

**IDLC Finance Limited**  
Statement on Green Banking as of 30/09/2013

| <b>1.1 Policy Formulation and Governance</b>                                  |  |  |                 |   |               |         |   |    |  |
|---|--|--|-----------------|---|---------------|---------|---|----|--|
| 1.1.1   | Formulation and Board/Regional Head approval of Green Banking Policy | Yes                                      | No              | Remarks   |               |         |   |    |  |
|   |  |  |                 | <b>In Process and will be placed for Board Approval shortly</b>   |               |         |   |    |  |
| 1.1.2   | Allocation of Fund in the Budget for Green Banking (in million Taka) | Quarter 1                                | Quarter 2       | Quarter 3   | Quarter 4     | Total   | Remarks                                 |    |  |
|   |  |  |                 |   |               |         | <b>In process; will start from 2014</b> |    |  |
|   |  | Green Finance                            |                 |   |               |         |   |    |  |
|   |  | Climate Risk Fund                        |                 |   |               |         |   |    |  |
|   | Marketing, Training and Capacity Building                            |  |                 |   |               |         |   |    |  |
| 1.1.3   | Utilization of Funds (in million Taka)                               | Quarter 1                                | Quarter 2       | Quarter 3   | Quarter 4     | Total   | Remarks                                 |    |  |
|   |  |  |                 |   |               |         | <b>NA</b>                               |    |  |
|   |  | Green Finance                            |                 |   |               |         |   |    |  |
|   |  | Climate Risk Fund                        |                 |   |               |         |   |    |  |
|   | Marketing, Training and Capacity Building                            |  |                 |   |               |         |   |    |  |
| 1.1.4   | Formation of Green Banking Unit                                      | Yes                                      | No              | Composition (Name, Designation & Deptt.)  |               | Remarks |   |    |  |
|   |  | <b>Yes</b>                               |                 | <b>Ms. Zurat Haque, Manager, CSR</b><br><b>Ms. Rimmi Mozumder, Manager, CRM</b><br><b>Ms. Tabassum Abedin Shenjuti, Manager, ADMN &amp; PR</b><br><b>Mr. Isa Mahmud Shovo, Manager, SFD</b><br><b>Mr. Fuad Hasan Choudhury, Assistant Manager, Supplier Finance</b> |               |         |   |    |  |
| <b>1.2 Incorporation of Environmental Risk in Core Risks Management (CRM)</b> |  |  |                 |   |               |         |   |    |  |
| 1.2.1   | No. of Projects applicable for Environmental Due Dilligence (EDD)    | Quarter 1                                | Quarter 2       | Quarter 3   | Quarter 4     | Total   | Remarks                                 |    |  |
|   |  |  |                 | <b>53</b>   |               |         |   |    |  |
| 1.2.2   | No. of Projects Rated (Environmental Risk Rating-Sanctioned)         | Low                                      |                 | <b>26</b>   |               |         |   |    |  |
|   |  | Moderate                                 |                 | <b>3</b>  |               |         |   |    |  |
|   |  | High                                     |                 | <b>24</b>   |               |         |   |    |  |
|   |  | Total Number (Disbursed)                 |                 |   | <b>37</b>     |         |   |    |  |
| 1.2.3   | Rated Projects financed  | Low                                      |                 | <b>17</b>   |               |         |   |    |  |
|   |  | Moderate                                 |                 | <b>3</b>  |               |         |   |    |  |
|   |  | High                                     |                 | <b>17</b>   |               |         |   |    |  |
|   |  | Total Amount Disbursed (in million Taka) |                 |   | <b>362.59</b> |         |   |    |  |
|   |  | Low                                      |                 |   | <b>225.59</b> |         |   |    |  |
|   |  | Moderate                                 |                 |   | <b>14.00</b>  |         |   |    |  |
|   |  | High                                     |                 |   | <b>123.00</b> |         |   |    |  |
|   |  | Loan classification as of Quarter End    |                 |   |               |         |   |    |  |
|   |  |  |                 | UC (standard)   | SMA           | SS      | DF                                      | BL |  |
|   |  |  | No. of projects | <b>37</b>   | -             | -       | -                                       | -  |  |
|   | Amount(in million taka)  | <b>362.59</b>                            | -               | -   | -             | -       |   |    |  |

**1.3 Initiating In-house Environment Management**

|  |   | Quarter 1         | Quarter 2 | Quarter 3                        | Quarter 4 | Total | Remarks |
|--|---|-------------------|-----------|----------------------------------|-----------|-------|---------|
| 1.3.1                                  | No. of Branches and Booths (Data in each quarter will reflect the cumulative figure)              |                   |           | <b>26 branches;<br/>2 booths</b> |           |       |         |
| 1.3.2                                  | No. of Branches powered by Solar Energy (Data in each quarter will reflect the cumulative figure) |                   |           | 1                                |           |       |         |
| 1.3.3                                  | No. of Booths powered by Solar Energy (Data in each quarter will reflect the cumulative figure)   |                   |           | None                             |           |       |         |
| 1.3.4                                  | Introduction of <b>Green Office Guide</b> or General Instructions                                 | Yes               | No        | Remarks                          |           |       |         |
|  |   |                   |           | <b>In process</b>                |           |       |         |
| 1.3.5                                  | Pin Points of <b>Green Office Guide</b> or General Instructions                                   | <b>In process</b> |           |                                  |           |       |         |
| 1.3.6                                  | Inventory Details   | Quarter 1         | Quarter 2 | Quarter 3                        | Quarter 4 | Total | Remarks |
| Consumption of Water (in million Taka) |   | 0.16              | 0.83      | 0.52                             |           |       |         |
| Consumption of Paper (in million Taka) |   | 0.34              | 0.37      | 0.33                             |           |       |         |
| Energy Consumption (in million Taka)   | Electricity   | 0.21              | 0.29      | 0.32                             |           |       |         |
|  | Gas   |                   |           |                                  |           |       |         |
|  | Fuel  | 1.8               | 1.8       | 1.7                              |           |       |         |
| 1.3.7                                  | Others (Please Specify)   |                   |           |                                  |           |       |         |

