

DIRECTORS' REPORT



World Economy

The global economy is forecasted to continue on its trend of reaching an equilibrium as real per capital output is recovering from the slowdown. The global GDP growth in 2025 is forecasted to be at 2.8% decreasing by 0.5% compared to 2024. Emerging and Developing countries will have to tread with caution in the wake of looming tariffs from the USA following the proposal of president-elect Donald Trump. Regional disparities will become more prominent as global geopolitical unrest continues to grow.

Apart from emerging and developing parts of Asia, most regions are expecting a decrease in inflation level. Due to monetary tightening, counterfactual and discretionary inflation stabilization monetary policies most countries are expecting a deflationary trend in their economy. Advanced and Emerging countries of the world are anticipating a decrease in inflation level from 2.8% and 7.7% respectively in 2024 to 2% and 5.5% respectively in 2025. Emerging and Developing European countries will be benefitted the most as their projected inflation level are projected to drop from 16.8% in 2024 to 13.5% in 2025.

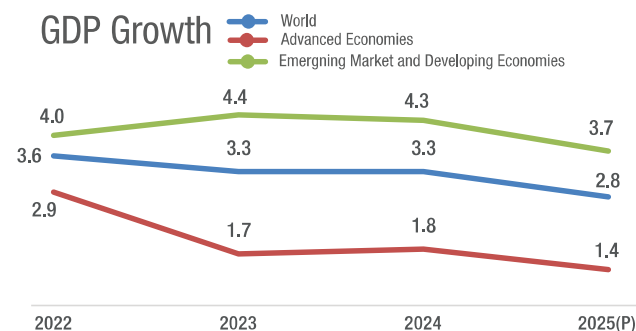
Decline in commodity prices will play a crucial role in aiding policymakers controlling inflation as aggregate commodity price is expected to decrease by 3.69% in 2025 compared to the level of 2024. Metal and mineral prices will decrease the most by 6.57% as trade restrictions imposed on certain European countries will continue to get lifted. Anticipated trade volume will continue to grow in 2025 as global import volume will grow by 0.3% for both advanced and emerging countries of the world.

Global unemployment level will remain as a factor of concern as both advanced Asia and the USA are expecting a rise in unemployment level caused by shortage of skilled laborer, trend of shifting to automation, and reliance on AI. Unemployment rate are estimated to reach 3% in advanced Asia and 4.20% in the USA.

Global GDP Growth

The provisional estimate of global GDP indicates that GDP growth might face a subtle decrease from 3.3% in 2024 to 2.8% in 2025. Growth is estimated to remain stable for Emerging and developing economies as global supply chain disruptions are easing and the ongoing conflicts in the Middle East are coming to an end amidst a cease-fire agreement. However, as the USA is contemplating imposing tariffs on goods produced outside the country, specifically aimed at China, there are prospects of decline beyond just the projected value.

Most countries are adopting contractive monetary policies in order to protect the welfare of their own countries, which might lead to slowdown in economic activities as producers are facing away from geographic diversification.

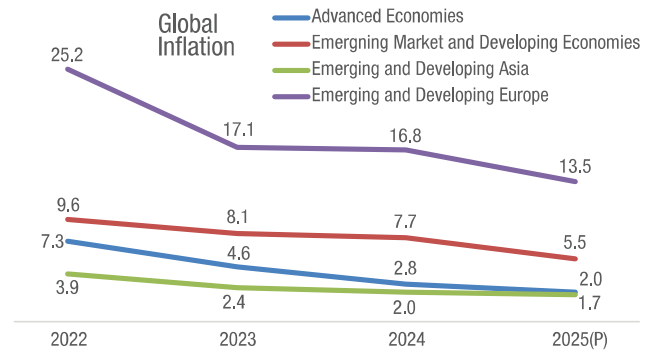


Global Inflation

Globally most economies are expected to observe a reduction in inflation level, with advanced economies forecasted to experience a 2% inflation

