



SUSTAINABILITY REPORTING

MESSAGE FROM THE MANAGING DIRECTOR & CEO ON SUSTAINABILITY

At Dhaka Bank PLC, we firmly believe that sustainability is not merely a choice—it is an imperative. In an evolving global landscape marked by environmental urgency and social transformation, our commitment to sustainable development is deeply rooted in the values we uphold and the responsibilities we embrace.

We are steadfast in our pursuit of responsible banking practices that align long-term profitability with environmental stewardship and social impact. By embedding sustainability into our core business strategy, we aim to anticipate and manage emerging risks, drive innovation, and create enduring value for all our stakeholders.

Dhaka Bank continues to prioritise green banking, sustainable financing, and ethical business conduct. We actively finance environmentally responsible ventures, promote energy-efficient technologies, and support climate-smart agriculture. These initiatives are central to our role in building a greener, more resilient economy and supporting Bangladesh's transition to low-carbon growth.

In alignment with the Bangladesh Bank's sustainable finance guidelines, we have developed a robust Environmental and Social Risk Management (ESRM) framework, incorporating an Environmental Risk Rating (EnvRR) system into our credit appraisal process. Internally, we are reducing our ecological footprint by minimising paper usage and adopting resource-efficient practices across branches and operations. Our sustainability agenda is also shaped by our

commitment to the United Nations Sustainable Development Goals (SDGs). Dhaka Bank is expanding its portfolio of green financing, including investments in renewable energy, waste management, and energy-efficient infrastructure. We are also actively participating in the Green Technology Financing Scheme, supporting businesses in adopting clean technologies and reducing carbon emissions.

Beyond banking, our Corporate Social Responsibility (CSR) efforts reflect a deep commitment to social equity and community well-being. From education and healthcare to disaster resilience and environmental awareness, our initiatives are designed to uplift communities and promote inclusive development. We believe that good governance, ethical leadership, and an engaged workforce are foundational to delivering sustainable impact.

Sustainability, for us, is both a moral imperative and a strategic advantage. By integrating ESG principles into our operations, we mitigate long-term risks, foster stakeholder trust, and contribute meaningfully to national and global development agendas. Our journey is ongoing—and we remain resolute in our vision to build a better, brighter, and more sustainable future for generations to come.

Sd/-

Sheikh Mohammad Maroof
Managing Director & CEO



Elements of Sustainability Reporting

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Introduction

Sustainable finance is increasingly shaping the future of economic development, particularly in South Asia, a region experiencing rapid growth alongside significant climate, social, and economic challenges. As a leading financial institution in Bangladesh, we recognize our role in channeling capital toward sustainable initiatives that promote long-term economic stability, environmental resilience, and social equity.

South Asia faces mounting climate vulnerabilities, resource constraints, and socioeconomic disparities that demand urgent financial solutions. Bangladesh, in particular, is among the world's most climate-vulnerable nations, experiencing rising sea levels, extreme weather events, and environmental degradation. Additionally, rapid urbanization, income inequality, and limited access to finance for marginalized communities present ongoing challenges. Addressing these issues requires a shift toward responsible banking, with a strong focus on green investments, financial inclusion, and ethical governance.

The financial sector plays a crucial role in driving sustainability-focused economic transformation. By integrating Environmental, Social, and Governance (ESG) principles into financial decision-making, banks can support industries and projects that align with the Sustainable Development Goals (SDGs). Investments in renewable energy, climate-resilient infrastructure, SME financing, and gender-inclusive economic policies are essential to creating a balanced, equitable, and sustainable economy.

Aligned with national policies, global sustainability frameworks, and regulatory guidelines, Dhaka Bank PLC. is committed to embedding sustainability core operations. This report highlights our sustainable finance initiatives, impact-driven projects, and future commitments, reinforcing our dedication to shaping a resilient, responsible, and inclusive financial ecosystem.



SUSTAINABILITY OF BANKING

Key Highlights 2024

Education

Dhaka Bank PLC. allocated approximately BDT 8.46 million for direct scholarships and the enhancement of educational infrastructure, with a special emphasis on supporting educational expenses.

Health

Approximately BDT 1.20 million was allocated by Dhaka Bank PLC. to assist impoverished and needy patients

Disaster Management

A total of BDT 118.53 million was provided as financial aid to support impoverished and distressed individuals in flood-affected regions.

Sports

Dhaka Bank PLC. contributed BDT 18.50 million to support the advancement of the Women's Football Team.

SME Financing

A sum of BDT 3,171.54 million was disbursed for SME Financing.

Agri-Loans Financing

Approximately BDT 8,720.87 million was disbursed as Agricultural loans.

Women Entrepreneur Financing

An amount of BDT 1,362.0 million was extended to support Women Entrepreneurs.

Green Finance Disbursement

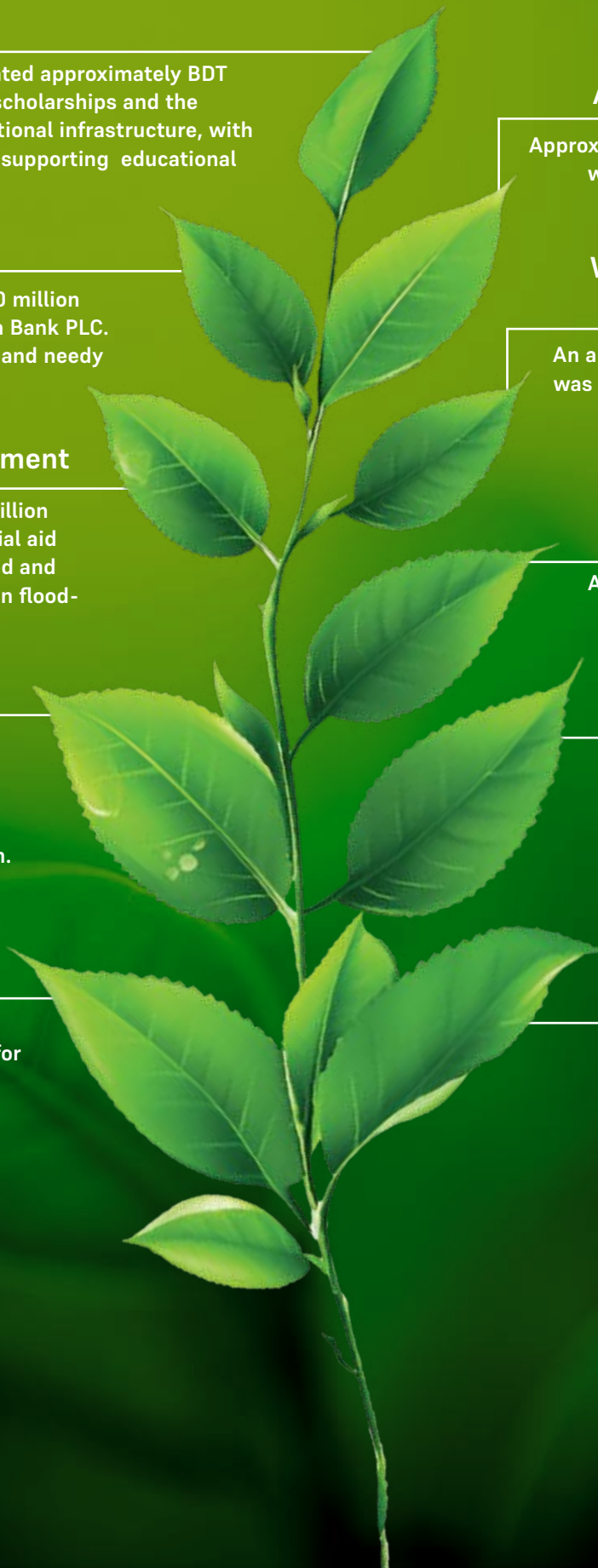
A sum of BDT 2,104.25 million was disbursed for Green Financing.

Digital Banking

Dhaka Bank Go Plus app facilitated 1,332,385 transactions, while Internet Banking facilitated 81,117 transactions.

Eco-Based Banking

1,254,722 E-statements were delivered to customers via email.



SUSTAINABLE FINANCE

Over the past decade, sustainability has become a central focus in the financial industry. It encompasses ecological, social, and economic dimensions, acknowledging that long-term success depends on balancing all three. Sustainability is no longer just an ideology—it is now seen as a process, a scientific objective, and a core principle guiding responsible business practices. As the world moves toward net-zero emissions and greener business models, the banking sector has also felt the impact of this global shift. For financial institutions, demonstrating a genuine commitment to sustainability is essential—not just in words but in action.

The concept gained widespread recognition in 2015 when the United Nations introduced the Sustainable Development Goals (SDGs). The role of banks in achieving these goals is vital, as financial institutions play a key role in shaping economic activities. Banks provide the capital that fuels industries—whether large-scale fossil fuel companies or innovative renewable energy startups. Their lending and investment decisions influence economic trends and shape the sustainability landscape. This has given rise to “sustainable banking,” which integrates environmental, social, and governance (ESG) considerations into banking operations and decision-making.

In an era of increasing environmental consciousness, banks that prioritize sustainability can enhance their reputation and credibility. Investors, too, are placing greater emphasis on climate-related risks, compelling banks to take meaningful steps toward sustainability. The more a bank demonstrates its dedication to addressing climate concerns, the more attractive it becomes to investors, clients, and business partners. Moreover, the growing demand for sustainable banking products and services—particularly among younger generations—

has further reinforced the importance of adopting green banking strategies.

Government policies and regulatory frameworks are also shaping the financial sector’s sustainability journey. Following the Paris Agreement, regulatory authorities worldwide, including central banks, have emphasized the need for climate-conscious financial markets. In Bangladesh, where climate vulnerability is a pressing concern, sustainability holds significant importance. The country was among the first to sign the Paris Climate Change Agreement in 2016, highlighting its commitment to environmental protection. As a key player in the financial sector, Dhaka Bank PLC. carries the responsibility of supporting sustainable development and mitigating environmental risks.

Bangladesh has been a pioneer in green banking within South Asia. The country’s central bank, Bangladesh Bank (BB), initiated green banking activities in 2009 and introduced official guidelines in 2011. To further accelerate sustainable growth, BB established the Green Transformation Fund (GTF) in 2016, initially targeting the export-oriented textile and leather industries. In 2017, the initiative expanded to include jute product manufacturing, reinforcing the nation’s green economic transition.

Dhaka Bank PLC has been at the forefront of implementing Bangladesh Bank’s green banking principles. Since their introduction, the bank has consistently taken proactive steps to integrate sustainability into its operations. Through various initiatives and strategic actions, Dhaka Bank PLC has emerged as a leader in sustainable finance and green banking within the industry. With an unwavering commitment to responsible banking, Dhaka Bank PLC. continues to embed sustainability into its core business strategy, striving to be a green bank while fulfilling its environmental and social responsibilities.

DHAKA BANK PLC. & ITS SUSTAINABILITY FRAMEWORK

Dhaka Bank PLC. a leading commercial bank in Bangladesh, has embedded sustainability at the core of its business strategy and operations, earning recognition as one of the country's most sustainable banks.

Environmental sustainability is a key pillar of Dhaka Bank PLC's commitment to responsible banking. The bank has implemented various initiatives to minimize its environmental footprint and promote eco-friendly practices. For instance, solar panels have been installed at the Head Office in Gulshan, with plans to expand this initiative to select branches to reduce energy consumption and lower greenhouse gas emissions. Additionally, the bank actively fosters a culture of sustainability among employees by encouraging practices such as reducing paper usage and conserving energy in the workplace.

Beyond its environmental efforts, Dhaka Bank is equally committed to social sustainability. The bank has introduced several initiatives to support education, healthcare, and community welfare. It provides financial assistance to underprivileged students to ensure access to education and contributes to improving healthcare facilities in rural areas.

In accordance with the directive issued by the Sustainable Finance Department of Bangladesh Bank on December 2, 2016, all banks and financial institutions were required to establish a Sustainable Finance Unit (SFU) under the supervision of the head of credit risk management. In compliance, Dhaka Bank PLC set up its SFU with approval from the Risk Management Committee of the Board of Directors. The SFU operates under the leadership of the head of the credit risk management division, in alignment with Bangladesh Bank's guidelines. Additionally, the Sustainable Finance Committee (SFC), chaired by a Senior Deputy Managing Director of the bank, was formed by the Risk Management Committee to oversee the SFU's operations and ensure compliance with regulatory requirements.

On October 11, 2020, Dhaka Bank PLC. instructed all its branches to establish a dedicated Sustainable Finance Help Desk, assigning at least one branch official to manage sustainability-related matters. Furthermore, in line with Bangladesh Bank's Green Banking Principles introduced in 2011, the bank had previously established a Green Banking Unit. The Risk Management Committee of the Board of Directors remains the highest authority overseeing all sustainability initiatives undertaken by the bank.

ORGANOGRAM OF SUSTAINABLE FINANCE UNIT





OUR SUSTAINABLE AGENDA

Dhaka Bank PLC, a leading commercial bank in Bangladesh, is deeply committed to sustainability, integrating it into its core business strategy and operations. Recognized as one of the most sustainable banks in the country, Dhaka Bank PLC continuously works to minimize its environmental impact while promoting social well-being.

Environmental sustainability is a key focus for the bank. It has taken proactive steps to reduce its carbon footprint, including installing solar panels at its Head Office in Gulshan, with plans to extend this initiative to select branches. These efforts aim to lower energy consumption and greenhouse gas emissions. Additionally, the bank encourages employees to adopt eco-friendly practices, such as minimizing paper use and conserving energy in the workplace.

Beyond its environmental initiatives, Dhaka Bank PLC is committed to fostering social sustainability. The

bank actively supports education, healthcare, and social welfare programs in the communities it serves. By providing financial aid to underprivileged students and contributions to healthcare improvements in rural areas, Dhaka Bank PLC is making a meaningful impact on society.

At the core of Dhaka Bank PLC's sustainability efforts is its commitment to responsible banking. It recognizes the role of financial institutions in driving sustainable development and integrates these principles into its strategic vision. Acknowledged by organizations like Bangladesh Bank and the Global Reporting Initiative, the bank's dedication to sustainability is widely recognized.

By prioritizing both environmental and social sustainability, Dhaka Bank PLC is playing a vital role in building a greener and more equitable future for Bangladesh and beyond.



A SOCIALLY RESPONSIBLE BANK

Dhaka Bank PLC. is a leading commercial bank in Bangladesh, recognized for its strong governance, ethical business practices, and commitment to responsible banking. The bank upholds high ethical standards while striving to operate sustainably and transparently.

A cornerstone of Dhaka Bank PLC.'s governance framework is its dedication to transparency and accountability. The bank ensures that all stakeholders have access to reliable and timely information regarding its financial performance, operations, and strategic decisions. Regular disclosures—such as financial and annual reports—demonstrate its commitment to openness, particularly concerning sustainability and corporate social responsibility (CSR) initiatives.

What sets Dhaka Bank PLC. apart is its human-centered approach to banking. The bank values its customers and aims to provide a seamless and personalized banking experience. By fostering strong client relationships and offering tailored financial solutions, Dhaka Bank PLC. ensures that its customers receive exceptional service. This customer-first mindset is further strengthened by a team of skilled professionals who are dedicated to upholding high service standards. To maintain excellence, the bank also prioritizes the continuous training and professional development of its employees.

Beyond banking, Dhaka Bank PLC. remains deeply engaged with the community. It actively supports initiatives in education, healthcare, and environmental

sustainability. From financial aid for underprivileged students to contributing to healthcare advancements and promoting eco-friendly practices, the bank plays a crucial role in driving positive social change.

Integrity and ethical conduct are at the heart of Dhaka Bank PLC.'s operations. The bank has implemented a robust code of ethics that guides employees in upholding principles of fairness, honesty, and compliance with legal and regulatory standards. It enforces a strict zero-tolerance policy against corruption and unethical behavior, ensuring that its business practices align with the highest standards of integrity.

Sustainability is another pillar of Dhaka Bank PLC.'s long-term vision. The bank actively supports environmentally and socially responsible initiatives, such as promoting renewable energy, minimizing waste and emissions, and fostering financial inclusion. By integrating sustainability into its core strategy, Dhaka Bank PLC. is not only driving economic growth but also contributing to a more sustainable future for Bangladesh.

