead. As IDLC aligns its business strategy to be consistent with individual and social needs, we intend to play a significant role in advancing this environmentally sustainable mode of financing.

“ Surely we have a responsibility to leave the future generations a planet that is **healthy and habitable by all species.** ”

– Sir David Attenborough



# Our Sustainability **Initiative**

# Banking for a Sustainability Future

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IDLC was established in 1985 as the first leasing company in the country and with its pioneering role has established and popularized lease finance as an alternative and secured source of long term finance. IDLC is the largest employer, financial service provider and taxpayer among the non-banking financial institutions in Bangladesh.

IDLC's approach to fostering sustainable economic development centers around employment generation, SME financing to accelerate both direct and indirect job creation, women entrepreneur loans and non-financial services for women, green financing and contribution towards environmental and community development.

In 2007, IDLC became the member of United Nations Global Compact- an initiative to unite business for a better world. This is the world's largest corporate sustainability initiative which is a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption and take actions that advance societal goals.

In 2019, IDLC became one of the Founding Signatories of the Principles for Responsible Banking, committing to strategically align its business with Sustainable Development Goals and the Paris Agreement on Climate Change.

By signing the principles for Responsible Banking, IDLC Finance Limited joins a coalition of 130 banks worldwide, representing over USD 47 trillion in assets, in committing to talking on a crucial role in helping to achieve a sustainable future.

IDLC is also the Founding Signatory to the Collective Commitment to Climate Action of UNEP FI. On the occasion of the UN Secretary-General's Climate Action Summit, one day after the launch of the UN Principles for Responsible Banking, IDLC Finance along with 30 signatories with over \$13 trillion in assets have announced a Collective Commitment to Climate Action. With this pledge, founding signatories of the principles are taking tangible steps towards putting their commitment to align their business with international climate goals into practice.

IDLC is also a signatory to the pledge of Tobacco-free Portfolios. The Tobacco-Free Finance pledge seeks to address the financing of tobacco companies - across lending, insurance and investment - as it is essential to comprehensive global tobacco control efforts. It builds on key global finance initiatives such as the Investor Statement in Support of World No Tobacco Day, produced in 2017 by the Principles for Responsible Investment (PRI), UN Environment's Principles for Sustainable Insurance and Tobacco Free Portfolios.



## Promoting **Women Empowerment**

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IDLC is one of the very first financial institutions in Bangladesh to realize the gender gap in the market and thus it came up with a signature product, 'Purnota' (a comprehensive financial and non-financial solution offering for women-owned enterprises) in 2015.

Purnota-offers a comprehensive package for the female business owners to take their ventures to the next level. IDLC Purnota is a complete business solution for women entrepreneurs, which provides loan, training, dedicated helpline, digital marketing, insurance, business facilitation and many other services. Purnota Club has been established over the years with a view to capacity and skill development of the women, and advisory services like business management and vocational training.

**635 women received Purnota loan and services in 2019.**

## Financial Inclusion of **Unbanked Population**

In 2019, IDLC Finance has created access to finance for about 450 Kitchen Market Vegetable Retailers as part of its vision of financial inclusion. Traditionally, these kitchen market vegetable retailers do not have access to formal credit mainly due to lack of proper documents and financial records. To fulfil their financial needs, they avail loans from local lenders at a very high interest rate, which is deterrent to their business growth. The objective of this initiative is to contribute to the growth of this section by meeting their financial needs.

## Creating **Sustainable Spaces**

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IDLC has embarked on a journey to green its facilities through the use of sustainable materials, technology and design. IDLC has achieved the LEED (Leadership in Energy and Environmental Design), and Gold Certification from USGBC (United States Green Building Council) under the category of commercial interiors for the Agrabad branch, located in WTC Center, 5th floor, 102-103 Agrabad C/A, Chattogram 4100. The facility is spread over 7,867 sq. feet and is designed by using environmentally-benign materials, and has an efficient water management system equipped with water-efficient fixtures. The facilities lighting power is designed to save approximately 20% electricity through efficient lighting and solar installation.

IDLC aims to gradually transform all of its branches with green features as well.

## Material Conservation, Waste Management and **Recycling**

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Even though the service sector is less material-intensive compared to the manufacturing sector, resource conservation and waste management have been a key component of IDLC's environmental strategy. Our efforts in this area focuses on use of electronics and paper. IDLC has adopted strategies to mitigate the negative environmental impact through efficient use of technology and waste management.