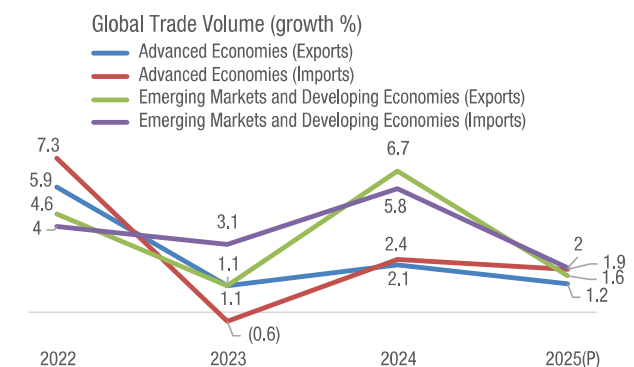
rate in 2025 down from 2.8% in 2024. Emerging and developing Europe are also anticipating a deflation as commodity prices are heading towards stabilization.

However, Asian countries, particularly the emerging and developing parts of Asia are bracing themselves for an increase in inflation level from 2.0% in 2024 to 1.7% in 2025.



Global Trade Volume

Global trade volume growth has stagnated since 2022 according to UNCTAD's latest Global Trade Update. The year 2023 recorded historical low figures as advanced economies adopted contractionary monetary

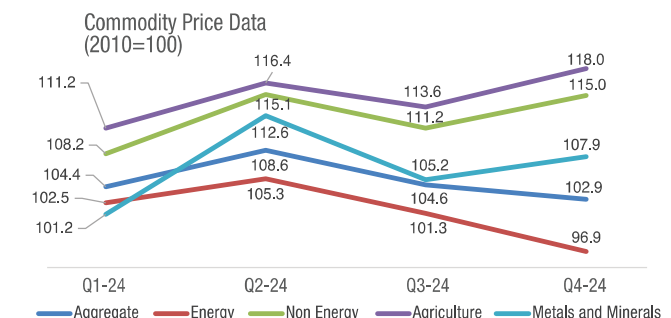


policies to prioritize domestic growth. However, the volume of trade picked up in 2024 as global supply chain disruptions started to ease. According to latest forecasts, advanced economies are forecasted to rely more on imports in 2025 as import growth is estimated to reach 1.9% whereas export growth will decrease to 1.2%.

Emerging and developed economies will keep their export growth rate at 1.6% in 2025 comparing 6.7% in 2024. However, they will also rely more on imports in 2024 as the import growth rate will reach 2% resulting a sharp fall from 5.8% in 2024.

Global Commodity Markets

The World Bank commodity price index observed a significant high in 2024 with prices skyrocketing in the second quarter of 2024. The prices eased down a little bit in the last quarter of 2024 but according to forecasts they might rise again in the first quarter of 2025.



The metals and minerals sector observed a sharp price hike as the global conflicts bottlenecked the already scarce supplies. Due to the ongoing Russia-Ukraine war the price of agricultural goods remained at a constant high throughout the whole period.

Global FDI

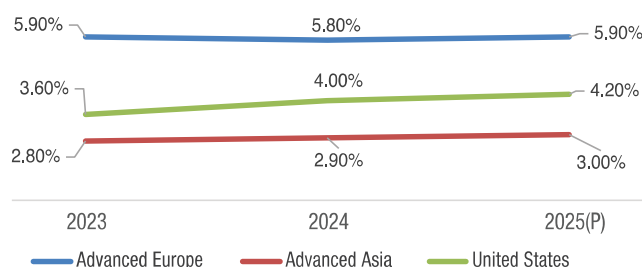
According to OCED (2024), Cross-border M&A activity recorded the lowest figures in the past 10 years in 2023 due to weakening global economic and geopolitical landscape. Investment policies are forecasted to favor sectors targeting renewable energy growth and infrastructure development on emerging parts of the world. However, the total FDI figures dropped drastically due to global unrest.

Global FDI outflow was recorded at USD 1,576,967 million and inflow was estimated to be at USD 1,151,374 million. Compared to the volume of 2022, both inflow and outflow dropped significantly caused by geopolitical unrest in most regions of the world. The trend is projected to continue in 2024 and beyond.