Through its unwavering commitment to good governance, ethical banking, and social responsibility, Dhaka Bank PLC. continues to set an example for responsible business practices. By prioritizing transparency, sustainability, and customer-centricity, the bank creates lasting value for its stakeholders while contributing to a more equitable and prosperous society.



SUSTAINABILITY STRATEGY WITH MEASURABLE OBJECTIVES

Sustainability Strategy 2024

Vision Statement

Our goal is to be an industry leader in sustainability, making a positive impact on the environment, society, and our business.

Key Pillars

Environmental Stewardship

Reduce our environmental impact while enhancing resource efficiency.

Social Responsibility

Promote an environment of belonging, equity, and active community involvement.

Economic Resilience

Foster innovation and enhance efficiency to generate lasting value for stakeholders.

Measurable Objectives

1. Environmental Stewardship

- Implement energy efficiency measures and Transition to renewable energy sources to cut greenhouse gas emissions.
- Minimize water usage through conservation strategies and enhanced infrastructure.
- Achieve zero waste to landfill by maximizing recycling, composting, and waste reduction efforts.

2. Social Responsibility

- Implement targeted recruitment strategies and diversity training programs to foster a more inclusive workforce.
- Establish a volunteer initiative that encourages employees to engage in community projects and support charitable organizations.

- Uphold ethical sourcing standards by ensuring all suppliers comply with our sustainability criteria by year-end.

3. Economic Resilience

- Allocate resources to research and development for sustainable innovations, targeting the launch of three new eco-friendly product lines by year-end.
- Enhance operational energy efficiency by minimizing energy consumption.
- Boost revenue through the expansion of sustainable products and services.

Implementation Plan

- Form dedicated cross-functional sustainability teams to oversee and drive initiatives within each strategic pillar.
- Conduct periodic audits and evaluations to measure progress, pinpoint gaps, and refine sustainability efforts.
- Implement ongoing training programs and internal communications to enhance employee awareness and engagement with sustainability goals.
- Partner with external stakeholders—including suppliers, customers, and community groups—to amplify collective impact and drive meaningful, long-term change.

Monitoring and Reporting

- Establish a robust reporting framework to ensure transparent communication of sustainability progress to stakeholders.
- Release an annual sustainability report outlining key performance metrics, achievements, challenges, and future objectives.
- Gather stakeholder feedback regularly to refine the sustainability approach, staying aligned with evolving expectations and industry best practices.

ACTIVITIES AND WORKERS

Activities and Market served

Dhaka Bank PLC. is a prominent financial institution operating within the banking sector, offering a broad array of financial products and services. We play a vital role in the economic infrastructure by serving individuals, businesses, and governmental entities with essential financial solutions. Our network spans across 35 districts, with 116 Branches, 3 SME Centers, 33 Sub-Branches, 85 ATMs, 08 Automated Deposit Machine (ADM), 12 Cash Recycler Machine (CRM) and 1 Collection Booth. Below is a summary of our core activities:

- a) **Deposit Mobilization:** We collect funds from individuals, corporations, and government bodies through various deposit accounts, including savings, current, and fixed deposit accounts. These deposits serve as the primary source of capital for us to extend loans and credit facilities.
- b) **Lending and Credit Services:** Our bank provides an extensive range of loan products to individuals and enterprises, including personal, business, agricultural, housing, and microfinance loans. Additionally, we offer credit facilities such as overdrafts, letters of credit, and bills of exchange to meet the diverse financing needs of our clients.
- c) **Transaction Services:** We facilitate seamless payment processing for our customers, enabling them to transfer funds across accounts and institutions. Our offerings include traditional payment methods like checks and wire transfers, as well as electronic platforms such as Automated Clearing House (ACH) and Real-Time Gross Settlement (RTGS).
- d) **Investment and Wealth Management:** Through our subsidiaries, Dhaka Bank PLC. Investment and Dhaka Bank PLC. Securities, we offer comprehensive investment advisory and wealth management services. We offer tailored investment strategies, portfolio management, and a wide range of financial instruments, including mutual funds, stocks, and bonds, to help clients meet their financial objectives.
- e) **Currency Exchange and Global Transactions:** We support our clients in managing international transactions by providing foreign exchange services. We facilitate the exchange of currencies and assist customers in mitigating risks related to foreign exchange fluctuations.
- f) **Card Services:** We issue both credit and debit cards, offering our customers a secure and convenient way to make purchases and access cash via ATMs. These cards provide a flexible and efficient means of managing finances.
- g) **Clearing and Settlement Services:** We engage in interbank clearing and settlement operations to process financial transactions between banks. Our services include payment settlements, check clearances, and account reconciliations, ensuring smooth financial transactions across the banking network.
- h) **Offshore Banking Services:** Our Offshore Banking Unit (OBU) operates in compliance with the regulatory framework of Bangladesh Bank. This unit handles deposits and loans in foreign currencies, primarily for non-residents and wholly foreign-owned entities in Export Processing Zones (EPZs). It also offers long-term financing for industrial units both inside and outside the EPZs, and provides trade finance solutions such as bill discounting and financing against usance letters of credit, in accordance with Bangladesh Bank's guidelines.
- i) **Shariah-Compliant Banking:** The Bank runs two specialized branches dedicated to Islamic Banking, operating strictly in accordance with Islamic law (Shariah). An exclusive division ensures that all Islamic Banking operations are compliant with Shariah principles and relevant regulatory requirements.

Supply Chain

Dhaka Bank PLC's supply chain is vital to its value chain, enabling it to acquire funds to lend and provide banking services. The bank sources funds through retail deposits and borrowing from financial institutions. Retail operations include savings, current, and fixed deposit accounts, offering a stable funding source. Additionally, the bank collaborates with other financial institutions to access larger funding pools, essential for serving corporate clients.

Once funds are secured, Dhaka Bank PLC. deploys them through loans like personal, auto, home, and corporate loans, generating interest income as a primary revenue source.

Downstream Entities

Dhaka Bank PLC. interacts with various downstream entities in its operations. These entities play a crucial role in the country's financial system, promoting economic growth and financial stability. The primary downstream entities for Dhaka Bank PLC. are as follows:

1. **Individual and Business Customers:** The bank offers deposit accounts, loans, and credit cards, supporting their financial needs and overall economic activity.
2. **Merchants:** Our payment processing services enable merchants to accept card payments, thereby promoting financial inclusion.
3. **Suppliers:** Trade financing services ensure suppliers receive payments, fostering economic activity.
4. **Government:** Financial services, including tax and payment processing, support government operations and stability.
5. **Regulators:** Oversight by Bangladesh Bank and other agencies ensures stability, customer protection, and financial integrity.
6. **Microfinance Institutions:** Partnerships extend financial services to underserved areas, boosting financial inclusion and economic growth.



Instant Account Opening App

DHAKA BANK PLC.'S ACTIVITIES AND RESOURCE UTILIZATION: A FRAMEWORK FOR ASSESSMENT

Resources

- **Financial Resources:** Deposits, equity capital, loan portfolio, liquidity.
- **Human Resources:** Skilled employees across various departments including lending, operations, customer service, Special Assets, Central Accounts, Engineering, General Services.
- **Technological Resources:** Core Banking System (CBS), internet banking platform, mobile banking app, ATMs, IT, MIS.

Capabilities

- **Risk Management:** Processes to assess and mitigate credit, operational, and market risks.
- **Compliance:** Adherence to banking regulations and anti-money laundering (AML) laws.
- **Customer Service:** Providing efficient and timely assistance to clients.

Assessment Framework

1. Activity Analysis:

- Assess the profitability and market share of each business activity (retail, corporate, SME, Islamic banking, Agri).
- Analyze the efficiency of operations for each activity (e.g., loan processing time, account opening time).

Evaluate customer satisfaction with each service offered.

2. Resource Management:

- Analyze the bank's capital adequacy ratio to assess its capacity to handle potential losses.
- Evaluate the efficiency of human resource utilization (e.g., employee productivity, training programs).
- Assess the effectiveness of the bank's technological infrastructure (uptime, security measures).

a. Capability Evaluation:

- Analyze the effectiveness of the bank's risk management framework through stress testing and historical data analysis.
- Evaluate the bank's compliance record with regulatory bodies.
- Assess customer feedback regarding the quality of service provided.
- Data Capture Methods.
- Financial Statements: Analyze income statements, balance sheets, and cash flow statements to understand financial performance.
- Management Reports: Review internal reports on operational metrics, customer satisfaction surveys, and risk management assessments.
- Customer Relationship Management (CRM) Systems: Analyze customer data to understand their banking behavior and preferences.
- Benchmarking: Compare Dhaka Bank PLC. performance metrics with industry standards and competitors.

Benefits of a Thorough Assessment

- Identify areas for improvement in profitability, efficiency, and customer service.
- Make informed decisions regarding resource allocation and strategic initiatives.
- Mitigate potential risks and ensure regulatory compliance.

Additional Considerations

- External factors: Impact of the global and domestic economic environment, interest rate fluctuations, and competition.
- Future trends: Technological advancements in the banking sector, evolving customer demands, and regulatory changes.

DHAKA BANK PLC.'S STRATEGY ON MARKET DEVELOPMENT, PRODUCT AND SERVICE DEVELOPMENT

Developing a strong organizational strategy requires thoughtful planning across market expansion, product innovation, and service improvement. Here's a structured approach to navigate each element effectively:

Expanding Market Reach

- **In-Depth Market Analysis** – Assess customer behaviors, industry shifts, and emerging demands to uncover new opportunities.
- **Target Audience Profiling** – Identify and prioritize customer groups based on needs, purchasing habits, and potential engagement levels.
- **Entry and Growth Tactics** – Choose the right approach for market entry, whether through organic scaling, collaborations, acquisitions, or strategic alliances.
- **Regional and Global Outreach** – Explore new geographic regions and assess their viability for expansion.
- **Optimized Distribution Networks** – Develop efficient sales and delivery systems to ensure seamless customer access.
- **Brand Awareness and Engagement** – Design impactful marketing initiatives to enhance visibility, generate interest, and convert leads into loyal customers.
- **Long-Term Customer Connections** – Foster lasting relationships through tailored interactions, customer-centric services, and value-driven engagement strategies.

Product and Service Development Strategy

- **Customer Insights**: Continuously gather and analyze customer feedback to understand emerging needs, preferences, and pain points.
- **Encouraging Innovation**: Build a workplace culture that actively encourages creative problem-solving and idea generation from all team members.
- **Investment in R&D**: Dedicate resources to research and development to both enhance existing offerings and introduce new products.

- **End-to-End Product Management**: Oversee products from their conception to their phase-out, ensuring they remain relevant, profitable, and competitive.
- **Strategic Collaborations**: Engage with partners, suppliers, and other key stakeholders to co-develop cutting-edge products and services.
- **Adaptable Development Process**: Implement flexible, agile practices to rapidly prototype, test, and refine products in response to evolving market demands.
- **Commitment to Quality**: Uphold rigorous quality control measures throughout the entire development process to meet both customer expectations and regulatory standards.
- **Ethical Innovation**: Prioritize sustainability and corporate responsibility in the development of products and services, aligning with the values of conscious consumers.

Integration of Market and Product/Service Development

- **Market-Centric Focus**: Prioritize product and service development based on a deep understanding of market demands and emerging trends.
- **Continuous Improvement**: Implement a continuous feedback loop from the market, iterating on products and services to enhance their relevance and performance.
- **Interdepartmental Synergy**: Promote seamless collaboration across departments like sales, R&D, and marketing to ensure product development aligns with both market needs and organizational objectives.
- **Agility in Execution**: Cultivate an agile mindset that allows quick adaptation to evolving market conditions, customer expectations, and competitive dynamics.

By developing a comprehensive strategy that addresses both market development and product/service development, organizations can position themselves for sustainable growth and competitive advantage. Regular evaluation and adjustment of the strategy based on market feedback and performance metrics are essential to staying responsive to evolving market dynamics.

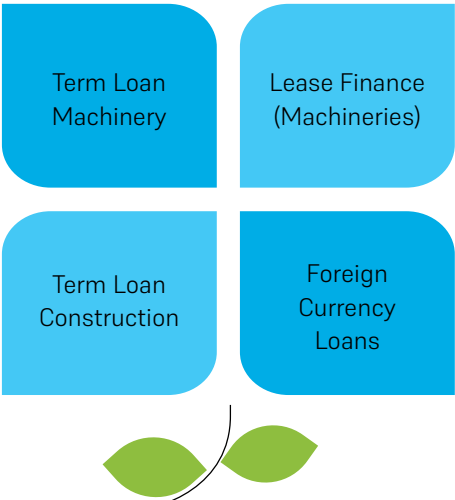
PRODUCTS AND SERVICES

Corporate Banking Products:

a) Project Finance (Long, MID & Short Term)

Project financing is an innovative and timely financing technique for large-scale corporate projects. It includes understanding the rationale for project financing, preparing the financial plan, assessing the risks, designing the financing mix, and raising funds.

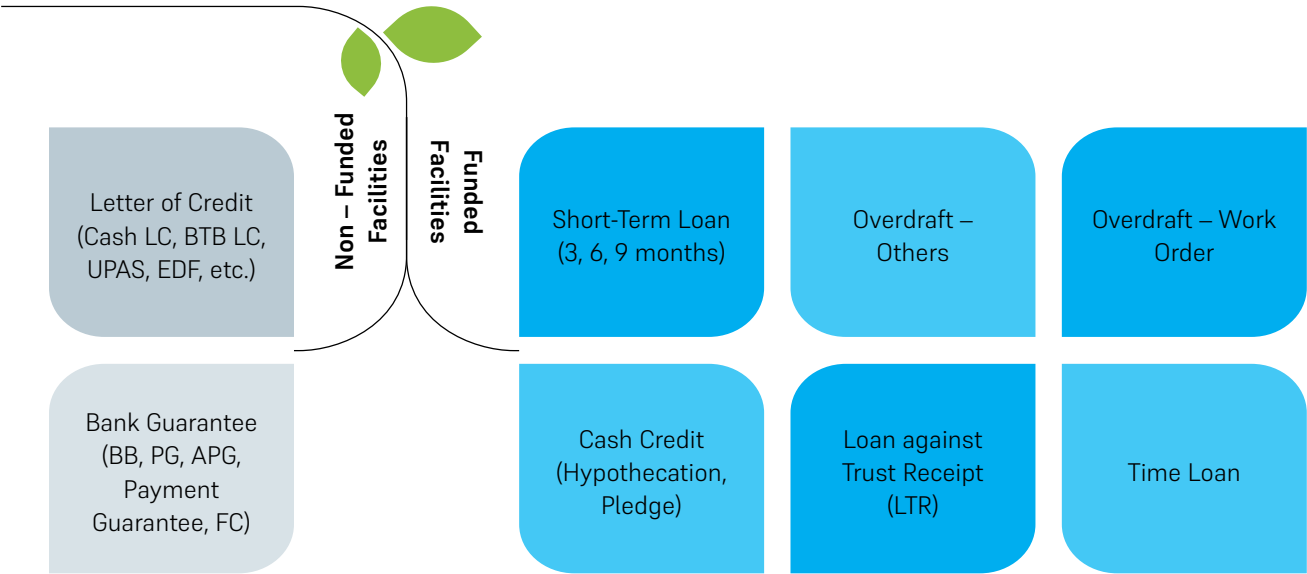
Dhaka Bank PLC. offers a full range of products and services to entrepreneurs implementing a project, including structuring modes of financing, mitigating different risks, and providing advisory services for successful project implementation.



