

OUR STAKEHOLDERS

VALUE CREATION SCORECARD - STAKEHOLDER VIEW

The table below demonstrates how LBF's integrated strategy is generating positive outcomes for the Company, through its holistic efforts to create stakeholder value.

Stakeholder	Value for the stakeholder	Value for the Company	Outcomes			Managing the outcomes	
			Indicator	2020/21	2019/20		Trend
CUSTOMERS	<ul style="list-style-type: none"> Innovative, efficient, cost-effective financial solutions that meet customers' needs Improved access to markets and financial services including access to information and advice A safe and trustworthy financial services provider 	<ul style="list-style-type: none"> More satisfied customers Enhances LBF's reputation as a trusted financial services institution Increased customer loyalty Higher revenue from existing and new customers 	Growth in customer base (%)	8.81	8.59	▲	<ul style="list-style-type: none"> Ongoing work to stem customer losses; re-shape the customer profile and restore trust and confidence Driving innovation and articulation of a digital strategy to reshape the group
			No. of complaints solved	100%	100%	—	
			No. of financial solutions offered	31	30	▲	
			CIM app downloaded	over 36,000	over 26,000	▲	
EMPLOYEES	<ul style="list-style-type: none"> A robust and challenging work environment where all employees can achieve their full potential Performance-based culture that recognizes and rewards high performance Self-led development and opportunities for career progression 	<ul style="list-style-type: none"> Highly motivated and engaged workforce as a key competitive advantage A dynamic and experienced talent pool equipped to meet current and future needs of the Company 	Employee voluntarism (hours)	5,764	20,131	▼	<ul style="list-style-type: none"> Culture reset Delivering a target culture and new corporate values Implementation of multiple engagement forums Focus on employee turnover
			Total headcount broken down by:				
			- Full time	3,515	3,558	▼	
			- Contract	49	25	▲	
			Female	1,407	1,393	▲	
			Male	2,157	2,190	▼	
Investment on training (Rs. Mn)	4.01	18.56	▼				
SOCIETY	<ul style="list-style-type: none"> Support for economic growth Increased access to, and funding for, education opportunities Lower environmental footprint 	<ul style="list-style-type: none"> Access to new markets Confirms LBF's status quo as a responsible corporate steward 	Total energy use (GJ)	15,418.08	20,538.00	▼	<ul style="list-style-type: none"> Ongoing stakeholder engagements informed by a revised group policy and engagement framework Continuous improvement of corporate governance, compliance and risk management practices Establishment of a group wide sustainability programme
			Carbon emissions (tco2)	3,083.30	4,448.90	▼	
			No. of CSR projects	22	17	▲	
			Invest on CSR (Rs. Mn)	37.29	22.52	▲	
			No. of trees planted at present (50 to 50,000 tree planting programme)	41,083	34,853	▲	
SHAREHOLDERS	<ul style="list-style-type: none"> Sustainable return on investment through attractive dividends Increased earning potential due to the upwards movement in the share price 	<ul style="list-style-type: none"> Strong capital base to fuel growth Public trust in the brand 	Return on equity (%)	26.58	25.04	▲	<ul style="list-style-type: none"> New strategy and medium term performance targets alongside a focused separation programme Amended remuneration approach to address shareholder concerns
			Return on assets (%)	4.78	3.70	▲	
			Debt to equity (Times)	3.74	5.01	▼	
			Cost-to-income ratio (%)	30.56	33.44	▼	
REGULATORS AND BUSINESS PARTNERS	<ul style="list-style-type: none"> Fair and ethical engagement when dealing with the Company Contribution towards the overall stability of the Country's financial system 	<ul style="list-style-type: none"> Sound corporate values, high ethical standards, market integrity and good conduct practices Sustainable operations 	Employees completing no. of training on compliance	2	3	▼	<ul style="list-style-type: none"> Continued engagement with regulators across all presence countries with a focus on the separation Ongoing engagement/contribution to legislative developments
			Fine or charge against non-compliance	None	None	—	



▲ Increase ▼ Decrease — Neutral

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VALUE CREATION STAKEHOLDER SCORECARD – SIX CAPITAL VIEW

Capitals	Stakeholders	Key indicators of capital management	Unit	Outcome on the capital		Trend
				2020/21	2019/20	
 FINANCIAL CAPITAL	Shareholders Lenders Employees (Management KMPs)	Income growth	%	(4.67)	6.64	↓
		PAT growth	%	31.15	2.62	↑
		Assets growth	%	(2.35)	5.55	↓
		Market price per share	Rs.	*47.40	120.50	↑
		Dividend yield	%	23.24	-	—
		Market capitalization	Rs. Mn	26,262	16,691	↑
		Dividend per share	Rs.	7.00	-	↑
 MANUFACTURED CAPITAL	Shareholders Employees (Management KMPs)	Branches in Myanmar	number	12	8	↑
		Profit per outlet	Rs. Mn	40.25	31.44	↑
		Income per outlet	Rs. Mn	184.75	180.40	↑
		Gold loan centre converted to branches	number	18	-	↑
		Freehold land and building	Rs. Mn	181.79	230.13	↓
 HUMAN CAPITAL	Employees	Investment on training and developments	Rs. Mn	4.01	18.56	↓
		No. of promotions		1,237	854	↑
		Remuneration and benefit paid	Rs. Mn	2,959.82	3,005.18	↓
 INTELLECTUAL CAPITAL	Customers	Investment on software development	Rs. Mn	0.65	17.84	↓
		Re-certification of 27001:2013		Done	Done	—
		Investment of IT	Rs. Mn	46.40	115.65	↓

*Price per share represents the share price after the share sub-division.

Capitals	Stakeholders	Key indicators of capital management	Unit	Outcome on the capital		Trend
				2020/21	2019/20	
 SOCIAL CAPITAL	Employees Regulators Community	Projects to uplift the communities wellbeing	number	22	17	↑
		Taxes paid to government	Rs. Mn	3,968.85	6,824.68	↓
		Corporate social investment	number	37.29	22.52	↑
		Economic value distributed	Rs. Mn	29,766.12	31,222.86	↓
		 NATURAL CAPITAL	Community Employees	No. of trees planted at present (50 to 50,000 tree planting programme)	number	41,083
Paper recycle	Kg			3,986	5,501	↓
Energy consumption	GJ			15,418	20,538	↓
Carbon footprint	tco2e			3,110	4,484	↓

↑ Increase ↓ Decrease — Neutral