Global Unemployment

Unemployment rate is expected to rise modestly with the USA and Asian countries being severely affected. The USA will see an increase in unemployment level from 4.00% in 2024 to 4.20% in 2025, whereas the advanced Asian countries will experience a steady rate of 3.00% in 2025. Advanced European nations on the other spectrum are actually forecasted to see a slight increase in the unemployment level under a unified monetary policy under the EU. This will hike their unemployment level from 5.8% to a modest 5.9%.

Summary of Global Unemployment Rate



Global Economic Outlook

The global economic outlook for 2025 and 2026 projects cautious growth amid significant uncertainties. The Global GDP growth may be 2.8% for 2025, down from 3.3% due to U.S. tariff impacts as per IMF projects, while the World Bank estimates a steady 2.7%. UNCTAD warns of a potential recessionary 2.3% if trade shocks intensify. Growth is below the pre-pandemic average of 3.2% (2010-2019), reflecting structural challenges like weak investment and high debt.

The outlook reflects a resilient but fragile global economy, with trade policy shocks and geopolitical tensions as primary concerns. Emerging markets show varied resilience, but vulnerable economies face persistent challenges in closing income gaps and reducing poverty.

Challenges

- Geopolitical Unrest in Ukraine, the Middle East & South Asia
- Supply Chain Disruption
- Possibility of a Tariff War
- Economic Slowdown in Advanced Countries
- Ongoing Political Unrest in Europe
- Inflationary Pressure

Opportunities

- Bilateral Trade Agreements
- Technological innovation and digital transformation
- Emphasis on Renewable Energy
- Trade and supply chain reconfiguration

Source:

- World Economic Outlook (April 2025)
- World Economic Outlook (Oct 2024)
- World Bank Commodities Price Data (December 2024 - Pink Sheet)



Board of Directors at 25th AGM

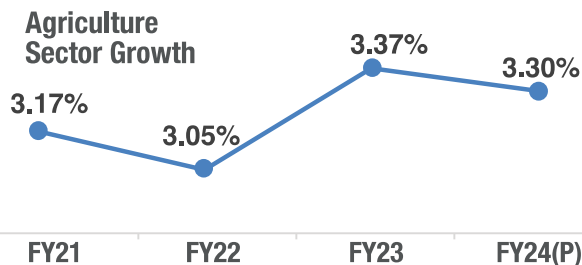
Bangladesh Economy

Bangladesh's GDP growth slowed to 4.22% in FY2023–24, marking its lowest rate over four years. With a total GDP size of Tk. 50,027 billion in FY2023–24, this decline is attributed to a mix of domestic and global challenges that have negatively impacted consumption and investment. Persistent inflation, especially in food prices exceeding 14%, has eroded household purchasing power, reducing private consumption, which is a key driver of GDP growth. Simultaneously, investment levels have dropped as businesses face rising costs due to energy shortages, fuel price hikes, and currency depreciation. The devaluation of the Bangladeshi Taka by nearly 27% in 2023 increased import costs, strained foreign exchange reserves, and prompted import restrictions, disrupting industrial supply chains.

Political instability, triggered by a government change in 2024, further eroded investor confidence and delayed crucial policy reforms. Additionally, youth unemployment has surged to 16%, highlighting a mismatch between the education system and labor market demands, which limits the economy's potential. External factors, including weakened global demand and reduced export growth, have also dampened economic momentum. In response to these challenges, Bangladesh Bank has revised the GDP growth target for FY2024–25 to a modest 4–5%. Achieving this target will depend on controlling inflation, restoring investor confidence, and implementing structural reforms to boost productivity and ensure long-term economic recovery.