Products offered under Project Finance –

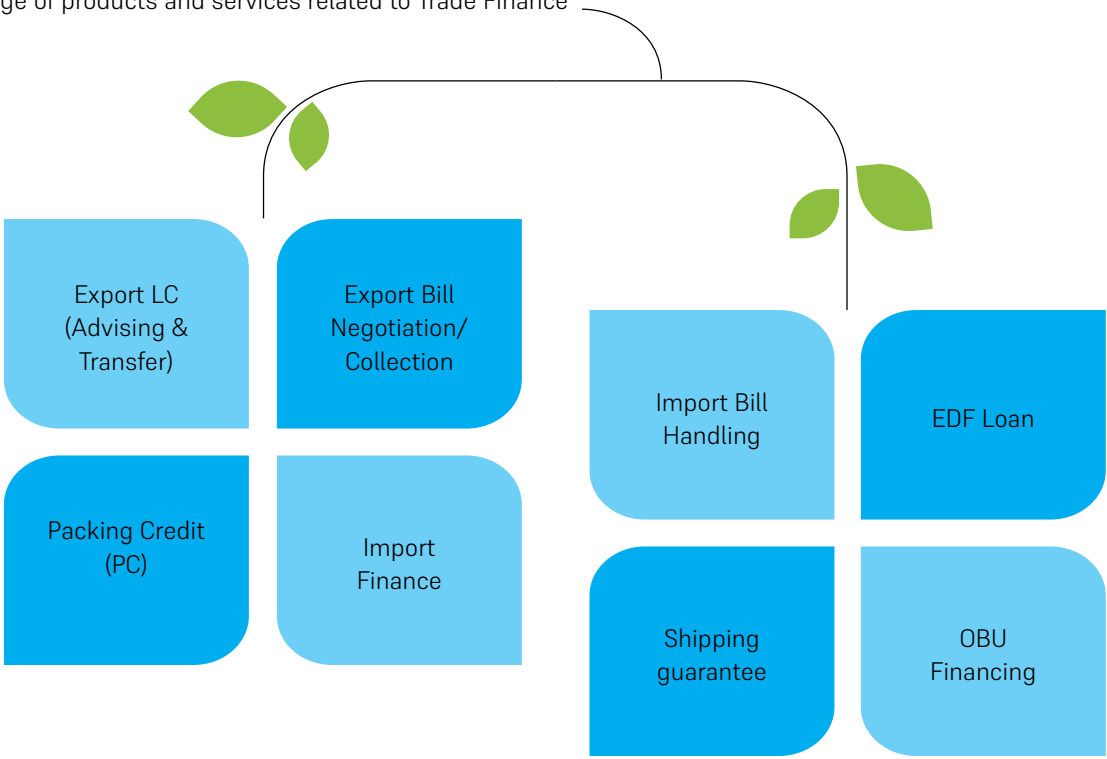
b) Working Capital Finance

Working capital is the lifeblood of any new or expanding business. Dhaka Bank PLC.s working capital financing includes all sorts of facilities for every sector of businesses and industries. Our working capital financing solutions are categorized based on the nature of the facilities –

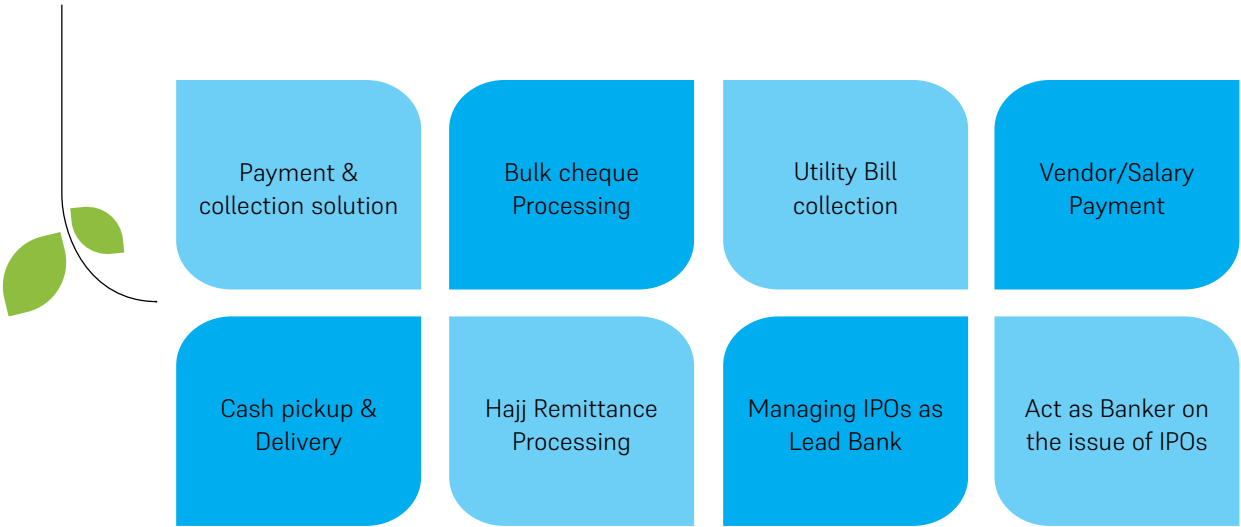


c) Trade Finance

Ever since “Business” has become a matter beyond geographical boundaries, Foreign Trade has been introduced as a major wing of modern banking. To support the businesses of our customers, we have made a strong base for offering a wide range of products and services related to Trade Finance



d) Cash Management Solutions



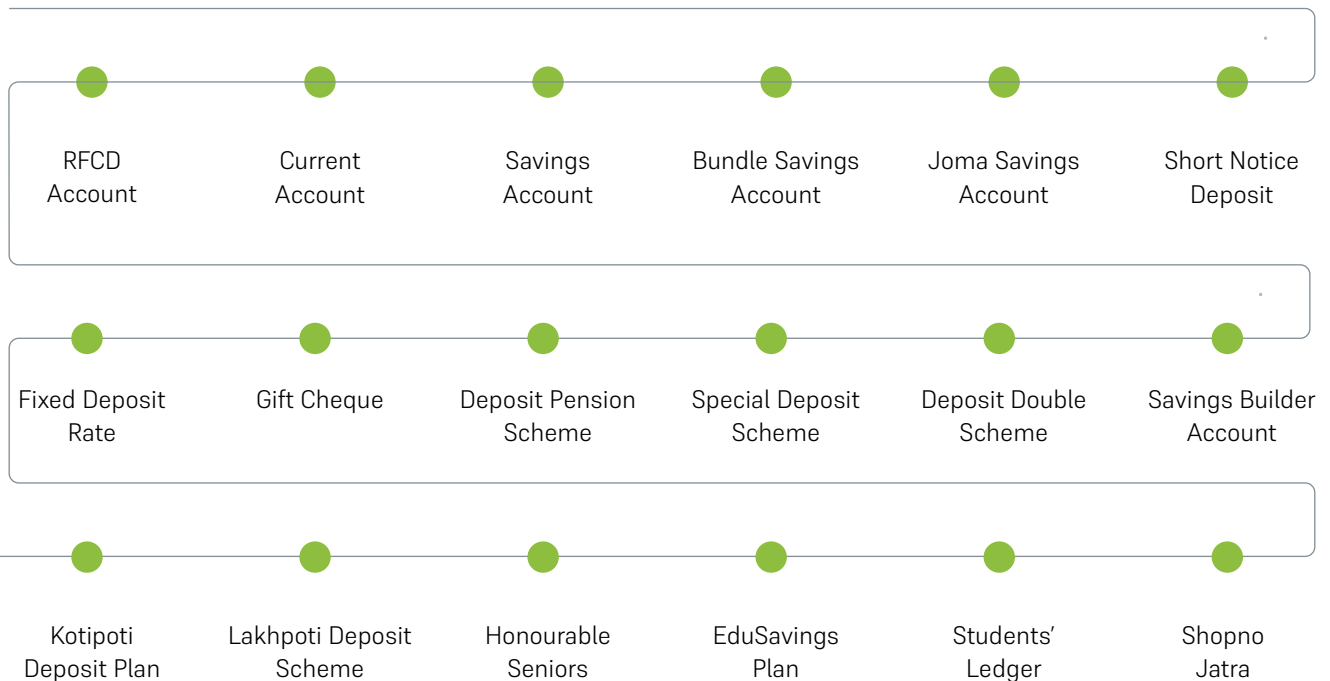
Dhaka Bank inaugurated Co-Branded Debit Card for WeGro farmers



Dhaka Bank PLC. and Visa were present for the inauguration the Co-Branded debit card for WeGro farmers. With this card, WeGro farmers can access their Dhaka Bank PLC. loans and purchase essential inputs such as seeds, fertilizers, etc. from the input centres around them. This card is a milestone towards the digitalization of financial services for farmers in Bangladesh, especially in rural areas where farmers are doing cashless transactions.

Retail Banking Products

Deposit Products



Loans and Advance Products



Dhaka Bank PLC. Introduced Co-Branded Mastercard with Syngenta Bangladesh Ltd.



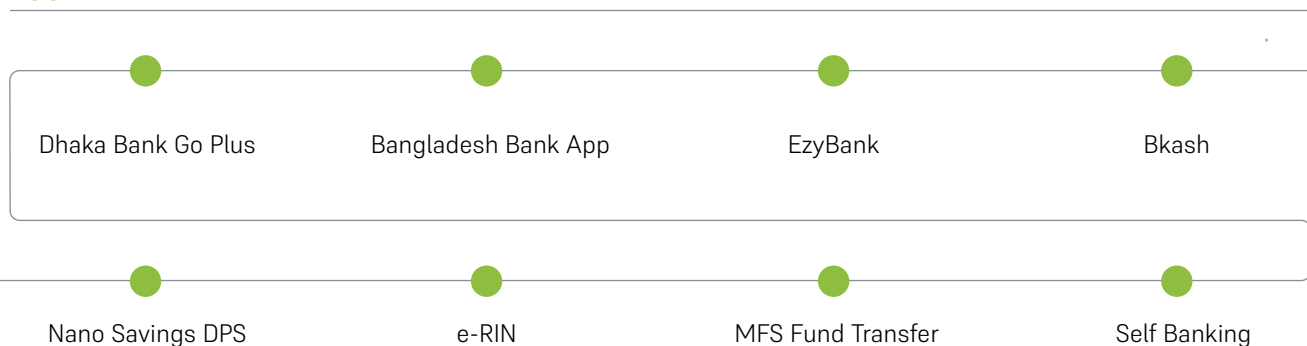
Dhaka Bank PLC. and Syngenta Bangladesh Limited officially launched a co-branded Mastercard designed to provide unique financial solutions tailored to the agricultural sector. The event was graced by the presence of Paul Luxton, Head of Asia at Syngenta. Mr. Hedayet Ullah, Managing Director, Syngenta, Mr. H.M. Mostafizur Rahaman, Senior Executive Vice President & Head, Retail Business Division, Dhaka Bank PLC. and Mr. Md. Katebur Rahman, Executive Vice President & Head, Agriculture Banking Unit of Dhaka Bank PLC. along with Mr. Jubaer Hossain, Lead - Merchant & Commerce, Mastercard were present in the occasion.

MSME Business

- **Distributor Finance (DF):** Distributor finance is a kind of financing that benefits both the distributors and manufacturers/ corporate sellers. It commonly refers to a mode of financing in which the financier makes payment to the manufacturer/principal for lifting goods on behalf of its distributors and the distributors after a certain credit term pays the money back to the financier (Bank).
- **Supply Chain Finance (SCF):** Supplier finance is based on the receivable of suppliers. A supplier provides the goods or services to the Corporate buyer, based on the received & endorsed invoices from buyer, bank finances 80-100% (on invoice value) to the supplier. On or before maturity the repayment is made by corporate buyer.
- **Refinance/Pre-Refinance Schemes:** Term Loan Under Refinance Scheme of BDT 25,000 Crore, Bangladesh Bank Agro-Product Processing Refinance, SME Development Project (SMEDP-2) Refinance, Green Banking, Arrangement with SME Foundation & Joyeeta Foundation, SME Foundation Revolving Fund Refinance.
- **Financial Inclusion:** Parenting and Nurturing 1st Time Borrowers. Startup Finance for young new Entrepreneurs, Women Entrepreneur Financing with preferential terms, Access to Bangladesh Bank and SME Foundation refinance schemes, Cluster-based Financing for Cottage & Micro level Entrepreneurs.
- **Loan Products:** Dhaka Bank PLC. Start-Up Fund, Continuous Loan, Demand Loan, Term Loan, Supply Chain Financing: (A) Bills to Cash (B) Factoring Finance, Distributor Finance, Non-Funded Facility, Commercial Housing, Lease Finance, Oditiya Loan Facilities for Women Entrepreneurs.
- **Deposit Products:** Shukti, Current Deposit (SME), FD Plus (SME), Mudaraba FD Plus (SME).

Digital Banking Products

App based Products



Web based Products



Dhaka Bank
PLC.C-Solution



Dhaka Bank
PLC. Direct



Tuition Fee
Solution



Interactive
Banking



Credit Card
from Home



Account from
Home

Shari'ah based Products

Deposit Products

Mudaraba Hajj
Savings Scheme

Tawfeer Mudaraba
Savings Bond Account

Tawfeer Mudaraba
Deposit Pension Scheme

Tawfeer Mudaraba

Foreign Remittance
Account

Mudaraba Value Max
Savings Account

Mudaraba Deposit
Double Scheme

Mudaraba Bundle
Savings Account

Mudaraba Marriage
Deposit Scheme

Tayyebah Lakhpoti
Deposit Scheme

Tayyebah Kotipoti
Deposit Scheme

Investment Products

Tayyebah MasterCard Titanium Credit Card

Tayyebah Islamic Credit Card

Dhaka Bank PLC. has been providing support to farmers in different areas of Bangladesh



Dhaka Bank PLC. has been providing support to farmers in different areas of Bangladesh by providing free agricultural inputs and machinery as part of its Corporate Social Responsibility for the last few years. Around 32,000 farmers have been benefited from these CSR activities.

Mr. Md. Mostaque Ahmed, Deputy Managing Director and Chief Emerging Market Officer, Dhaka Bank and Mr. Sheikh Rezaul Karim, Registrar, Sher-e-Bangla Agricultural University on behalf of their respective institutions. Mr. H M Mostafizur Rahman, SEVP & Head, Retail Business and Mr. Md. Katebur Rahman EVP & Head, Agriculture Business Unit from Dhaka Bank and Prof. Dr. Salauddin Mahmud Chowdhury, Dean, Post Graduate Studies were also present on this signing ceremony.

DHAKA BANK TO THE ROAD OF GREEN BANKING

Recognizing the significance of green banking and in alignment with the policy guidelines from Bangladesh Bank, Dhaka Bank PLC. has developed its Green Banking Policy, which has been approved by its Board of Directors. The bank has introduced innovative green financial products aimed at contributing to the reduction of carbon emissions, both directly and indirectly. Dhaka Bank Board has also allocated a budget for "Green Finance" and a "Climate Risk Fund" and is actively working to utilize these resources. The bank is particularly focused on financing green initiatives such as Effluent Treatment Plants (ETP), Hybrid Hoffman Kiln (HHK) technology, Zigzag or similar technology in brickfields, biogas plants, and solar power systems.

Additionally, Dhaka Bank PLC. has entered into a participation agreement with Bangladesh Bank to finance brickfields using eco-friendly technology. As part of this agreement, the bank will receive refinancing support from Bangladesh Bank. On February 9, 2017, a Participating Financial Institutions (PFI) Agreement was signed between Dhaka Bank PLC. and Bangladesh Bank to ensure access to financing from the central bank's Green Transformation Fund (GTF). This fund was introduced to support the import or procurement of machinery and equipment related to environmentally friendly or green technologies.

- Water use efficiency in wet processing
- Water conservation and management
- Waste management
- Resource efficiency and recycling
- Renewable energy
- Energy efficiency
- Heat and temperature management. Air ventilation and circulation efficiency
- Work environment improvement initiatives
- Other sectors to be specified by Bangladesh Bank from time to time.

Dhaka Bank has been working tirelessly for the proper implementation of this facility. On July 13, 2017 an agreement was signed between Bangladesh Bank and Dhaka Bank regarding "Refinance Scheme for Green Products/Initiatives" which was initiated by the Sustainable Finance Department of Bangladesh Bank. An agreement between Dhaka Bank and Bangladesh Bank is currently being processed to enable the bank to

access the Green Transformation Fund (GTF) in Taka for export and manufacturing-oriented industries. Dhaka Bank has demonstrated its commitment to sustainable and environmentally responsible banking practices through various initiatives such as promoting renewable energy, energy-efficient technologies, and reducing carbon footprint. To maintain a skilled and dedicated workforce, the bank organizes at least two training or workshop sessions annually on Green and Sustainable Finance as part of its green banking efforts. The bank is on the right path toward fostering a more sustainable and greener economy.

In House Green Initiatives by Dhaka Bank PLC.