“ Many small people, in small places,  
doing small things **can change the world.** ”

– Eduardo Galeano



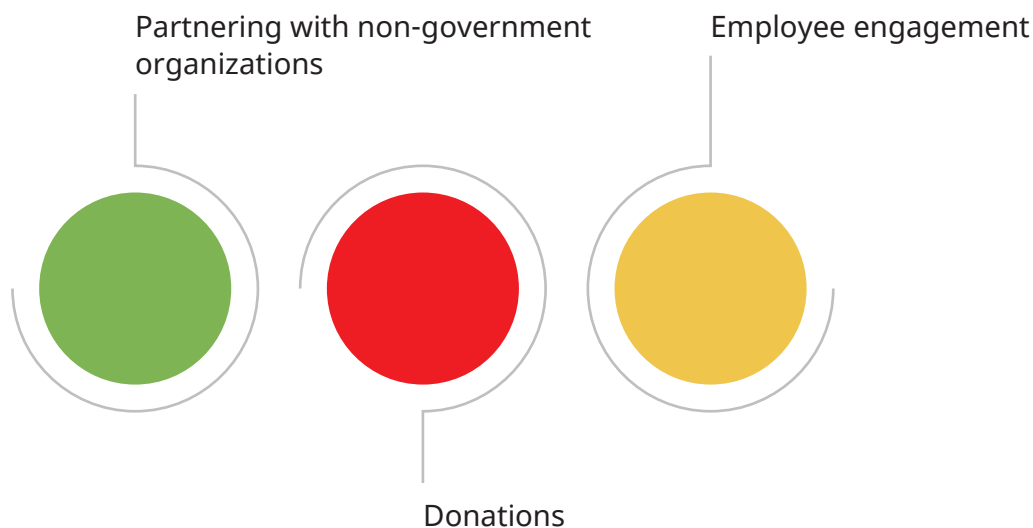
Social Development &  
**Community Outreach**

The communities where we live and work sustain businesses, employees and families. We recognize that our success is intrinsically linked to their health and vitality, and so our intent is to accelerate opportunities across our business to contribute to communities' resilience and prosperity.

We apply our assets, capabilities and resources that make us successful as a business- in our communities to ensure opportunities for all.

IDLC's philanthropic efforts are rooted in our company's purpose of helping people and our values of optimism, inclusivity and connection. Community has always been at the core of who we are. It is a commitment we are proud to uphold today. Philanthropy is one way we can address some of the toughest challenges people face in our country in education, health and environmental issues.

**We have three primary ways to support our communities:**



By investing in the communities, we hope to help create more sustainable communities for future generations and broader society. Our CSR projects target sustainability where our intended impact is to provide communities platforms to continue programs without aid in the longer term as we do not believe in offering any help that would create dependency.

IDLC is proud to contribute to the achievement of United Nations Sustainable Development Goals. In 2019, IDLC's CSR initiatives were implemented in mostly the areas of education and healthcare, while others have been conducted under the umbrella of extended responsibilities.

# Education

Striving to Provide Quality Education for All

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## Oditiya

Scholarship for Disadvantaged Female Students

IDLC believes that women need to be empowered and equipped with the same opportunities that men enjoy in terms of access to fundamental rights. Our educational initiatives are designed to help improve the quality and determinants of education and the system as a whole. In 2017, IDLC initiated a scholarship program, in collaboration with Prothom Alo Trust and Asian University for Women.

Under this initiative, female students who have passed the Higher Secondary School Certificate Examination and are first in their families to attain university level education and belong to very poor families- get scholarship for 4 years to study at Asian University for Women.

Each year 10 students get selected for the scholarship program and so far 26 students have come under the banner of Oditiya Scholarship.



## Finance Olympiad 2.0

### Financial Literacy Program

Financial literacy is the education and understanding of various fundamental financial concepts including topics related to managing personal finance, budgeting, and investing. The lack of financial literacy may lead to making poor financial choices that can have negative consequences on the financial well-being of an individual. However, the young generation in Bangladesh do not have much knowledge on this topic.



In March 2018, Bangladesh Bank asked all scheduled banks and non-bank financial institutions to launch a training program of financial literacy for the youth with the aim of implementing sustainable development goals set by the United Nations.