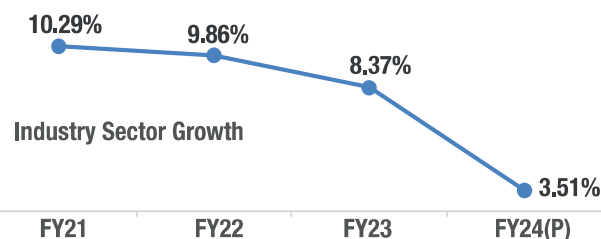
Agriculture Sector

The Agricultural sector contributed TK 5,585 billion in FY24 compared to TK 4,942 billion in FY23 which represents 11.16% of the total GDP at current market price. However, the sector's real GDP growth became 3.30% in FY24 from 3.37% in FY23. Among the sub-sectors, during this time the growth of the Crops and horticulture sector faced significant growth whereas animal farming and fishing remained relatively stable.



Industry Sector

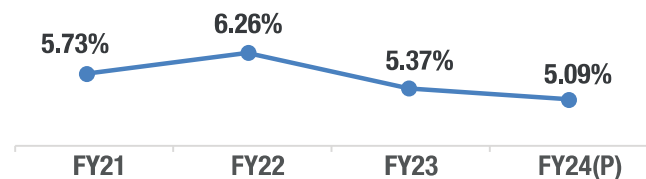
The Industrial sector contributed 34.10% of GDP amounting TK 17,058 billion in FY24 compared to TK 15,536 billion in FY23. The real GDP growth of the sector continued to decline, falling to 3.51% in FY24. Among the sub-sectors, the mining and quarrying sector faced significant obstacles and fell 1.15% in growth rate. Large industry (1.02%) and electricity, gas, steam and air condition supply (0.98%) also reflects a very poor growth.



Service Sector

The Service sector contributed the significant portion of the GDP which is 51.42%. Contribution from this sector was TK 25,722 billion in FY24 compared to TK 22,954 billion in FY23. The sector observed significant growth in FY24 reaching 5.09%. Such growth is supported

Service Sector Growth



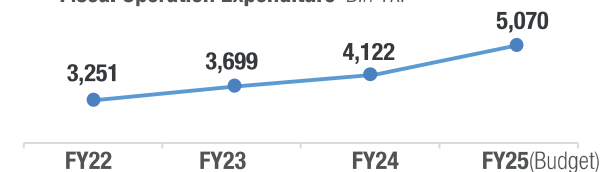
by lower growth in financial and insurance activities, real estates activities, information and communication etc. However, sectors like professional, scientific and technical activities, human health and social work activities, administrative and support service activities exhibited significant growth.

Fiscal Operation Expenditure

The budget for FY25 set total expenditure at TK. 7,970 billion, among which TK. 2,814 billion has been allocated for development expenditure and TK. 5,069 billion has been allocated to serve as operating purposes.

The total deficit figure stands at TK. 2,516 billion. 68% of the total budget is estimated to be financed by revenue collection, and the rest is expected to be financed by both domestic and foreign borrowings. The government is targeting an increase of 10% in terms of revenue

Fiscal Operation Expenditure Bln Tk.



collection over the previous year in order to reduce dependency on foreign borrowings.

Revenue Collection

In the revised budget for FY24, total revenue receipts were targeted at TK. 4,780.00 billion, which was 30.39 percent higher than the actual revenue receipts in FY23. The revised target for tax revenue collection was 89.75 percent of the total revenue receipts which was 30.91 percent higher than the actual tax revenue collected in FY23. However, the revised target for non-tax revenue collection for FY24 was 25.84 percent higher than the actual collection of that in FY23. In FY25, Government has set a target of revenue collection of TK. 5,410 billion comprising of tax revenue of TK. 4,950 billion and non-tax revenue of TK. 460 billion.

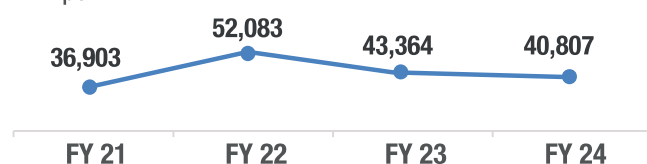
External Sector

Historically, external sectors of Bangladesh's economy such as export, import, and remittance played a pivotal role in the country's development activities. Most infrastructural development projects are still reliant on foreign financing options in order to meet obligations. Therefore, it is essential for Bangladesh to have a net export surplus as well as remittance inflow in order to keep an adequate level of foreign exchange reserve. Below is a breakdown of the abovementioned factors:

Exports

Bangladesh's export earnings in FY24 declined by 5.89% to USD 40,807 million from USD 43,364 million in FY23. The ready-made garments sector contributed the most recording a figure of USD 36,130 million. However, this sector, accounting for over 80% of total exports, experienced a 5.4% drop, with knitwear and woven garments falling by 5.35% and 5.36%, respectively. Exports to major markets such as the USA and Europe also saw significant declines. The USA experienced a 10.13% decrease in RMG exports, while European countries saw a 3.46% decline. Additionally, other major export categories, including home textiles, leather products, and frozen fish, all contributed negatively to the overall export earnings. Factors such as reduced consumer spending, inventory build-up, and geopolitical tensions, including the Russia-Ukraine conflict, have adversely affected demand in key markets. Despite these challenges, there is cautious optimism that exports may rebound if market conditions improve.

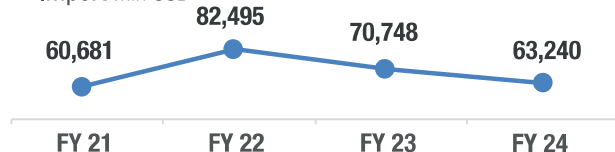
Export Min USD



Imports

The real import expenditure also fell short of projections, the actual figure stood at USD 63,240 million at the end of FY24. Due to the contractive policy measures taken by the government, imports have

Import Min USD

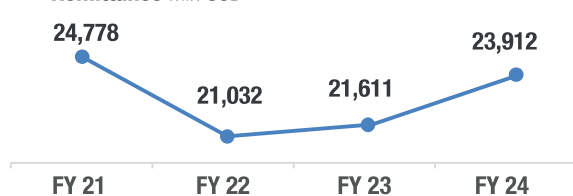


slowed down significantly. Amidst global supply chain disruptions, it has also become difficult for businesses to import goods from abroad. The import of consumer and capital goods observed major decline to USD 4,928 million and USD 10,602 million in FY24 compared to figures of USD 5,652 million and USD 13,581 million in FY23.

Remittance

Remittance figures observed a historical high (in recent years) recording USD 23,912 million in FY24. Amidst depleting foreign exchange reserve, remittance sent by workers abroad played a pivotal role as a source of foreign currencies to pay for import bill and reduce the trade deficit.

Remittance Min USD



Balance of Payment

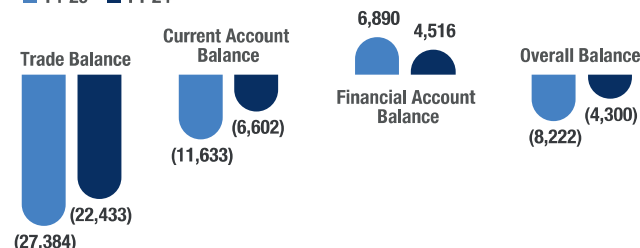
In FY24, the elevated price of commodities globally led to major advanced economies to tighten their monetary policies. This led to the government of Bangladesh to reform their policies as well. The

government decided to continue their monetary and fiscal tightening approach, realign the exchange rate amidst currency depreciation, and shift to a crawling peg exchange rate arrangement.

Following their decisions, the government was able to reduce the trade balance deficit significantly from USD -27,384 million in FY23 to USD -22,433 million in FY24. The improved result can be attributed to a

Balance of Payment Min USD

■ FY 23 ■ FY 24



contraction in imports in relation to exports, an increase in remittance inflows, and realignment of the exchange rate.

The current account balance (CAB) also experienced significant deficit reduction from USD -11,633 million in FY23 to USD -6,602 million in FY24, it is projected the balance will be reduced even further down to a deficit of only USD -226 million by July-November FY25.

The financial account observed a slight decline when comparing with historical figures, dwindling to USD 4,516 million in FY24 compared to USD 6,890 in FY23. This unforeseen decrease was driven majorly due to a net trade credit deficit due to delayed disbursement of export receipts and higher repayment of short-term external private borrowings.