- Using Day lights and reducing electricity consumption at Head Office & Corporate Office.
- Increased Use of LED Lights at Dhaka Bank PLC. Head Office, Corporate Office and branches.
- Decreased paper use by initiating both side printing of official memos, increased use of electronic mails,
- Corporate portal instead of paper works.
- Using IT technology for keeping employee data, attendance and others records instead of paper use.
- Increased use in mobile banking and introducing Mobile App named Dhaka Bank Go Plus.
- Encouraging executives to purchase fuel efficient vehicles.
- Increased use of Laptop Computers.
- Introducing loan processing electronically through Credit Risk Management Division (CRM) and Retail Business Division.

Our Action plan for Ensuring Green and Sustainable Finance

- Instructing every branch to make a database of potential clients for green and sustainable finance; and to follow up the clients' needs accordingly.
- Educating customer regarding sustainable & green products and its benefits.
- Help consumers to avail tax deduction (10% of tax rate) by doing Green business & Rooftop gardening in roof of their business house & living house by teach them this process.
- Arranging in-house training program for the branch officials from time to time.

- Social media [Dhaka Bank PLC. Facebook Fan Page] promotion for the Green & Sustainable products and their benefits.
- Following up with branches every month for achieving the Green & Sustainable finance target.

Economic Impacts

Dhaka Bank PLC plays a vital role in fostering economic growth in Bangladesh by offering essential financial services to a diverse range of clients, from individuals and SMEs to large corporations. We are aware that our influence on the economy goes well beyond financial transactions, and we are dedicated to leveraging our resources and expertise to drive both economic development and financial inclusion, all while championing sustainability.

Dhaka Bank makes a significant economic contribution by providing access to credit for individuals and businesses, enabling them to invest in their future and expand operations. Its loans and credit products support entrepreneurs in launching new businesses, while helping existing businesses grow and generate new employment opportunities. In turn, this drives economic progress and helps address unemployment.

In addition to facilitating access to credit, Dhaka Bank also plays a vital role in international trade by offering a wide array of trade finance services. These services enable businesses to import and export goods, contributing to the generation of foreign exchange and improving the country's balance of payments. By actively supporting global trade, the bank helps integrate Bangladesh into the world economy.

Dhaka Bank is also deeply committed to financial inclusion, particularly for marginalized communities. The bank offers a range of banking services tailored to the needs of low-income individuals and micro-enterprises. By offering accessible financial services to underserved groups, it aims to alleviate poverty, promote social equity, and stimulate local economic growth.

As a responsible corporate entity, Dhaka Bank adheres to environmental, social, and governance (ESG) principles in its operations. The bank invests in initiatives that foster sustainable economic growth, such as renewable energy projects and energy-efficient technologies, reflecting our ongoing commitment to both financial and environmental sustainability.

Indirect Economic Impacts

Dhaka Bank PLC. has played a pivotal role in the economic progress of Bangladesh, particularly through its initiatives aimed at supporting the growth of the MSME (Micro, Small, and Medium Enterprises) sector. Recognizing that a dynamic MSME sector is a key driver of the country's economic development, the bank has rolled out several

lending programs to foster entrepreneurship, generate employment, and contribute to economic growth.

The bank provides collateral-free loans, term loans, and EMI-based loan options to both new and existing MSME borrowers, with a special focus on female entrepreneurs. It has introduced various schemes to cater to the needs of women in business, including financing options for business asset acquisition and long-term sustainability. Dhaka Bank PLC. also collaborates with the Joyeeta Foundation to support women entrepreneurs through its refinancing scheme, offering loans at a 4% interest rate.

One of the standout initiatives is the Dhaka Bank Start-up Fund, a term loan designed to encourage young entrepreneurs aged 21 to 45 with innovative ideas. This fund offers loans up to BDT 10 million at an interest rate of 4%, focusing on entrepreneurs with technical expertise, educational qualifications, and social acceptance.

The bank also provides support through the Dhaka Bank PLC. Easy Loan, which enables first-time MSME borrowers to secure loans without collateral, and the Dhaka Bank PLC. Shuchona Loan, aimed at individuals with no formal credit history. In addition, the House Building SME Loan (HBSM) has had a significant impact in metropolitan areas like Savar, Ashulia, and Gazipur, providing housing solutions for workers employed in nearby manufacturing factories.

In line with its goal to strengthen the SME sector, Dhaka Bank PLC. offers the Distributorship and Supply Chain Finance programs, providing suppliers and distributors with security-free financing for goods and services. The bank also extends working capital loans to support industries and service sectors, including export-oriented clients and low-income professionals.

Through these various initiatives, Dhaka Bank PLC. continues to play a leading role in financing the MSME sector, empowering women entrepreneurs, and addressing rural development needs, especially in agriculture and housing, thereby contributing significantly to Bangladesh's economic development.

Information on the impact of primary macroeconomic variable on performance

The performance of Dhaka Bank PLC. like other financial institutions, is shaped by various macroeconomic factors. Some of the major ones that could influence its performance include:

- 1. Interest Rates:** The central bank's interest rate decisions play a significant role in Dhaka Bank PLC. profitability and lending activities. Higher interest rates can raise borrowing costs, reducing loan demand and affecting the bank's income. On the other hand, lower interest rates can encourage borrowing and investment, enhancing the bank's financial performance.

2. **Inflation Rate:** Inflation impacts the value of the bank's assets and consumer behavior. High inflation can diminish the real value of assets, strain purchasing power, and lead to higher loan defaults. Meanwhile, low inflation can improve asset quality and boost consumer confidence, possibly resulting in more loan applications.
3. **GDP Growth:** Economic growth drives demand for loans and banking services. A strong GDP growth rate generally leads to higher demand for credit and financial services, benefiting Dhaka Bank's profitability. Slower economic growth, however, may reduce loan demand and negatively affect the bank's earnings.
4. **Exchange Rates:** Fluctuations in exchange rates can impact Dhaka Bank's earnings, especially if it holds foreign currency assets or liabilities. Changes in the value of foreign currencies can influence earnings from foreign exchange transactions and affect the value of the bank's international investments.
5. **Government Policies and Regulations:** Government policies, such as changes in monetary policy, banking regulations, and fiscal measures, have a significant influence on Dhaka Bank PLC operations. Shifts in these regulations can impact the bank's lending practices, profitability, and overall business environment.
6. **Political Stability:** A stable political environment fosters investor confidence and economic growth. Political instability can harm Dhaka Bank's performance by eroding consumer confidence, increasing business risks, and potentially disrupting investment flows.
7. **Global Economic Conditions:** International economic conditions can also influence the bank's performance. Trends in global trade, the economic health of major trading partners, and shifts in global financial markets all affect Dhaka Bank international business, trade finance operations, and exposure to global financial volatility.



Digital Nano Loan for Individuals

CORPORATE SOCIAL RESPONSIBILITY

Dhaka Bank PLC. provided a financial assistance to the Proyash Institute of Special Education, Dhaka Cantonment, Dhaka



As a part of Corporate Social Responsibility, Dhaka Bank PLC. provided a financial assistance of Taka Forty-Five Lac to the Proyash Institute of Special Education, Dhaka Cantonment, Dhaka for children with special needs under the supervision of the Bangladesh Army. Mr. Emranul Huq, former Managing Director & CEO of Dhaka Bank PLC. handed over the donation cheque to the Executive Director & Principal of PROYASH, Colonel Md. Anwar Uz Zaman, BPMS, PPM, afwc, psc, along with other distinguished officials from the respective organizations were also present there.

Dhaka Bank PLC. is dedicated to delivering 'Excellence in Banking' striving to be the best-performing bank in the country. As a prominent private commercial bank in Bangladesh, we take pride in our reputation, built on a foundation of high-quality products and services, cutting-edge technology, and a team of highly motivated professionals committed to turning your aspirations into reality. Founded on July 5, 1995, Dhaka Bank PLC. emerged from the vision of passionate entrepreneurs who sought to redefine banking excellence. Today, it stands as a trusted financial institution, recognized for its unwavering commitment to customer satisfaction. Corporate Social Responsibility (CSR) is an integral part of modern banking, ensuring that financial institutions operate ethically, uphold legal and moral standards, and align with regional and global conventions. Banks play a crucial role in driving sustainable development and addressing societal and environmental challenges. Through CSR initiatives, banks can enhance their reputation, strengthen stakeholder relationships, meet regulatory expectations, and contribute to long-term sustainability and profitability. Dhaka Bank PLC. CSR strategy is guided by the Bangladesh Bank CSR Guidelines, emphasizing a responsible and forward-thinking approach to social

impact. Dhaka Bank PLC. is committed to fostering a sustainable future by investing in initiatives that empower communities and protect the environment. Our CSR efforts focus on education, healthcare, disaster relief, and environmental sustainability, working in collaboration with various organizations to drive meaningful change. By supporting underprivileged communities, addressing environmental concerns, and actively contributing to national development, we aim to create a lasting positive impact on society.

Our employees are not just professionals; they are driven by a greater purpose—actively participating in social initiatives such as financial aid for flood-affected communities, blanket distribution to those in need during harsh winters, and scholarships for meritorious students. Additionally, Dhaka Bank PLC. has extended its support to the Bangladesh Football Federation, contributing to the development of the Women's Football Team.

In 2024, Dhaka Bank PLC. allocated BDT 146.86 million towards various CSR activities aimed at the overall betterment of the nation, reinforcing our dedication to corporate responsibility and sustainable progress.

Donation for Social Improvement by CSR

Initiatives	Donation (Amount in BDT million)	Percentage (%)
Education	8.46	5.76
Health	1.20	0.82
Disaster Management	118.54	80.71
Sports, Arts & Culture	18.50	12.60
Others	0.16	0.11
Total	146.86	100.00

Education

Education is one of the most important components of Corporate Social Responsibility. Understanding the importance of education, Dhaka Bank PLC. donated for mental and physical development of Autistic Children and Underprivileged people with Autism and Neuro-Development Disability. In the year 2024, Dhaka Bank PLC. spent around BDT 8.46 million for direct scholarship and educational infrastructural development purpose with special support for educational expenses to develop and

progressive human resources towards Prime Minister's Education Assistance Trust.

Initiatives	BDT in Millions
Support for Operational Expenses for the Mental and Physical Development of Autistic Children towards PROYASH, a specialized school for Autistic Children	4.50
Support for Operational Expenses for Underprivileged People with Autism and Neuro-Development Disability towards PFDA Vocational Training Institute	2.40
Support for Operational Expenses for the Mental and Physical Development for Autistic Children towards SEID, a specialized school for Autistic Children	1.20
Financial Support for Covering Operational Expenses of School, procurement and Distribution of Books, financial Assistance for covering educational costs of marginalized children, support for Infrastructural Development and assistance for Development and Operational Expenses for Supporting Autistic Children.	0.36
Total	8.46

Dhaka Bank Donated DBT 20.00 million to Chief Advisor's Relief & Welfare Fund as CSR



In a heartfelt gesture of solidarity, Dhaka Bank PLC. has donated BDT 20.00 million to the Chief Advisor's Relief & Welfare Fund to support the flood affected people who were suffering by the devastating calamity across various districts of Bangladesh. The amount deposited to Chief Advisor's Relief & Welfare Fund will be mobilized to meet the essential humanitarian needs of the victims.

Mr. A M M Moyeen Uddin, Deputy Managing Director, Dhaka Bank PLC. handed the cheque to Mr. Faruk E Azam, Honorable Advisor of the Ministry of Disaster Management and Relief, Government of the People's Republic of Bangladesh.

Disaster Management

Dhaka Bank PLC. is committed to the welfare of the community at large. The Bank responds promptly to support the affected humanity. In 2024, the Bank provided financial assistance for Homeless people to carry out its humanitarian activities and financial assistance towards Poor and distressed people of Flood affected Areas of the Country Prime Minister's Relief and Welfare Fund. For this purpose, Dhaka Bank PLC. donated BDT 118.54 million in 2024.



As part of its continued commitment to corporate social responsibility (CSR), Dhaka Bank has stepped forward to support communities affected by floods. The Bank contributed a flood relief campaign captioned "মানবতায় ঢাকা ব্যাংক" distributing essential food items, drinking water, medicines, and hygiene kits to severely flood impacted areas of Feni, Chagolnaiya and Cumilla during August 2024.

This initiative reflects Dhaka Bank's enduring dedication to standing beside the people in times of need and contributing to humanitarian causes that build resilience and bring hope.

Initiatives	BDT in Million
Distribution of Blankets for Cold Affected and Lower Income People around Bangladesh	93.22
Distribution of Relief by Dhaka Bank PLC. Amongst Distressed People of Flood Affected Areas in Feni, Comilla, Noakhali, Habiganj, Moulvibazar, Khagrachhari and Rangamati	5.32
Financial Assistance to Chief Advisor's Relief and Welfare Fund for Implementing Rescue Operations and Relief Distribution for People in Flood Affected Areas	20.00
Total	118.54

Sports

During 2024, Dhaka Bank PLC. contributed BDT 18.50 million for the development of Women's Football Team, establishing an Art Exhibition & Permanent Art Gallery in Dhaka University to accelerate the exercise of Art and Culture internationally.

Initiatives	BDT in Million
To patronize Women's Football Team for the Development of Bangladesh Women's National Football team towards Bangladesh Football Federation	18.50
Total	18.50

Health

Dhaka Bank PLC. is providing treatment support and Financial Support to poor and needy patients. BIRDEM Hospital and Center for women & Child Health Hospital is a partner in this great social work through a sophisticated treatment and nursing. In 2024, Dhaka Bank PLC. spent approximately 1.20 million to support gravely ill employees.

Initiatives	BDT in Million
Financial Assistance for Bypass Surgery	0.35
Financial Assistance for Treatment of Breast Cancer and Support for Providing Beds to Cancer Patients	0.35
Support for Treatment of Acute Intestinal Obstruction	0.20
Support for Treatment of Spine and Vertebral Disorder	0.30
Total	1.20






Other Social Projects

In 2024, Dhaka Bank PLC. donated/sponsored/spent BDT 0.16 million for the promotion of National Integrity and Prevention of Corruption as social projects.


Initiatives	BDT in Million
Promotion of National Integrity and Prevention of Corruption related Advertisement on The Daily Manobkanta, Daily Sun, and Media New Age Ltd.	0.13
Support for Arranging and Embracing the History of International Mother Language Day	0.03
Total	0.16

Through our Corporate Social Responsibility (CSR) initiatives, we have made a meaningful difference in the lives of thousands across Bangladesh. By providing access to education, healthcare, and essential services, we have empowered underprivileged communities and contributed to their well-being. Our efforts in disaster relief and environmental sustainability further reflect our commitment to social responsibility. As a conscientious corporate citizen, we remain dedicated to utilizing our resources and expertise to foster positive change. By collaborating with local communities, civil society organizations, and government agencies, we strive to build a more inclusive, sustainable, and prosperous future for all.

SUSTAINABLE DEVELOPMENT GOALS OF DHAKA BANK PLC.