In 2018, IDLC launched the first ever online Finance Olympiad in Bangladesh called 'IDLC Finance Olympiad' on basic finance understanding for students aged 14 to 24 years. More than 20,000 students registered and participated in the first online Finance Olympiad.

In 2019, IDLC organized the 2nd season of National Finance Olympiad, the biggest online finance competition in the country, titled as "IDLC Finance Olympiad 2.0" went live on 15th September with a lot of enthusiasm and excitement. This competition was run by IDLC Finance Limited where 10 Minute School was the knowledge partner. More than 40,000 students from different colleges and universities across the country participated in this year's Finance Olympiad. Among which, top 40 participated in an offline gala event hosted at Krishibid Institute Bangladesh Auditorium.

## Established a Primary School

### Latarchar

Primary education, free and compulsory for all, has remained elusive for hundreds of poor children as there are no primary schools in Latarchar—a remote village in Patuakhali district. The area is filled with natural beauty, however it is deprived from the light of education.



In 2019, IDLC Finance Limited in the partnership of Obhizatrik Foundation, founded a primary school for the children of Latarchar. The school was officially inaugurated on February 20th 2019. Apart from the school building, IDLC has also provided essential educational tools and stationaries for the students. The school has now 120 students and 3 teachers.

## Established a Library at Gerda Govt. Primary School Faridpur

In conformity with the saying that 'A healthy reading habit can transform a person and access to books and reading material can transform a community', IDLC has constructed a library for the children of Gerda Primary School located at the remote area of Faridpur with the aim of promoting reading habits among the children.



On March 5, 2019, IDLC officially inaugurated the newly-constructed library, furnished with required furniture and fixtures. This initiative was taken as a part of IDLC's one of a kind CSR platform 'Khushir Kheya'.

## Renovation and Extension of School Building Gazipur

IDLC as part of its commitment to ensure access to education for all, has completed the extension and renovation of Begum Rina Model Academy at Gazipur.

On 03 March 2019, the renovated school building was officially inaugurated the newly constructed three classroom to accommodate 180 students and two washroom facilities.



## Renovation of School Building Sajek

IDLC as part of its sustainability initiative, to enhance access to education for the remotest corners of the country, has recently completed the construction of school house for the students of Agamir Pathshala, Sajek.

On 20 February 2019, the school house with its newly renovated lavatory, was officially inaugurated amidst a half-day sports event engaging all the 50 school children.



## Established a Primary School for Bede Community Munshiganj

In the district of Munshiganj not far from Dhaka, lives the bede community-in temporary homes which are mainly boats. These people have no form of permanent homes, and the children of this community have deprived of formal education.

In order to help this community's children with education, IDLC Finance Limited has established a primary school in 2019 in partnership with Alokito Shishu, a voluntary organization dedicated to educating all the underprivileged children of Bangladesh. 45 children from the disadvantaged Bede community now have access to school. We believe that these children will be the torch bearer of the bede community.



This campaign is a part of IDLC's CSR initiative 'Khushir Kheya'.

## Provided Logistical Support for Children with Physical Disabilities Satkhira

Every child, no matter what their mental or physical state should have equal rights. However the physically challenged children face a lot of obstacles and thus get deprived of education which they so desperately need. In December 2019, IDLC provided logistical support including benches for classrooms, school vans for commuting, accessories for exercise etc. to "Mir Mostak Ahmed School for physically challenged".

The school which initially started in 2017 with a small number of students is now a family of 90.





# Preventive and Curative Healthcare

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## Boat Ambulance Service for the People in Remote Char Areas Rangabali, Patuakhali

In remote river islands, locally called char, in Rangabali, Patuakhali, where it is hard to connect people to various service centers, IDLC has come up with an initiative to introduce 'Boat Ambulance' to save lives when emergency healthcare service is required. The inhabitants of the char areas of Rangabali have to face a lot of risks that may even cost them their lives for lack of suitable transport facilities. Mostly pregnant women and some with postpartum complications are at serious risk and some patients even die when they fail to reach hospital in time. To serve the people in remote chars, a 'Boat Ambulance' project has been launched in 2019 in partnership with Obhijatrik Foundation. The boat ambulance was financed by IDLC and the service is provided by Obhijatrik Foundation.