Bangladesh's Balance of Payments (BoP) is projected to improve in FY25, supported by a crawling peg exchange rate system, fiscal and monetary tightening, and increased remittance inflows. The current account deficit is expected to narrow, aided by strong remittance growth and a positive financial account surplus. However, risks remain, including potential import surges, rising foreign debt servicing costs, and global economic uncertainties. Policymakers should focus on rebuilding external resilience and controlling inflation to ensure sustained economic stability.

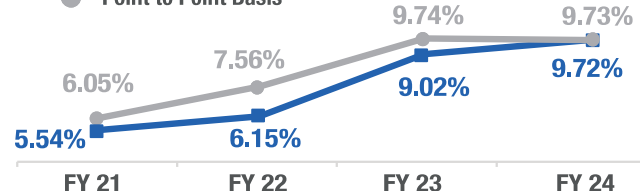
CPI Inflation

During FY2024, the point to point inflation rose to 9.73% from a previous 9.02% during FY23. (Base Index: 2021-22 = 100) The 12 months average inflation also observed a significant high, the elevated inflation since July 2024 also inflated the figures. The monthly inflation hovered between 9.92% and 11.66% during the latest quarter of 2024. (BB, 2024)

CPI Inflation

■ Twelve Month Average Basis

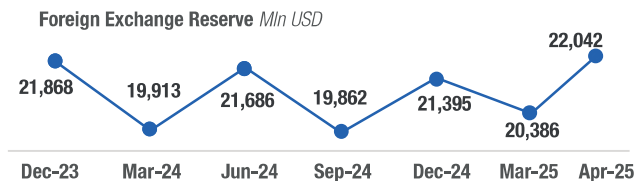
● Point to Point Basis



Due to the ongoing supply chain disruption and global crises continuing due to the wars, the trend of surge in food indexes continued in FY24 reaching to 10.65%. The non-food index actually observed a decline from 9.39% in FY23 to 8.86% in FY24. (BBS, 2024)

Foreign Exchange Reserve

In 2024, Bangladesh's foreign exchange reserves, as reported by Bangladesh Bank under the IMF's BPM6 methodology, experienced fluctuations due to various economic factors. The reserves began the year at approximately USD 19,964 million in January and saw a decline in the following months, reaching around USD 18,646 million by May. However, a recovery was observed in the latter part of the year, with reserves increasing to approximately USD 22,042 million by April 2025. This rebound was attributed to factors such as increased remittance inflows, export earnings, and strategic monetary policies. Despite these improvements, the reserves remained below the levels seen in previous years, indicating ongoing challenges in managing external financial obligations and ensuring economic stability.



Foreign Direct Investment

Foreign Direct Investment (FDI) is crucial for Bangladesh's economic development, particularly for bolstering foreign exchange reserves. In FY23, net FDI inflows amounted to USD 1,649 million. However, in FY24, this figure declined by 8.8% to USD 1,470 million, attributed to factors such as political instability during the election year, exchange rate volatility, and a challenging global economic environment. Despite these challenges, reinvested earnings remained a significant component, accounting for 42% of the total net FDI in FY24. The UK, China, and South Korea were among the top investors during this period.