SDGs Indicator	SDGs	Dhaka Bank PLC. Contribution
	<p>Eliminate poverty in all its manifestations globally.</p>	<p>We leverage digital innovation to expand financial services to the unbanked, fostering entrepreneurship and supporting community development initiatives. By empowering SMEs and collaborating with local NGOs, we drive economic growth and help lift people out of poverty. In 2024, Dhaka Bank PLC disbursed BDT 31,715.37 million in the CMSME sector, which is BDT 2,229.40 million higher than the BDT 38,716.10 million disbursed in 2023. The CMSME loan outstanding stood at BDT 31,715.37 million as of December 2024.</p>
	<p>Eradicate hunger, ensure food security, enhance nutrition, and foster sustainable agriculture.</p>	<p>In 2024, Dhaka Bank disbursed approximately BDT 8,720.87 million in agricultural loans, providing farmers with essential financial resources to enhance food production and ensure food security. This investment supports sustainable agricultural growth, improves rural livelihoods, and contributes to reducing hunger in Bangladesh.</p>
	<p>Promote well-being and ensure healthy lives for people of all ages.</p>	<p>Dhaka Bank PLC. has organized health campaigns for its employees, such as the 'Healthy Living Discussion' health campaign. This initiative aimed to promote health awareness among staff members. In 2024, Dhaka Bank PLC. spent approximately BDT 1.20 million to support underprivileged patients with treatment costs.</p>
	<p>Ensure inclusive and equitable quality education and Promote life-long learning opportunities for all.</p>	<p>In 2024, Dhaka Bank PLC donated BDT 8.46 million towards educational and developmental initiatives for autistic children and underprivileged individuals with neuro-developmental disabilities. The bank also provided support for scholarships and covered operational expenses for specialized schools and vocational training institutes.</p>
	<p>Promote gender equality and empower women and girls in all aspects of life.</p>	<p>Dhaka Bank PLC. promotes gender equality and women's empowerment by ensuring equal opportunities for leadership and participation at all levels. Through its signature women-focused product, 'Aroni,' the bank drives financial inclusion and digital savings for women. In 2024, the CMSME finance for Women Entrepreneurs amounted to BDT 1,361.98 million.</p>

SDGs Indicator	SDGs	Dhaka Bank PLC. Contribution
	Promote the sustainable use and management of water resources and ensure universal access to safe water and sanitation.	In addition to installing a water treatment system at its office premises, Dhaka Bank PLC. has financed the construction of multiple water treatment plants.
	Promote universal access to affordable, reliable, sustainable, and modern energy for everyone.	Investing in climate-resilient projects to lower greenhouse gas emissions. Enhancing energy efficiency and adopting renewable energy at branches and offices.
	Promotes sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.	Dhaka Bank has a workforce of 1,979 employees. We leverage digital innovation to expand financial services to the unbanked, fostering entrepreneurship and supporting community development initiatives. By empowering SMEs and collaborating with local NGOs, we drive economic growth and help lift people out of poverty. In 2024, Dhaka Bank disbursed BDT 40,945.50 million in the CMSME sector, which was BDT 2,229.40 Million higher than the 2023 disbursement of BDT 38,716.10 million. The CMSME loan outstanding stood at BDT 31,715.37 Million as of December 2024.
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Dhaka Bank has allocated funds for Green Finance and a Climate Risk Fund to support eco-friendly projects like ETP, HHK, Zigzag Brick Kilns, Bio-Gas Plants, and Solar Power. It also signed a refinancing agreement with Bangladesh Bank for sustainable brick kiln technologies. In 2024, its power sector investment reached BDT 30,898.50 million promoting resilient infrastructure, sustainable industrialization, and innovation. Additionally, its total investment in the Ready-Made Garments (RMG) sector stood at BDT 101,316.90 million (Funded and non-funded).
	Enhance cities and human settlements by ensuring they are inclusive, safe, resilient, and sustainable through advancements in housing, transportation, urban planning, and environmental impact management.	Dhaka Bank provides financing for real estate projects, support businesses involved in urban transportation and environmental management, or work with organizations that promote sustainability and resilience in urban planning. However, the bank itself does not typically lead initiatives directly related to housing, transportation, or environmental impact management as part of its main business operations.

SDGs Indicator	SDGs	Dhaka Bank PLC. Contribution
	Ensure sustainable consumption and production patterns.	Eco-friendly workplace habits and sustainable financing initiatives.
	Take urgent action to combat climate change and its impacts.	We evaluate each project's environmental, social, climate change, and disaster risk factors, and develop tailored action plans for our clients based on the identified risks.
	Preserve and responsibly manage oceans, seas, and marine resources to support sustainable development.	Dhaka Bank PLC. conducts environmental risk assessments of projects to evaluate their potential impact on the environment. This proactive approach ensures that financed projects adhere to environmental standards and contribute positively to the preservation of natural resources, including marine ecosystems.
	Ensure the sustainable use and restoration of ecosystems, forests, and land while combating desertification and biodiversity loss.	Dhaka Bank PLC. is supporting sustainable agriculture by distributing seedlings, fertilizers, and pesticides to farmers in flood-affected areas in collaboration with Sher-e-Bangla Agricultural University. The bank has also provided improved seeds and agricultural support to marginal farmers in Jhenaidah district as part of its CSR initiative.
	promote peace, justice, and strong institutions by reducing violence, ensuring equal access to justice, and building accountable and inclusive institutions at all levels.	Dhaka Bank PLC. promotes justice and peace by implementing policies and practices that ensure transparency, accountability, and equal access to financial services, thereby reducing financial exclusion and supporting community development.
	Enhance implementation efforts and renew global partnerships for sustainable development.	Agreement with TITAS, WASA, DPDC, DESCO and REB for serving clients need on utility bill.

SUSTAINABLE HUMAN RESOURCE (HR) DEVELOPMENT

Employee Profile

At Dhaka Bank PLC., we are committed to fostering a dynamic workplace where performance is recognized, success is rewarded, and employees are empowered to drive their own growth. By encouraging continuous learning and meaningful rewards, we aim to cultivate a culture where individuals can think critically, act decisively, and make independent, impactful decisions.



Salary Policy

Our salary policy is designed to ensure fair and effective human resource management through a performance-based system. At the entry level, salaries remain consistent across all branches and service points. To encourage continuous skill development, salary increments are awarded based on organization guideline. We are committed to maintaining equality, with no discrimination in remuneration between male and female employees.

Benefits to Employees

Every employee is paid a monthly salary, which consists of basic salary, fringe benefits and other benefits disbursed on 25th of each month. The benefit schemes at Dhaka Bank are as follows:

Salary Components	Other Benefits	Terminal Benefit
<ol style="list-style-type: none"> 1. Basic Salary 2. Housing 3. Conveyance allowance/ Car allowance 4. Medical allowance 5. Living allowance 6. Travel passage 	<ol style="list-style-type: none"> 1. Furniture facility 2. Staff House Building Loan (SHBL) 3. Car loan 4. Provident fund loan 5. Hospitalization reimbursement 	<p>Dhaka Bank PLC. provides various retirement benefit plans to its employees based on their individual entitlements.</p> <ol style="list-style-type: none"> 1. Provident fund 2. Gratuity 3. Superannuation 4. Leave encashment

New Employees



A total of 111 new employees were recruited in 2024, with 78 for branches and 33 for the Corporate Office, ensuring effective and timely support.

Employees by Diversity



The bank's employees are primarily located in Dhaka and Chittagong, with the highest number based in Dhaka, comprising 74.53% in 2024 for both the Corporate Office and branches in the city. We follow a fair hiring process that ensures no discrimination based on locality or religion.

Employees by Region



Bank's employees are mainly spread over Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 74.53% in 2024 for Corporate Office and Branches in Dhaka city. We follow fair hiring process which demonstrates no discrimination in locality, religion of employees in this process.

Gender Positioning of Employees

Dhaka Bank PLC. has successfully maintained a well-balanced ratio of male and female employees, which is evident not only in its board of directors but also across various levels of bank management.



Aligning Our Philosophy: The 3P's and GABV Principles

At Dhaka Bank PLC, our commitment to sustainability is centered on the “3Ps” philosophy: People, Planet, and Prosperity. This approach guides us in creating a meaningful and positive impact for all our stakeholders, aligning with the principles of the Global Alliance for Banking on Values (GABV).



Web based Products

Principles 1	Principles 2	Principles 3	Principles 4	Principles 5	Principles 6
Social and environmental impact are at the heart of our business model.	Our practices are grounded in communities, serving the real economy, and enabling new business models to meet people's needs.	We focus on long-term relationships with clients and enable a direct understanding of their economic activities and the risks involved	We focus on the long-term, are self-sustaining and remain resilient to outside disruptions.	Our governance is transparent and inclusive.	All of these principles are embedded in the leadership and culture of our bank.



People focus

- Our diverse range of products and solutions is designed to meet the varied needs of our customers, from corporate loans and SME financing to personal loans and easy financing for women entrepreneurs. This comprehensive offering allows us to deeply integrate with our customers' lives.
- For nearly three decades, we have continually evolved to enhance our developmental impact, achieving a significant milestone as pioneers in SME lending in

Bangladesh. By 2024, we proudly served over BDT 7.8 million SME entrepreneurs, with an SME loan portfolio exceeding BDT 31,275.48 million, a sum equivalent to the market capitalization of several smaller banks combined.

- With a solid financial foundation and a stellar reputation built on strong governance, the bank has earned the trust of its customers and continues to uphold its commitment to excellence.



Planet focus

- Dhaka Bank PLC. aligns with sustainable banking principles by addressing the environmental impact of its operations and financing decisions, balancing economic growth with ecological sustainability.
- The bank incorporates Environmental and Social Risk Management (ESRM) into its credit policies, ensuring that financed projects do not harm the environment.

- It actively funds renewable energy projects, eco-friendly industries, and energy-efficient solutions, promoting a greener economy.
- Dhaka Bank PLC. works to reduce its carbon footprint by adopting energy-efficient technologies, digitizing services, and promoting paperless
- Through transparent disclosures, the bank highlights its contributions to sustainability and compliance with green banking frameworks. banking.



Prosperity focus

- Received the "Excellence in Mastercard Business (Innovation) 2022-23" Award and "The Best Private Bank of the Year 2020" for outstanding performance and innovative offerings.
- Partnered with bKash to introduce the Monthly Nano Savings Scheme, promoting financial inclusion across Bangladesh.
- Launched e-Rin, an AI-based instant loan disbursement platform, enhancing customer convenience and efficiency in lending services.
- Introduced the Dhaka Bank PLC.C-Solution app for cash management and launched a central over-the-counter platform for real-time reconciliation.

- Recognized as the Best Corporate Bank in Bangladesh for its significant contributions to major corporate and green infrastructure projects, including sustainable energy initiatives generating over 2,800 MW of electricity.
- Awarded a Certificate of Merit under Corporate Governance Disclosure category by the Institute of Chartered Accountants of Bangladesh (ICAB) for excellence in corporate governance disclosures based on the 2022 Annual Report.
- Awarded a Certificate of Merit under best presented Annual Report category by the Institute of Chartered Accountants of Bangladesh (ICAB) for excellence in corporate governance disclosures based on the 2023 Annual Report.

Sustainability Content Pillars

On 26th December, 2023, the Sustainable Finance Department of Bangladesh Bank released a circular mandating banks and financial institutions to disclose information on governance, strategy, risk management, as well as metrics and targets.

Implementation of Sustainability Content Pillar

			
Governance	Strategy	Risk Management	Metrics & Targets
(Both Banks Board & Management Role for ensuring climate resilience)	(Short, Mid and Long Term Strategy for climate Mitigation & Adaption Purpose)	(The Processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability and monitor climate related risks)	(Green House Gas Emission by the bank itself as well as whom bank finance)
Board led By Board Secretariat Division & Management led by MANCOM	Green & Sustainability Finance, Environmental CSR, Ethical Banking	Consulting ESDD Checklist, Obtaining Environmental Confirming Exclusion Checklist	Measuring and Monitoring GHG Emission & other sustainability related parameters

Dhaka Bank primarily focuses on economic matters; however, environmental and social responsibility are also integral to its role in stewarding the planet. This report emphasizes corporate social responsibility (CSR), environmental efforts, and social commitments, which are highlighted throughout this Annual Report and our accompanying Sustainability Report.

Content Pillar	Description	Our status
Governance	The governance processes, controls and procedures the bank or finance company uses to monitor and manage sustainability related risks and opportunities	Side by side with Sustainability Report part of this Annual Report, we detailed our Governance in Corporate Governance part with details.
Strategy	The approach for addressing sustainability related risks and opportunities that could affect the bank or finance company's business model and strategy over the short, medium and long term.	We detailed our Strategy in Sustainability Report and Integrated Report part of this Annual Report.
Risk Management	The processes, the bank or finance company uses to identify assess, priorities and monitor sustainability-related risks.	Apart from Sustainability Report, we have also a separate chapter of Risk Management in this Annual Report which covers sustainability related risks.
Metrics & Target	Metrics and Targets disclose a bank or a finance company's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Different performance related target including sustainability performance has been mentioned in the Sustainability Report part and other parts of this Annual Report.

OUR VALUE CREATION FRAMEWORK

Dhaka Bank PLC.'s value creation foundations	Value creation drives
Strategic Inputs	<ul style="list-style-type: none"> Funds raised from equity, deposits, and other financial instruments to support lending and investment activities. A skilled workforce dedicated to delivering customer-centric banking solutions and fostering innovation. Proprietary knowledge, brand reputation, digital capabilities, and innovative product offerings. Strong relationships with customers, regulators, communities, and other stakeholders. Physical infrastructure, including branches, ATMs, and digital platforms, to facilitate service delivery. Sustainable practices that minimize environmental impact, such as green financing and paperless operations.
Core Value-Creation Processes	<ul style="list-style-type: none"> Providing personalized banking services, including retail, corporate, SME, and digital banking. Enhancing digital infrastructure to offer seamless banking experiences through apps, online platforms, and AI-driven customer service. A robust framework to mitigate financial, operational, and environmental risks, ensuring resilience. Developing new financial products and services that cater to evolving market needs, including green financing and Shariah-compliant banking solutions. Incorporating environmental, social, and governance (ESG) principles into business operations.
Value Delivered to Stakeholders	<ul style="list-style-type: none"> Consistent financial performance and dividend growth. Transparent reporting and governance. Competitive compensation, training programs, and career development opportunities. An inclusive and diverse work environment. Financial inclusion initiatives and investments in local development projects. Support for education, healthcare, and disaster relief programs. Promotion of green banking and investments in renewable energy projects. Implementation of energy-efficient operations.
Sustainability and Resilience	<ul style="list-style-type: none"> Expanding green finance portfolios. Encouraging environmentally responsible business practices. Complying with national and international ESG guidelines.
Performance Measurement	<ul style="list-style-type: none"> Financial metrics (profitability, return on equity, etc.). Customer satisfaction surveys. ESG performance indicators. Employee engagement metrics. Risk-adjusted returns.

ENVIRONMENTAL AND CLIMATE CHANGES REPORTING

Environment Related Initiatives

Management Approach

Dhaka Bank PLC. is dedicated to delivering exceptional social, environmental, and economic outcomes by embedding sustainability in our core operations. We believe in advancing growth by facilitating the transition towards a more sustainable future, recognizing that sustainability creates inherent value. Our goal is to position ourselves as leaders in sustainable banking and to maximize our positive impact on both the environment and the community. To achieve this, we have carefully identified the sustainability topics that are most relevant to our operations.

The process of determining these material topics is based on a comprehensive assessment of the impact of our business activities, extensive engagement with stakeholders and experts, and a thorough materiality evaluation to prioritize what is most important for reporting. This assessment takes into account emerging environmental, legal, and regulatory risks, global trends, and feedback from our stakeholders. Furthermore, we leverage data-driven insights from independent reports, sector-specific evaluations, and legal compliance reviews to guide our decision-making. Each material issue is analyzed based on its relevance, probability, and potential impact on the most critical aspects of our operations.

Dhaka Bank PLC. is focused on managing the economic, social, and environmental consequences of its business activities. We are committed to improving our sustainability performance continuously. By pursuing a sustainable strategy, we aim to create long-term value for our stakeholders and contribute to Bangladesh's broader sustainable development agenda. Our primary economic impact arises from our lending activities, which stimulate growth by providing loans to individuals, small businesses, and large corporations. These loans empower borrowers to invest in their future and foster job creation. However, we are aware of the risks associated with lending, and in situations where loan repayment challenges arise, we actively collaborate with borrowers to find mutually beneficial solutions, ensuring the long-term success of our financial relationships.

As part of our commitment to environmental stewardship, Dhaka Bank PLC. is dedicated to minimizing its environmental footprint. We have adopted energy-

efficient practices, such as the use of LED lighting and optimized air conditioning, in our facilities. We also focus on reducing waste, managing water consumption, and limiting emissions linked to our transportation and business travel.

In terms of social responsibility, Dhaka Bank PLC. recognizes that its activities have a significant impact on people's lives. We are deeply committed to ensuring that our lending and investment activities do not contribute to human rights violations, including forced or child labor. We have established rigorous due diligence processes to ensure that our business dealings align with our ethical standards, and we do not engage with companies involved in unethical practices. This ensures that our operations contribute positively to both society and the environment.