#### 1.4 Introducing Green Finance

Amount in million Taka

|     |   | Quarter 1 |        | Quarter 2 |        | Quarter 3 |        | Quarter 4 | Total  |        | Remarks |
|-----|---|-----------|--------|-----------|--------|-----------|--------|-----------|--------|--------|---------|
|     |   | Number    | Amount | Number    | Amount | Number    | Amount | Number    | Number | Amount |         |
| ETP | For Installation of ETP (Amount Disbursed)          |           |        |           |        | -         | -      |           |        |        |         |
|     | Projects financed having ETP(Full amount disbursed) |           |        |           |        | -         | -      |           |        |        |         |

|   |  |  |  |  |      |      |  |  |  |  |
|---|--|--|--|--|------|------|--|--|--|--|
| Bio-gas Plant                                   |  |  |  |  | -    | -    |  |  |  |  |
| Solar Panel/Renewable Energy Plant              |  |  |  |  | 1.00 | 1.50 |  |  |  |  |
| Bio-fertilizer Plant                            |  |  |  |  | -    | -    |  |  |  |  |
| Hybrid Hoffman Kiln (HHK)                       |  |  |  |  | -    | -    |  |  |  |  |
| Others (Please specify)                         |  |  |  |  | -    | -    |  |  |  |  |
| <b>Green Finance at reduce rate of interest</b> |  |  |  |  | -    | -    |  |  |  |  |

**Note:** Please note that we have also raised fund for a tunnel kiln brick project in participation with other FIs. Details of the project is given below. However, the mentioned project has not been incorporated in the prescribed format as we are yet to disburse the fund.

- Name of the project: Tradexcel Auto Bricks Limited (TABL), a concern of Aftab Group
- Nature of Business: Implementation of a Auto and Ceramic Brick project with annual production capacity of 3 crore bricks (1 lac pcs per day).
- Technology to be used: Energy efficient Tunnel Kiln technology
- Total Fund Raised: BDT 330.51 million (including IDCP BDT 38.85 million) and BDT 60 million working capital facility
- IDLC's Participation: BDT 100 million (excluding IDCP)

#### 1.5 Utilization of Climate Risk Fund

|       |   | Quarter 1 | Quarter 2 | Quarter 3    | Quarter 4 | Total | Remarks |
|-------|---|-----------|-----------|--------------|-----------|-------|---------|
| 1.5.1 | Fund for part of CSR activities (event) related to Climate Change (in million Taka)   |           |           | BDT 0.22 Mln |           |       |         |
| 1.5.2 | Fund for part of CSR activities (Project) related to Climate Change (in million Taka) |           |           |              |           |       |         |

#### 1.6 Introducing Green Marketing

|       |   |            |  |  |  |  |  |
|-------|---|------------|--|--|--|--|--|
| 1.6.1 | Introduction of Green Banking Products (Please Specify) | In process |  |  |  |  |  |
|-------|---|------------|--|--|--|--|--|

**1.7 Employee Training, Consumer Awareness and Green Event**

|       |  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total | Remarks  |
|-------|--|-----------|-----------|-----------|-----------|-------|--|
| 1.7.1 | No. of Training Programs/Seminars /Workshops/ Awareness Programs exclusively conducted for Green Banking |           |           |           |           |       | First session to be conducted in December 2013   |
| 1.7.2 | No. of Participants covered  |           |           |           |           |       | 30   |
|       | Employees  |           |           |           |           |       | Senior Manager, Managers and Assistant Managers from Business Units and Credit Risk Management |
|       | Customers  |           |           |           |           |       |  |
| 1.7.3 | Green Events (Please Specify)  |           |           |           |           |       |  |

**1.8 Disclosure of Green Banking Activities**

| Disclosure in  |  | Reflection in Annual Report 2013   |
|--|--|--|
| Annual Report  |  | Reflection in Annual Report 2013   |
| Website  |  | Relection by December 2013   |
| Media  |  | From 2014  |
| Preparation of Independent Green Banking & Sustainability Report | IDLC prepares a separate Sustainability Report following the GRI (Global Reporting Initiative) Guidelines. | Green Banking issues will be covered in the Sustainability Report for 2013 |

**2.1 Sector Specific Environment Policy**

|       |  | Yes        | No | Remarks    |
|-------|--|------------|----|------------|
| 2.1.1 | Formulation of Sector Specific Environment Policy (Under Phase 2) (If yes, please give the pin points in a separate sheet) |            |    | In Process |
| 2.1.2 | Name of the Sectors for which Specific Environment Policy Formulated   | In Process |    |            |

**2.2 Green Strategic Planning**

|       |   | Yes | No | Remarks           |
|-------|---|-----|----|-------------------|
| 2.2.1 | Formulation of Green Strategic Planning (If yes, please describe in a separate sheet) |     |    | <b>In Process</b> |

**2.3 Environment Risk Management Plan**

|       |  | Yes | No | Remarks  |
|-------|--|-----|----|--|
| 2.3.1 | Formulation of Banks Specific Environment Risk Management Plan and Guideline | √   |    | <b>Environmental Risk Management (ERM) Guidelines for Banks and Financial Institutions in Bangladesh issued by Bangladesh Bank in January 2011<br/>Company specific Green Banking Policy is in process and will be placed for Board approval shortly</b> |