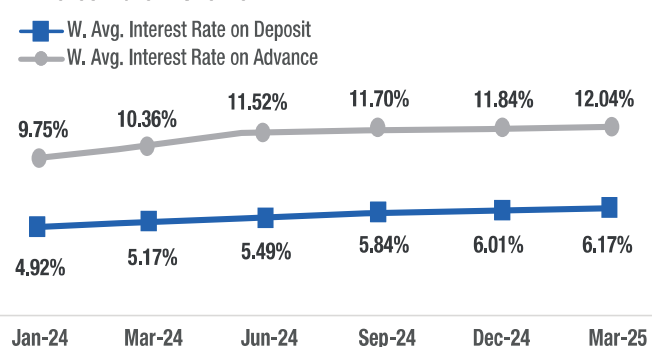
Monetary Policy

In 2024, Bangladesh Bank implemented a series of interest rate hikes to combat persistent inflation, which remained above 9% throughout the year. The policy rate (repo rate) was increased five times, from 7.75% in January to 10% by October. This tightening cycle aimed to curb inflationary pressures, particularly in the food sector, which saw inflation exceeding 12% in September. BB also implemented a crawling peg exchange rate system, linking the Taka to a currency basket to reduce volatility. Despite these measures, inflation remained above 9%, prompting BB to project a decline to 7-8% by June 2025. The central bank emphasized controlling inflation, stabilizing the foreign exchange market, and addressing rising non-performing loans as key objectives.

Interest Rate Movement

As a consequence of inflation and hike in the policy rate, lending rates rose, with the weighted average lending rate increasing from 9.75% in January to 11.84% by December. Deposit rates also saw a gradual increase, reaching 6.01% in December from 4.92% in January. These measures were part of a broader contractionary monetary policy aimed at stabilizing the economy amid external shocks and political instability.

Interest rate movement



Exchange Rate Movement

The Taka depreciated significantly against most major currencies in recent years, the trend continued in 2024. To combat the rapid devaluation, Bangladesh Bank allowed greater flexibility in the exchange rate and has refrained from intervening in the interbank foreign exchange market. As a result, BB's foreign exchange reserves grew to USD 21.4 billion at the end of the year, with the assistance of external finance. The improvement resulted in diminishing pressure on the exchange rate, the nominal exchange rate of the TK. against the USD stood at 120 by the end of December 2024. In contrast, the real effective exchange rate (REER) index increased to 103, which is indicative of a noteworthy appreciation of 4.4% due to higher inflation rates in Bangladesh compared to our major trading partners.

Bangladesh Economic Outlook in 2025: A Transition

Bangladesh is expected to face significant challenges in 2025 amidst the exit of the previous government. The interim government is tasked with addressing the political and social environment circumventing all the obstacles as well as strengthening the economy.

Essential objectives include reducing the inflationary pressure, reducing the exchange rate, and increase the foreign reserve.

Major Challenges:

- Stagnating Economic Growth
- High Inflation Level
- Declining Foreign Aid and Reforms

- Political Unrest
- Low Key Sectorial Performances
- Looming Tariffs
- High NPL (Non-Performing Loan) in Banking sector

Major Opportunities:

- Satisfactory Remittance Growth
- Infrastructure Development
- Renewable Energy Transition
- Diversification of Exports
- Foreign Direct Investment (FDI) and Trade Integration

SOURCES:

- Bangladesh Bank Quarterly (Oct-Dec, 2024)
- Bangladesh Bank – Major Economic Indicators: Monthly Update (April, 2025)
- Monthly Report on Fiscal Position-December, 2024 by Ministry of Finance

Banking Industry Exploring 2024

The year 2024 proved to be highly challenging for the economy of Bangladesh, exposing vital weaknesses across various sectors. The already fragile banking sector was plagued by factors such as high figures of non-performing loans, a financial account deficit, extreme exchange rate volatility, and depleting foreign exchange reserves. All of these factors combined have significantly undermined the country's macroeconomic stability.

The banking sector, in particular, is struggling with a mounting amount of non-performing loans, exacerbated by lenient regulations favoring bank directors and defaulters. Additionally, harmful incidents such as amendments to banking laws have further weakened the authority of the Bangladesh Bank, aggravating the sector's problems.

To combat the adverse effect of rising level of supply of money, Bangladesh Bank will be taking measures to conduct open market operations to reduce the supply of money by issuing more government securities and raising the lending rate.

Regulation of Banking Industry

Bangladesh Bank Order 1972 and the Bank Company act 1991 and subsequent amendment of 2023 mainly guide the Commercial Banks of Bangladesh. Bangladesh Bank (BB), the Central Bank, exerts the supervisory controls over the banking sector. Bangladesh Bank (BB)

formulated and implemented several key initiatives during the second half of the FY24 in order to lower the unorthodox level of constant high inflation. During the FY24, Bangladesh Bank introduced policy interest rate hikes amounting to 200 basis points, subsequently the policy interest rate corridor was also lowered to ± 150 basis points. The SMART-based interest rate capping was scrapped in favor of a market-force based self-regulating interest rate system.