Environmental and Social Obligations

Environmental Impacts

As a responsible corporate entity, Dhaka Bank PLC. is committed to managing its environmental impacts to ensure sustainable growth and development. We recognize that our operations have the potential to impact the environment, and therefore, we have implemented various initiatives to reduce our environmental footprint and contribute towards a greener future. Our sustainable banking strategy encompasses a wide range of activities, including internal management as well as Green Financing to bolster the Green Economy. We have made investments in energy-efficient equipment and technologies, such as LED lighting, high-efficiency air conditioning systems, and energy-efficient IT infrastructure to conserve energy and reduce greenhouse gas emissions. We have also implemented a waste management program that includes recycling and proper disposal of paper, plastics, and other materials. In addition, we are focused on reducing our water consumption and minimizing our impact on water resources. We promote green practices in our daily operations by reducing energy usage, implementing digitalization, and taking other steps to reduce our carbon footprint. In addition, we extend credit for green products and incorporate environmental and social responsibility in our credit policy. As part of our mission to foster a thriving community, we intend to expand our green financing portfolio. It had the following composition during the reporting period:

Sectors/Categories	Percentage
Renewable Energy	3.93
Energy & Resource Efficiency	14.90
Liquid Waste Management	3.69
Circular Economy & Eco-Projects Financing	7.22
Environment Friendly Brick Production	4.26
Green/Environment Friendly Establishments	3.08
Green CMSME	0.08
Green Socially Responsible Financing (SRF)	15.47
Information and Communication Technology	47.37
Total in Percentage	100.00

Dhaka Bank PLC. acknowledges that its financing decisions may have environmental implications. Therefore, we have created and implemented an Environmental and Social Risk Management (ESRM) policy and process manual. As part of the loan evaluation procedure, Dhaka Bank PLC. rates the clients' enterprises based on their Environmental and Social Risks. The astute CRM team has established an effective end-to-end process for the evaluation of prospective borrowers and the rating during the reporting period includes the following:

Particulars	Total	Outstanding [In million BDT]
Number of Projects applicable for Environmental & Social Due Diligence (ESDD)	413	134,206
No. of Projects Rated (Environmental & Social Risk Rating)	413	134,206
Low	360	102,543
Medium	50	31,663
High	-	-

Green Finance (Sector & Product/Projects/Initiatives-wise)

(Amount in Million Taka)

Sectors	2024
Renewable Energy	287.89
Energy & Resource Efficiency	1,091.19
Alternative Energy	0.00
Liquid Waste Management	270.00
Solid Waste Management	0.00
Circular Economy & Eco-Projects Financing	528.27
Environment Friendly Brick Production	312.21
Green/Environment Friendly Establishments	225.70
Green Agriculture	0.00

Sectors	2024
Green CMSME	5.54
Green Socially Responsible Financing (SRF)	1,132.65
Blue Economy Financing	0.00
Information and Communication Technology	3,468.14
Miscellaneous	0.00
Total	7,321.59

Energy

Energy consumption within the organization and Energy consumption outside of the organization

The primary sources of Dhaka Bank PLC's energy consumption are non-renewable fuel sources, including octane for vehicles and diesel for generators. Additionally, the bank consumes electricity from the national grid. Energy consumption levels fluctuate based on operational needs and external factors. As business activities expand, energy demand increases, particularly for transportation and office operations. To promote sustainability, Dhaka Bank PLC. has increased its reliance on online communication tools such as Zoom, which has contributed to reducing energy consumption. The total energy cost in BDT is divided by the average per-unit price to approximate unit usage, which is then converted to Gigajoules for standardized measurement. The bank primarily purchases energy from external sources, with significant consumption arising from octane usage in employee commuting and transportation.

The General Services Division (GSD) of Dhaka Bank PLC. sets annual targets to reduce energy consumption compared to previous years. Employees are encouraged to use energy and office materials efficiently to support sustainability initiatives. As a result, electricity consumption in 2024 was higher than in previous years.

Sources of Energy Consumption	Consumption in Gigajoules (GJ)	
	2024	2023
Octane	8,654.98	7,300.47
Diesel	3,694.73	3,297.70
Electricity	29,027.51	28,448.76
Total	41,377.22	39,046.93

Energy intensity

For calculating the energy intensity ratio, we use the total number of employees at the end of the period as the denominator. The total energy consumption includes diesel and electricity usage within the bank, as well as octane consumption outside the bank. In 2024, per employee energy consumption was 14.67 GJ, compared to 19.63 GJ in 2023.

Water and Effluents

Water consumption

Dhaka Bank encourages employees to use as little water as possible to preserve the natural water level. As such, the water consumption was decreased by 25,367,762.90 Liter in 2024 compared to 2023. The total costs in Taka have been divided by the average per unit cost to estimate the unit usage.

While we are committed to conserving fuel resources, the increased operational activity in 2024 led to a rise in direct emissions compared to 2023. We are actively seeking ways to mitigate these emissions, which will be further elaborated upon.

Waste

Waste generation and significant waste-related impacts

At Dhaka Bank PLC., waste generation primarily arises from paper usage, along with other operational activities. The impacts of this waste are categorized as follows:

Inputs:

- Office supplies, including paper, pens, and other daily essentials
- Electronic devices and equipment, such as computers, printers, and mobile phones
- Energy and water used in the bank's branches and offices
- Consumables, like food and beverages, in staff canteens and facilities
- Materials used in construction projects for the bank's buildings

Activities:

- Paper-based documentation and record-keeping
- Printing and photocopying of documents
- Use of electronic equipment
- Energy and water consumption across branches and offices
- Consumption of food and beverages by staff and customers in the canteens

Outputs:

- Paper waste from printing and photocopying tasks
- Electronic waste from outdated or malfunctioning equipment
- Wastage of energy and water due to inefficiencies
- Packaging waste from food and beverage consumption
- Construction waste from building projects

These impacts encompass waste produced within the organization's internal activities, such as paper and electronic waste. Additionally, waste may be generated

upstream, by suppliers providing office supplies or construction materials, or downstream, by customers utilizing the bank's services, potentially leading to waste in the process.

Management of significant waste-related impacts

Dhaka Bank PLC. is committed to minimizing paper usage through its green banking initiatives, which emphasize reducing unnecessary printing and encouraging sustainable practices. Employees are encouraged to print on both sides of paper and reuse materials to cut down on waste. The bank's Green Banking Policy and Green Office Guide play a key role in educating staff on responsible paper use. Additionally, the General Services Department (GSD) sets annual goals and undertakes various initiatives to reduce paper waste while collecting and monitoring relevant data.

The bank focuses heavily on electronic communication to minimize paper usage. Both internal and external communications are conducted via email or other digital platforms. One-sided paper is repurposed for drafts of office documents. To further mitigate the environmental impact of paper waste, Dhaka Bank PLC. is transitioning towards a paperless environment and developing digital products and services aimed at reducing paper consumption for customers.

Several actions and circular initiatives have been implemented, including:

- Transitioning to paperless processes wherever feasible to minimize paper waste
- Launching a tree plantation program as part of a reforestation effort
- Raising awareness among staff and customers about waste reduction and recycling
- Ensuring sustainable building practices in construction projects to reduce waste
- Incorporating energy and water efficiency measures to reduce environmental impact
- Creating a waste management plan that defines the bank's goals and strategies for waste reduction

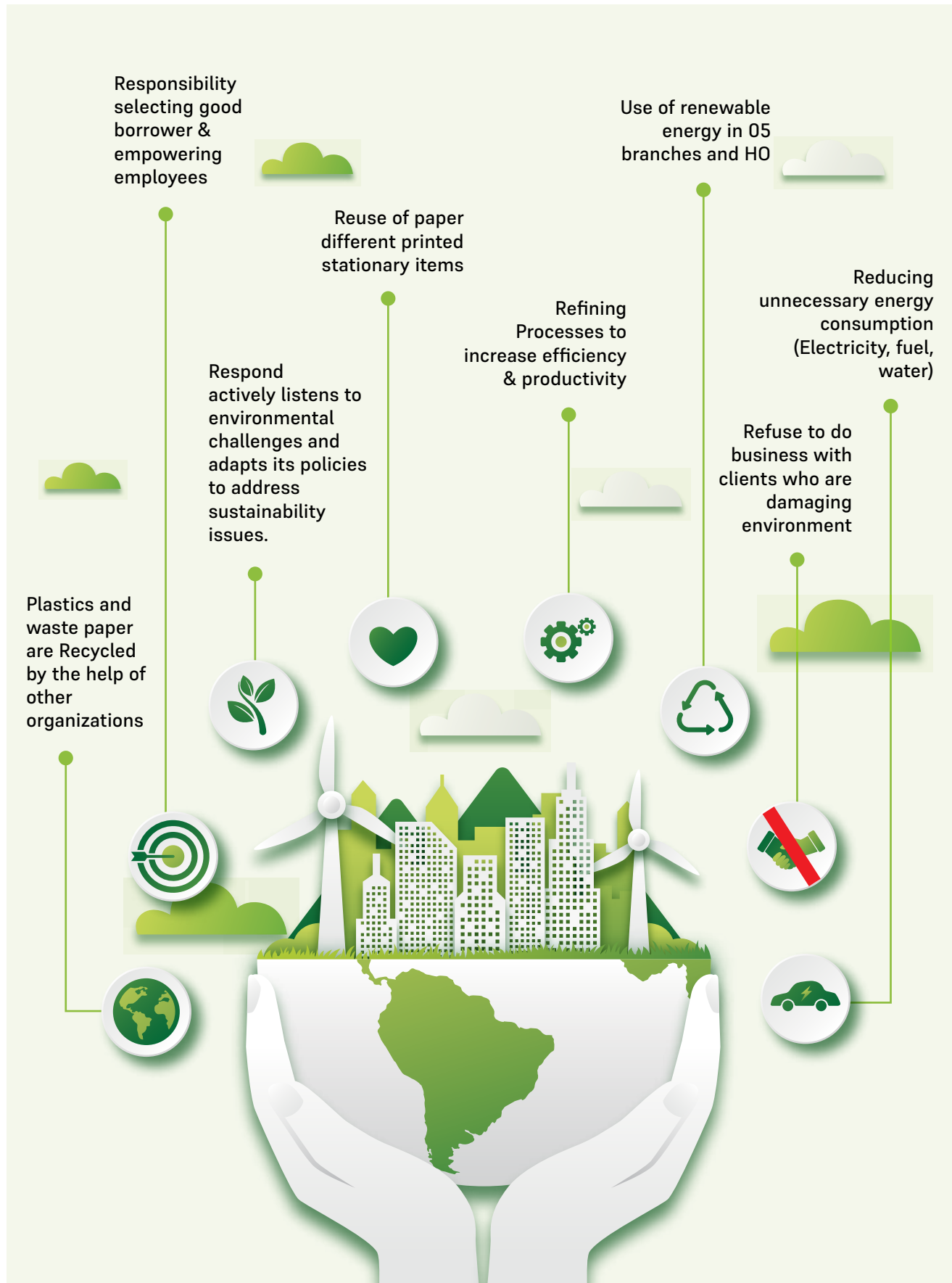
The bank uses various methods to track and assess waste-related data, such as:

- Monitoring waste reduction efforts to track progress toward waste management objectives
- Collecting data on energy and water consumption to identify opportunities for further sustainability

Dhaka Bank also tracks its paper consumption, noting an increase in usage in 2024 compared to 2023. However, this is considered typical given the circumstances. The year 2022 was an exceptional period due to the COVID-19 pandemic, so comparing the figures from that year isn't an accurate reflection of standard usage patterns.

Environmental initiatives by focusing on 8 R's

8R approach to sustainability



Dhaka Bank PLC. integrates sustainability into its operations through various initiatives that align with the principles of the 8R's: Respond, Renew, Refine, Refuse, Reduce, Reuse, Recycle, and Responsibility. Here's a brief overview:

Respond: The bank addresses environmental challenges by implementing a Green Banking Policy, financing eco-friendly projects, and promoting sustainable practices within its operations.

Renew: Dhaka Bank PLC. invests in renewable energy projects, such as solar power systems and biogas plants, contributing to the transition towards sustainable energy sources.

Refine: The bank continuously improves its services by integrating Environmental, Social, and Governance (ESG) factors into its business model, ensuring responsible financial solutions.

Refuse: Dhaka Bank PLC. demonstrates its commitment to environmental stewardship by refusing to finance projects that harm the environment, thereby promoting sustainable development.

Reduce: The bank reduces its environmental footprint by promoting paperless banking, using energy-efficient equipment, and encouraging responsible resource consumption among employees.

Reuse: Dhaka Bank PLC. encourages the reuse of resources by implementing practices such as double-sided printing and repurposing materials, thereby minimizing waste.

Recycle: The bank supports recycling initiatives within its operations, contributing to waste reduction and environmental conservation.

Responsibility: Through its Corporate Social Responsibility (CSR) activities, Dhaka Bank PLC. engages in community development, education, and environmental conservation projects, demonstrating its commitment to societal well-being.

Beyond 8 R's:

- **Green Building Standards:** Dhaka Bank PLC. aims to construct future offices following green building standards, which encompass a wider range of sustainable practices for resource conservation.

- **Environmental Risk Rating:** Dhaka Bank PLC. assesses the environmental impact of potential loan projects to mitigate environmental risks.
- **Social Responsibility:** Dhaka Bank PLC. actively participates in tree plantation drives, park development, and other initiatives that contribute to a greener environment.

Overall, Dhaka Bank PLC. demonstrates its commitment to environmental sustainability through their 8R focus and various other initiatives. We promote eco-friendly practices within their operations and encourage their clients to adopt greener solutions through financial instruments.

Social Impact

Dhaka Bank PLC. is dedicated to managing its social impact in a responsible and sustainable manner. Recognizing the significant influence its operations have on society, the bank has implemented various strategies to ensure that its actions contribute positively to the community. Ethical business practices and responsible conduct are at the core of the bank's approach, with a strong emphasis on adhering to high ethical standards and complying with all applicable laws and regulations. A robust code of conduct has been established to govern interactions with customers, employees, and stakeholders, ensuring that all actions foster positive social change and uphold human rights.

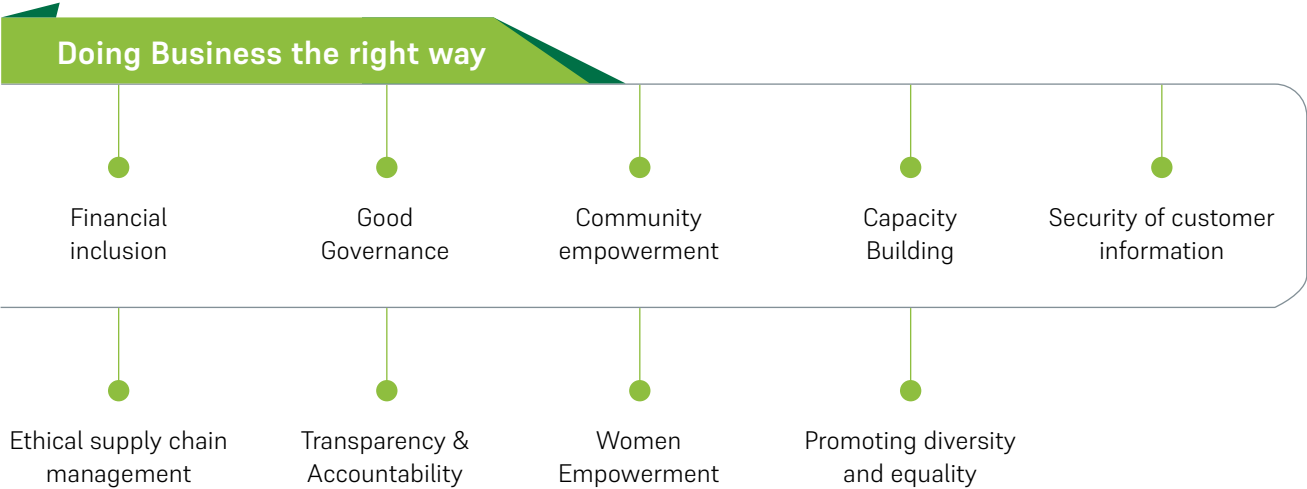
Furthermore, the bank is deeply committed to promoting financial inclusion and supporting marginalized communities. Through tailored financial products and services such as microfinance, small business loans, and other accessible offerings, Dhaka Bank PLC. helps drive economic growth and reduce poverty by empowering low-income individuals and small enterprises.

In addition, Dhaka Bank PLC. places great importance on social awareness and education. The bank organizes regular training programs and awareness campaigns to encourage social responsibility and ethical behavior among its employees, customers, and stakeholders. Through its Dhaka Bank PLC. Foundation and the Communication & Branding division, the bank actively participates in social development projects. It provides financial support and other resources for initiatives in education, healthcare, and other social causes, alongside engaging in philanthropic activities that foster positive outcomes for the community.