The boat ambulance is aimed at providing emergency transport service to around 150,000 people of Rangabali in southern district of Patuakhali. The boat ambulance can carry up to 10 people, and reach patients from any of the five unions of Rangabali to the nearest hospital within 20-30 minutes. The boat ambulance is ready to provide service for 24/7 and has emergency medical facilities such as oxygen and emergency medicines. The patients are accompanied by a health assistant and the pregnant women are accompanied by local mid-wives.



## Support for the Neglected Elderlies

Dhaka

In Bangladesh, it has traditionally been the responsibility of the family to provide food and shelter for its elderly members. However, due to wide spread poverty and socio-economic changes, exclusion from income generating activities, we find that more and more older people from all sections of society are being neglected or even rejected by their families. Finding no other alternative to maintain their life



expenses, the elderly people from poor families involve them in begging and some even commit suicide. A few homes have been established for the homeless elderly through private initiative. These homes are mostly dependent on various forms of donations for running their operation.

In December 2019, IDLC extended its support to Apon Nibash old home which provides shelter to 65 homeless elderly women. IDLC organized free medical camp for all the residents of Apon Nibash old home and also provided logistical support such as washing machine, iron beds, mattress and blankets for the winter, bed sheets and first aid kit.

## Distributed Warm Clothes Among the Underprivileged

Narayanganj

Winter is one of those season when the less fortunate people of Bangladesh suffer the most. Bangladesh ranked sixth among the world's top 10 countries most affected by extreme weather events in the last 20 years, according to the Global Climate Risk Index by think-tank Germanwatch. In 2017, Bangladesh has experienced its lowest recorded temperature in 50 years as the temperature dropped to 2.6 degree Celsius. In 2018, country's lowest temperature was recorded at 4.5 degrees in Tetulia. Many people have died due to acute respiratory infection, diarrhea and other diseases caused by extreme cold weather.



In 2019, IDLC has distributed warm clothes among 300 poor families in Sonargaon, Narayanganj in cooperation with Bikoshitoh Samaj Kallan Songstha.

IDLC, as part of its continuous efforts to improve lifestyle and living of people of underprivileged communities, donated blankets to 300 families at Sonargaon.

## Installed Water Purification Plant in the South-West Coastal Region

Dacope, Khulna

Bangladesh is widely recognized among the countries which are most vulnerable to contaminated ground water. In the coastal areas of Bangladesh, the deficiency of drinking water is intense as the freshwater aquifers are not available at reasonable depths and the surface water is profoundly saline and turbid. The poor and destitute people cannot bear the cost of water technologies due to the financial crisis, thus the dwellers of that region is forced to drink the impure water.

In 2019, IDLC Finance limited installed a water purification plant with the capacity of 250 LPH in Botbunia Collegiate school located in Satkhira-one of the south-west coastal region of Bangladesh. Saline contamination in the water makes it impossible for the people of the region to have access to safe and pure drinking water. This is the reason why the people there is susceptible to water-borne diseases. Through IDLC's initiative, now the 750 students of Botbunia high school now have access to pure drinking water.



## Multiplying the Happiness of Underprivileged on the Joyous Eve of Bengali New Year

### Savar

On the eve of Boishakh 1426, 2019, IDLC arranged a pre-Boishakh celebration “Anondomela Sharabela” on April 12 at Jahangirnagar University Campus, Savar, in association with IBA-JU Social Welfare Club. More than 200 underprivileged children, enrolled from various education projects of four non-profit organizations - Jaago Foundation, Obhizatrik Foundation, Spreeha Bangladesh Foundation and Tori, greeted the Bengali New Year where they were facilitated by IDLC to raise fund from guests, employees and external parties and they also took part in different activities.

IDLC through this event set an example of fundraising for the underprivileged children by giving an opportunity for development project beneficiaries and potential benevolent benefactors to meet and greet under one roof. Amidst the festive mood, participating organizations highlighted their project activities and demonstrated avenues and areas where funding was required.



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# BEYOND FINANCING

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## IDLC FINANCE LIMITED

Bay's Galleria (1st Floor), 57 Gulshan Avenue, Gulshan -1, Dhaka-1212  
Tel: +88 (02) 8834990 | Facsimile: +88 (02) 8834377 | Contact Center: 16409  
E-mail: [contactcenter@idlc.com](mailto:contactcenter@idlc.com) | Web: [www.idlc.com](http://www.idlc.com)