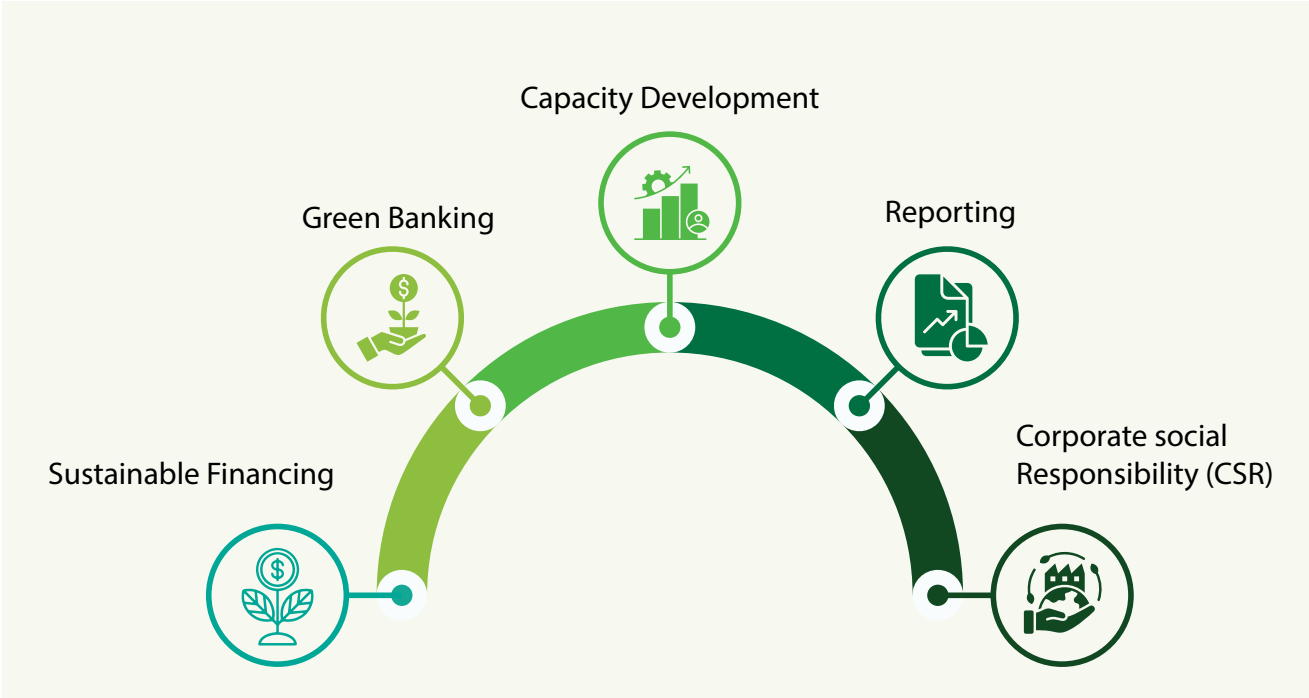
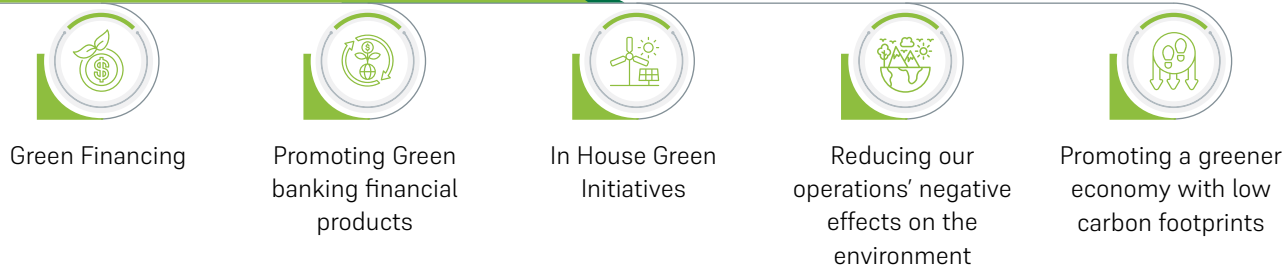
ENVIRONMENTAL AND CLIMATE CHANGE RISK AT DHAKA BANK PLC.

Environmental and climate change risk refers to the uncertainty or probability of potential losses that may arise from adverse environmental or climate-related events, whether natural or manmade, and/or non-compliance with prevailing national environmental regulations. At Dhaka Bank PLC. this risk is considered a facilitating element of credit risk, originating from environmental issues that can result from both the environmental impacts caused by borrowers and the prevailing environmental conditions.

Environmental and climate change risks have the potential to disrupt the business stability of Dhaka Bank PLC.'s borrowers, affecting both their profitability and reputation. As a result, these risks can significantly elevate the overall risk exposure for Dhaka Bank PLC. emphasizing the need for robust environmental risk assessment and management practices within the Bank's governance framework.



On the Road to Green Banking



Sustainable Financing



Green Banking



Initiatives to
reduce Carbon
Footprints



Renewable Energy
Promotion



Encouraging
Energy Efficiency



Mobile Banking -
DBPLC Go app



Promoting Eco
friendly Brick
Manufacturing

Capacity Development



Talent
Management



Training
Workshops on
sustainable
financing



Various indoor and
outdoor Events



Research and
Discussions



Seminars and
Webinars

Reporting



Annual
Reporting



Auditing and
Transparency



Performance
Reporting

Corporate-Social Responsibility (CSR)



Education
05.71%



Health
46.25%



Disaster Management
43.32%



Sports, Art & Culture
04.55%

Green Banking

A group of stakeholders has initiated a worldwide effort to protect the environment, with green banking as a key element. Green banking promotes environmentally responsible actions and aims to reduce the carbon footprint of financial activities. It's also referred to as sustainable banking or ethical banking.

In Bangladesh, ecological conditions are deteriorating due to global warming, a pressing issue that demands

attention. Given the significant influence banks have on the economy, adopting green finance within green banking could play a vital role in transitioning to low-carbon, resource-efficient industries. Dhaka Bank PLC is poised to take a leading role in advancing green banking, setting an example as an environmentally conscious institution amid worsening environmental damage. "Green Banking" describes banking practices carried out in locations and manners that help lower both internal and external carbon emissions. Banks should finance

projects that utilize eco-friendly technology and curb pollution to reduce external emissions. Internally, banking operations consume substantial energy through lighting, cooling, electronics, IT systems, excessive paper use, and a lack of sustainable buildings, resulting in a larger carbon footprint than in previous decades. To fully embrace green banking, banks must adopt technologies, processes, and products that significantly shrink their environmental impact and foster sustainable enterprises.

Importance of Green Banking

Green banking is crucial for addressing the following risks in the banking industry:

Credit Risk: Climate change and global warming have caused financial losses for banks, both directly and indirectly. Extreme weather events, fueled by global warming, have damaged economic assets tied to bank loans, leading to higher default rates. Credit risk can also arise unintentionally when banks link to companies affected by shifting environmental regulations. Green banking proactively tackles credit risk by identifying sustainable ventures, performing thorough risk evaluations, designing loans thoughtfully, and tracking borrowers' ESG (Environmental, Social, Governance) performance. This approach lowers the chances of loan defaults and financial setbacks. Credit risk refers to the potential for borrowers to fail to repay or for collateral values to drop, causing losses for banks. Green banking mitigates this risk by:

Spotting Sustainable Ventures: Green banking focuses on finding business opportunities that minimize environmental and social risks. Banks assess borrowers' ecological and social impacts, funding only those meeting sustainability standards.

Risk Evaluation: It involves a detailed analysis of borrowers' ESG practices, allowing banks to gauge creditworthiness based on sustainability, reducing default likelihood and credit risk.

Loan Design: Green banking structures loans to lower risk, such as offering lower rates to borrowers adopting eco-friendly initiatives like energy-efficient upgrades, green construction, or renewable energy projects, ensuring repayment capacity while cutting risk.

Oversight: Continuous monitoring of borrowers' ESG adherence throughout the loan term helps banks ensure compliance with sustainability commitments, spotting and addressing risks that could lead to defaults.

Legal Risk: Like other businesses, banks face legal challenges if they fail to follow environmental laws. They could also be directly accountable for cleanup costs or

damages if they take ownership of polluting assets. Green banking reduces legal risk by encouraging sustainable investments, fostering transparent practices, and staying aligned with evolving regulations, ensuring responsible operations that benefit both the environment and society.

One-way green banking lowers legal risk is by limiting exposure to environmental liabilities. Funding unsustainable projects could make banks liable for resulting ecological harm, while green banking directs resources to compliant, eco-safe initiatives.

It also enhances transparency by requiring banks to report on investments' environmental effects and their social and governance practices, giving regulators and stakeholders clear insight and reducing legal vulnerabilities.

Reputation Risk: As environmental awareness grows, banks face heightened reputation risks if their actions—direct or indirect—are seen as harmful to society or the environment. Supporting questionable ecological projects carries reputational dangers. Green banking counters this by investing in sustainability and eco-friendly efforts, boosting public perception, dodging negative publicity, and adhering to regulations, all of which safeguard trust and reputation.

It improves public perception as eco-conscious consumers demand alignment with their values. Sustainable investments strengthen a bank's brand.

It avoids damaging media coverage tied to funding harmful projects like fossil fuels or deforestation, focusing instead on renewables and green initiatives.

Compliance with tightening environmental rules through sustainable practices reduces legal and reputational fallout.

Security Risk: Beyond environmental benefits, green banking strengthens the financial sector by reducing security risks tied to poor-quality collateral, such as polluted land or hazardous materials, in case of borrower default.

Diversification: Investing in renewables and sustainable projects diversifies bank portfolios, cutting reliance on risky assets and buffering against market swings.

Transparency and Trust: Eco-friendly practices signal ethical operations, building credibility with customers and investors, which lowers risks like fraud or reputational hits.

Risk Management: Funding sustainable projects helps banks anticipate and handle environmental risks like climate change, minimizing financial exposure and enhancing security.

Dhaka Bank to the Road of Green Banking

- > Water use efficiency in wet processing
- > Water conservation and management
- > Waste management
- > Resource efficiency and recycling
- > Renewable energy
- > Energy efficiency
- > Heat and temperature management
- > Air ventilation and circulation efficiency
- > Work environment improvement initiatives and
- Other sectors to be specified by
- > Bangladesh Bank from time to time



Recognizing the significance of green banking and adhering to the policy directives from Bangladesh Bank, the Central Bank, Dhaka Bank PLC. has established its own Green Banking Policy, which has been endorsed by its Board of Directors. The bank has created innovative financial products under its green banking initiative that aim to either directly or indirectly lower carbon emissions. The Board of Directors has also sanctioned budgets for "Green Finance" and a "Climate Risk Fund," and is actively overseeing their implementation. Dhaka Bank PLC. is keen on funding eco-friendly projects like Effluent Treatment Plants (ETP), Hybrid Hoffman Kilns (HHK), Zigzag or similar technologies in brick manufacturing, Bio-Gas Plants, and Solar Power Systems.

Dhaka Bank PLC. entered into a participation agreement with Bangladesh Bank for "Refinancing in Hybrid Hoffman Kiln (HHK) or equivalent Technology of Brick Field," committing to support environmentally sustainable brickfields with financing, while securing refinancing options from the central bank. Additionally, on February 9, 2017, Dhaka Bank PLC. signed a Participating Financial Institutions (PFI) Agreement with Bangladesh Bank to access the Green Transformation Fund (GTF). This fund,

introduced by Bangladesh Bank, supports the import or acquisition of capital machinery and other essentials tied to environmentally sustainable attributes.

Dhaka Bank PLC. has been diligently focused on effectively utilizing this facility. On July 13, 2017, an agreement was formalized between Bangladesh Bank and Dhaka Bank PLC. under the "Refinance Scheme for Green Products/ Initiatives," launched by the Sustainable Finance Department of Bangladesh Bank. Another agreement was finalized between the two entities, enabling Dhaka Bank PLC. to access the Green Transformation Fund (GTF) in Taka to support export and manufacturing industries. Through various efforts, such as advancing renewable energy, energy-efficient technologies, and minimizing carbon emissions, Dhaka Bank PLC. has shown a strong dedication to sustainable and eco-friendly banking practices. To maintain a knowledgeable and committed workforce, the bank organizes at least two training or workshop sessions annually on Green and Sustainable Finance, reinforcing its green banking initiatives. Dhaka Bank PLC. is steadily progressing toward fostering a more sustainable and environmentally conscious economy.

In House Green Initiatives by DBPLC.

Using Day lights and reducing electricity consumption at Head Office & Corporate Office.

Increased Use of LED Lights at Dhaka Bank Head Office, Corporate Office and branches.

Planning for Rainwater Harvesting at Dhaka Bank branches and Head Office.

Decreased paper use by initiating both side printing of official memos, increased use of electronic mails, corporate portal instead of paper works.

Increased use in mobile banking and introducing Mobile App named DBPLC Go.

Encouraging executives to purchase fuel efficient vehicles.

Increased use of Laptop Computers

Introducing loan processing electronically through Credit Risk Management Division (CRM) and Retail Business Division.

Our Action plan for Ensuring Green and Sustainable Finance

Instructing every branch to make a database of potential clients for green and sustainable finance; and to follow up the clients' needs accordingly.

Educating customer regarding sustainable & green products and its benefits

Arranging in-house training program for the branch officials from time to time

Social media [Dhaka Bank Facebook Fan Page] promotion for the Green & Sustainable products and their benefits

Following up with branches every month for achieving the Green & Sustainable finance target

Green Banking Strategies of Dhaka Bank PLC.

Green Mortgages

Green mortgages are home loans tailored to support the purchase or construction of energy-efficient and eco-friendly residences. These loans encourage sustainable building practices by providing benefits like reduced interest rates, longer repayment terms, and additional financial incentives. Dhaka Bank PLC offers preferential discounts to borrowers who secure mortgages for environmentally friendly properties and structures. This initiative promotes the use of energy-saving construction

methods and materials. Properties located in environmentally vulnerable areas or polluted by business activities will not qualify for these mortgages. Preference is given to buildings designed and built with energy-efficient features, such as solar panels and enhanced insulation.

Green Banking Financial Products

Green banking focuses on environmentally sustainable banking practices that minimize harm to the planet while supporting its well-being. Dhaka Bank PLC, a prominent commercial bank in Bangladesh, is a leader in this area. The bank offers a variety of green financial products tailored to environmentally conscious customers,

including loans for renewable energy projects, energy-efficient constructions, and eco-friendly vehicles. It also supports green bonds to fund sustainable efforts and aid the shift to a low-carbon economy. Dhaka Bank PLC is developing innovative green financial solutions that could either directly or indirectly influence carbon emissions. The bank may introduce a "Green Fund" to allow eco-minded clients to invest in sustainable projects. Additionally, it incorporates Environmental Impact Assessments (EIAs) into project evaluations to gauge and mitigate environmental risks when financing initiatives.

Green Banking Activities

Green banking emphasizes banking practices that prioritize environmental sustainability and social responsibility, such as investing in eco-friendly projects and adopting sustainable operations. Dhaka Bank PLC has embraced this by using advanced automated core banking software and email for internal communication, eliminating the need for manual processes. To reduce paper use and promote paperless banking, the bank has rolled out e-statements, mobile banking, internet banking, ATMs, and ADMs. E-statements allow customers to access, download, or print digital versions identical to paper statements. The bank is also exploring solar-powered ATM operations on a trial basis. By adopting virtualization technology for its data center servers and applications, Dhaka Bank has enhanced scalability and resource management while cutting costs for power, cooling, and space.

Carbon Footprint Reduction

A carbon footprint measures the environmental impact of daily activities, reflecting the greenhouse gases emitted from using fossil fuels for transportation, heating, electricity, and more. Dhaka Bank PLC is taking steps to reduce its carbon footprint through:

- a. Paperless banking operations,
- b. Increased energy awareness,
- c. Constructing green buildings for its own use, among other efforts.

Environmental & Social Risk Rating

An environmental risk rating assesses the potential environmental and social risks tied to a project or investment, helping lenders and investors make informed decisions. Dhaka Bank PLC acknowledges the importance of managing these risks in its lending activities and has established a robust environmental and social risk management framework. This includes policies and procedures to identify and evaluate risks associated with its loans. The bank mandates that clients submit an Environmental and Social Impact Assessment (ESIA) for new projects, enabling it to analyze potential impacts

and determine necessary mitigation measures. This system reflects Dhaka Bank's commitment to sustainable and socially responsible lending, reducing risks while fostering sustainable development in Bangladesh.

Good Governance

Dhaka Bank PLC is dedicated to upholding good governance as a cornerstone of its green banking efforts. The bank views sustainable practices as vital for environmental preservation and future generations' well-being. To this end, it has implemented policies promoting transparency, accountability, a strict code of ethics, and anti-corruption measures. Its green banking initiatives include supporting renewable energy, adopting eco-friendly practices internally, and offering green financing options to customers, all aimed at building a sustainable and responsible banking model that benefits both society and the environment.

Social Responsibility Services

As part of its green banking strategy, Dhaka Bank PLC has launched social responsibility programs such as tree-planting drives, park creation, and pollution monitoring camps. The bank is enhancing its internal operations and providing sustainable financing options—like funding for renewable energy, green buildings, and sustainable agriculture—to meet its green goals. It also promotes financial literacy and education on sustainable finance to engage stakeholders. To lower its carbon footprint, the bank has installed solar panels and energy-efficient lighting in its branches. Demonstrating its role as a responsible corporate citizen, Dhaka Bank has developed a green square called "Kadam Fountain" near the High Court and a small park outside its head office. It has also beautified a road median from Central Idgah to Kakrail Mosque with trees and flowers as part of a government initiative.

Sustainability of Banking

Small and medium-sized enterprises (SMEs) are vital to Bangladesh's economic growth and job creation, especially in rural areas. This sector diversifies the country's export base, reducing dependence on traditional products, and plays a key role in poverty alleviation by offering income opportunities to marginalized groups. SMEs drive innovation and entrepreneurship, fostering new products and services that boost economic progress. Contributing 23% to Bangladesh's GDP and supporting 80% of employment, an estimated 7.9 million SMEs operate across four categories: Cottage, Micro, Small, and Medium (CMSM). It supports agriculture, manufacturing, and services through interconnected supply chains, promoting regional development and reducing disparities across the country.

Benefits for Banks in growing SME Business

- 1 Country has 7.9 million Small and Medium Entrepreneurs.
- 2 Contribution to the GDP from this sector is more than 23%
- 3 SME creates 80% Employment opportunities of our country.
- 4 Provision Benefit: For Standard SME loan General Provision is 0.25%; but for other than SME Standard loan it is 1.00% to 5.00%.
- 5 Refinance Benefit from Central Bank and other bilateral local/international stakeholder(s)
- 6 Favorable Capital requirement for External Credit Rating
- 7 Portfolio Diversification & Lower Concentration Risk
- 8 Overall Economic Development as 90% Comprised of SME Enterprises

Contributions of Dhaka Bank PLC. to SMEs in Bangladesh

Dhaka Bank PLC. stands out as a key commercial bank in Bangladesh, significantly supporting the development of Small and Medium Enterprises (SMEs). The bank actively fosters SME growth by offering both financial and non-financial assistance. A major aspect of its support is providing diverse credit options such as term loans, working capital loans, and trade finance, tailored to meet SMEs' financial demands. Additionally, Dhaka Bank offers collateral-free loans to qualifying SMEs, enabling smaller businesses to secure funding without needing to provide assets as security.

Beyond financial aid, Dhaka Bank PLC. enhances SME capabilities through non-financial services like advisory support, training programs, and networking opportunities. These initiatives boost operational efficiency, productivity, and competitiveness, paving the way for SME expansion and success.

Dhaka Bank also aligns with government efforts to bolster the SME sector, notably participating in Bangladesh Bank's SME refinance scheme. This program provides banks with low-cost funds to lend to SMEs, amplifying the bank's impact on the industry.

To grow its Micro, Small, and Medium Enterprise (MSME) portfolio, Dhaka Bank continues to extend credit to new borrowers across various MSME categories. Its "Dhaka Bank Easy Loan" offers collateral-free financing with minimal documentation, available to male-owned businesses after three years and female-owned businesses after two years. The "Shuchona Loan" targets first-time applicants without a formal credit history, addressing an underserved segment of the market.

Recently, the bank introduced the "Dhaka Bank Start-up Fund," a term loan for SME clients aimed at nurturing young entrepreneurs aged 21–45. Offering a maximum loan of BDT 10 million at a 4% interest rate, this fund prioritizes innovative ideas, considering factors like education, skills, and social acceptance, to drive economic growth and job creation.

Recognizing the challenges faced by female entrepreneurs in Bangladesh, Dhaka Bank introduced the "Oditiya Loan" to support women-led businesses. This EMI-based or structured repayment loan helps women acquire business assets, with a special refinance program from Bangladesh Bank offering SME loans at a 5% interest rate (pending approval) to encourage female entrepreneurship.

The "Dhaka Bank Home Building SME Loan (HBSM)" has impacted urban peripheries by financing housing projects, particularly for garment workers in areas like Savar, Ashulia, and Gazipur. By leveraging land ownership, this initiative creates steady income sources and improves living conditions with better sanitation and multi-story housing.

Under Bangladesh Bank's BDT 250 billion refinance scheme for Cottage, Micro, Small, and Medium Enterprises (CMSMEs), Dhaka Bank offers loans at a maximum 7% interest rate for asset purchases and working capital, securing funds at 2% from the central bank. The agreement was signed on August 24, 2022. Additionally, a Credit Guarantee Scheme, signed on November 17, 2022, offers up to 70% loan coverage within a portfolio guarantee limit, with Bangladesh Bank absorbing up to 30% of losses.

In 2024, Dhaka Bank financed to 60 Agriculture clusters across 13 districts and 11 SME clusters in 5 districts.

The bank has funded clusters like footwear in Rajshahi, furniture in Chatmohor, pharmaceuticals in Rangpur, footwear in Kaluhati, straw baskets in Sherpur, and pottery in Mokamtola, collaborating with the SME Foundation.

For SMEs reliant on credit, working capital is essential, and its absence can lead to failure. Dhaka Bank addresses this through Supply Chain Finance and Distributor Financing. Supply Chain Finance allows suppliers to secure funding against invoices for goods or services delivered to corporates, while Distributor Financing enables distributors to purchase from manufacturers without upfront payments. Both are collateral-free, reflecting Dhaka Bank's focus on expanding security-free lending to propel Bangladesh's SME sector and economy forward.

Overall, Dhaka Bank PLC plays a pivotal role in advancing Bangladesh's SME industry. By providing critical financial and non-financial resources, the bank empowers small businesses to grow, create jobs, and contribute to the nation's economic prosperity.



Environmental & Social obligation

Banks bear both ecological and societal duties, requiring them to evaluate how their operations affect the planet and people. Environmentally, they're tasked with cutting their own carbon emissions, reducing support for projects that damage nature, and encouraging eco-friendly habits within their operations and among clients. This involves scrutinizing and mitigating environmental risks in their loans and investments while championing green finance efforts. Socially, banks must foster diversity, fairness, and inclusion within their teams and ensure their financial activities don't disadvantage vulnerable groups. This means adopting ethical lending and investment approaches, like offering affordable loans and backing initiatives that uplift neglected communities. These responsibilities serve as key mechanisms for advancing sustainability because

1. Adopting environmentally and socially responsible practices can enhance a bank's reputation and attract socially conscious customers, creating a competitive advantage.
2. Such practices can also help banks to mitigate risk and avoid potential liabilities that may arise from unsustainable practices or projects that harm the environment or communities
3. Environmental and social obligations can help banks to contribute towards sustainable development, ensuring long-term economic growth and prosperity for the country.
4. It helps banks to reduce their carbon footprint and ensure that their operations do not harm the environment.
5. By integrating environmental and social considerations into their lending decisions, banks can support projects that have a positive impact on communities and the environment.

6. Banks that prioritize environmental and social sustainability are more likely to attract funding from international institutions that promote green finance.
7. It can also contribute towards achieving the United Nations' Sustainable Development Goals (SDGs), particularly those related to climate action, sustainable cities and communities etc.
8. Incorporating these considerations can help banks to align their business practices with local and international regulatory frameworks related to environmental protection and social responsibility.
9. By adopting environmental and social obligations, Bangladeshi banks can contribute towards building a greener and more sustainable future, ensuring that their operations align with the needs of the present while safeguarding the interests of future generations.

As a leading commercial bank in the country, Dhaka Bank PLC focuses on optimizing its internal operations to maximize resource efficiency while cutting down on waste and energy consumption. In this same spirit, the bank actively meets its environmental and social responsibilities.

Additionally, Dhaka Bank PLC introduced its Environmental & Social Risk Management (ESRM) Policy in 2018 to guide clients toward adhering to top-tier environmental and social benchmarks. Under this policy, the bank carefully evaluates the environmental and social impacts of any project or financing decision before proceeding.

Working alongside its clients, Dhaka Bank applies a defined set of globally recognized standards and best practices to address and mitigate environmental and social risks. The bank firmly holds that managing these risks effectively is essential for securing the nation's long-term sustainable development.

SUSTAINABLE FINANCE PORTFOLIO

Green Finance

Green finance has gained significant traction in banking in recent years, driven by rising concerns over climate change and environmental sustainability. It entails weaving environmental, social, and governance (ESG) considerations into the decision-making framework of financial institutions, encouraging eco-friendly investments and curbing the harmful environmental effects of economic activities. This shift brings multiple advantages, including lower carbon emissions, better resource use, and an enhanced reputation and competitive edge for banks. Moreover, green finance helps tackle climate-related risks while opening doors for economic growth and development, cementing its role as a vital component of sustainable banking.

A core duty of green banking is to fund eco-conscious initiatives and projects. To boost investment in sustainable business models, the central bank mandated that all banks allocate at least 5% of their total Term Loans (excluding staff loans) to green projects by the end of the previous year. Dhaka Bank PLC supports this through a range of green finance offerings tailored to environmentally sustainable endeavors. These solutions strive for a brighter future by cutting carbon emissions, advancing renewable energy, and conserving natural resources. In 2024, Dhaka Bank continued its steady efforts in Green Banking activities. As of December 2024, the bank's green financing portfolio includes the following:

(Amount in million Taka)				
Sectors	2023	2024	change	(%) change
Renewable Energy	216.96	287.89	70.93	32.69
Energy & Resource Efficiency	37.85	1091.19	1053.34	2782.93
Liquid Waste Management	231.02	270.00	38.98	16.87
Circular Economy & Eco-Projects Financing	0.77	528.27	527.50	68506.49
Environment Friendly Brick Production	172.70	312.21	139.51	80.78
Green/Environment Friendly Establishments	30.19	225.70	195.51	647.60
Green CMSME	0.00	5.54	5.54	100
Green Socially Responsible Financing (SRF)	0.00	1132.65	1132.65	100
Blue Economy Financing	0.00	0.00	0.00	-
Information and Communication Technology	0.00	3468.14	3468.14	100

Sustainable Linked Finance

Sustainable linked finance plays a crucial role in enabling banks to encourage sustainability, control risks, and generate value. Its significance in the banking sector comes from its ability to direct funds toward projects and activities that prioritize sustainability. By attaching the terms of loans, bonds, or other financial tools to trackable sustainability goals, banks can push companies to embrace more environmentally and socially responsible practices. This

approach aids in tackling urgent issues like climate change, biodiversity depletion, and social disparities. Per Bangladesh Bank's rules, all banks are required to allocate at least 20% of their total loan disbursements (excluding staff loans) from the end of the previous fiscal year to sustainability-related projects. Dhaka Bank has consistently supported sustainable funding, aligning with Bangladesh Bank's focus areas and addressing various national challenges. As of December 2024, Dhaka Bank's Sustainable Linked financing portfolio includes the following:



Sustainable Agriculture
1.24%



Sustainable MSME
6.17%



Socially Responsible
Financing
0.08%



Other Sustainable Linked
Finance
92.51%

Incorporation of Environmental & Social Risk in Core Risk Management (CRM)

Core Risk Management in banking involves recognizing, evaluating, and addressing the daily risks encountered by banks, such as credit, market, operational, liquidity, and legal risks. Its goal is to establish robust systems, policies, and practices to effectively handle and reduce these risks. Integrating social and environmental risks into this framework is vital for banks to mitigate potential threats and meet stakeholder expectations, thereby protecting their reputation, ensuring financial stability, and supporting wider sustainability goals.

Bangladesh Bank, the nation's central banking authority, has provided directives for financial institutions to weave environmental and social risks into their core risk management strategies. These guidelines encourage sustainable financing and aim to tackle risks tied to environmental and social issues that could affect the financial sector. For Bangladeshi banks, this integration is critical for several reasons. First, Bangladesh faces significant exposure to risks like climate change, natural disasters, and social instability, which can heavily impact the banking industry through loan defaults, reduced profits, and reputational harm. Second, global regulations and stakeholders increasingly expect banks to address these risks, with non-compliance risking financial losses and damaged credibility. Third, embracing these risks opens doors for banks to create sustainable offerings and showcase their dedication to ethical banking. In essence, embedding environmental and social risks into core risk management is key to the enduring viability of Bangladeshi

banks, enabling them to adapt to stakeholder demands in an unpredictable world. With this in focus, Dhaka Bank PLC has successfully incorporated Environmental & Social Risk into its Core Risk Management practices.

Particulars	Total
Number of Projects applicable for Environmental & Social Due Diligence (ESDD)	389
No. of Projects Rated (Environmental & Social Risk Rating)	389
Low	340
Medium	46
High	03

Environmental & Social Risk Management status:

ESRR Rating	December-2024	
	No of Accounts	Outstanding [In million BDT]
High	03	2,003.59
Medium	46	14,504.78
Low	340	107,213.17
Total no. of branches	116	
No of Branches Reported under Environmental & Social Risk Rating (ESRR)	36	

Status of Target Achievement for the Year 2024

Achievement Against Disbursement Target

Figure in Million BDT

For the Year 2024	Green Finance	Sustainable Finance
Disbursement Target	715.73 [5% of Total Term Loan Dis]	33,893.46 [20% of Total Finance]
Actual Disbursement	2,104.25 [12% of Total Term Loan Dis]	63,070.54 [25.74% of Total Finance]
Achieved over Target	7%	5.74%
Status	Complied	Complied

In 2024, both Green Finance and Sustainable Finance exceeded their disbursement targets, demonstrating a strong commitment to sustainability.

Green Finance: The target was 715.73 million (5% of total term loans), but the achievement was 2,104.25 million (12%), exceeding the goal by 7%.

Sustainable Finance: The target was 33,893.46 million (20% of total finance), but the achievement was 63,070.54 million (25.74%), exceeding the goal by 5.74%.

With both sectors outperforming expectations, the institution reaffirmed its dedication to environmentally responsible and sustainable financial growth. Compliance has been successfully achieved.

Achievement Against Outstanding Target

Figure in Million BDT

For the Year 2024	Green Finance	Sustainable Finance
Outstanding Target	4,627.25 [2% of Loans & Advances against previous year closing balance]	34,704.34 [15% of Loans & Advances against previous year closing balance]
For the Year 2024	Green Finance	Sustainable Finance
Actual Outstanding	7,321.59 [2.98% of Total Term Loan Dis]	1,33,125.63 [54.34% of Total Finance]
Achieved over Target	0.98%	39.34%
Status	Complied	Complied

In 2024, both Green Finance and Sustainable Finance exceeded their outstanding targets, reinforcing the institution's commitment to sustainable lending.

Green Finance: The target was 4,627.25 million (2% of loans & advances), but the achievement was 7,321.59 million (2.98% of total term loans), surpassing the goal by 0.98%.

Sustainable Finance: The target was 34,704.34 million (15% of loans & advances), but the achievement was 133,125.63 million (54.34% of total finance), exceeding the target by 39.34%.

With both categories achieving full compliance, the results reflect a significant boost in sustainability-driven financial commitments.

As we move forward, our commitment to sustainable finance remains stronger than ever. By integrating Environmental, Social, and Governance (ESG) principles into our financial strategies, we are fostering a resilient, inclusive, and green economy. Our efforts in green financing, social impact investments, and ethical banking reflect our dedication to creating long-term value for our stakeholders and the communities we serve.

Together, we can build a more sustainable and equitable future—one that balances economic growth with environmental stewardship and social well-being.



Credit Card From Home