The heighten of interest rates across the spectrum led to a softening of money supply and private sector credit growth between January and June 2024. (BB, 2024)

Banking Sector of Bangladesh

The combined effects of contractionary monetary policy and the tight liquidity environment in the money market have led to a significant hike in interest rates. The government decided to raise the weighted average call money rate by 100 basis points, resulting in the final figure of 10.07 percent over a six-month period to December 2024. Subsequently, the interbank repo rate rose from 8.56 percent in June 2024 to 10.18 percent in December 2024. The spillover effect of these policy interest rate factors combined resulted in a substantial increase in the lending and deposit rates. However, much of the increase in the lending rate originated at the time when the lending rate cap was removed in late May.

Monetary Aggregates

(YoY % change %)

Item	Actual			Projected
	Jun-24	Sep-24	Dec-24	Jun-25
Broad Money	7.7	7.9	7.6	8.4
Net Foreign Assets*	-17.1	-17.2	-15.7	7.7
Net Domestic Assets	13.5	12.9	11.9	8.5
Domestic Credit	10	9.3	9.4	11.5
Credit to the public sector	10.5	9.7	18.1	17.5
Credit to the private sector	9.8	9.2	7.3	9.8
Reserve Money	7.9	9	7.3	1
Money multiplier	4.92	5.4	5.15	5.28

Source: Bangladesh Bank MPS h2fy25.

*Calculated using the constant exchange rates of end June 2024.

Types of Bank	No. of Banks	No. of Branches	CRAR %	NPL Ratio	CL (In Billion)	ROA %	ROE %
State Owned Banks (SCB)	6	3836	-2.48%	40.35	1261.11	-0.65%	-19.10%
Specialized Banks (DFI)	3	1543	-42.20%	13.21	58.13	-3.12%	-11.49%
Private Banks (PCB)	43	5863	9.38%	11.88	1498.06	0.34%	5.90%
Foreign Banks (FCB)	9	63	43.67%	4.99	32.45	3.92%	19.87%
Total	61	11305	6.86%	16.93	2849.77	0.23%	4.32%

Source: Bangladesh Bank Quarterly – Volume XXII, MPS h2fy25

Review of operations of Bank Asia in 2024

The global economy in 2024 experienced significant turmoil, grappling with numerous challenges such as geopolitical tensions (Russia Ukraine war; Gaza war between Israel and Hamas), inflationary pressures, interest rate hikes, tighter monetary policies, supply chain disruptions, trade uncertainties, and tariff threats. Bangladesh, like many emerging economies, remained highly vulnerable to these global headwinds. The country faced mounting pressures from depleting foreign currency reserves, exchange rate volatility, sluggish revenue mobilization, a high volume of non-performing loans, and a sharp rise in inflation. In addition, Bangladesh experienced a major political shift in 2024, which brought to light several past financial irregularities. In response, Bangladesh Bank initiated a series of reforms aimed at restoring stability in both the banking sector and the broader economy. Despite these substantial challenges, Bangladesh achieved a commendable GDP growth rate of 4.22% in FY 2024.

In the year 2024, Bank Asia has reached the milestone of Tk. 1,700+ crore Profit. Operating profit of the bank increased to Tk. 17,052 million having growth of 48% over previous year. Although operating profit increased from previous year but core challenge was interest rate hike of deposit expense. Cost of deposit increased to 5.36% from 4.41%. Yield on advance of the bank increased by 2.46% in 2024 and reached at 10.50% from 8.04% that resulted in increase of spread by 1.51% from 3.63% to 5.14%. On the other hand, non-funded income increased substantially for which the bank was able to maintain growth of profit. In 2024, Bank Asia's total assets reached Tk. 532,902 million, reflecting a 12% growth from Tk. 474,148 million in 2023. Deposits rose by 15%, amounting to

Tk. 416,559 million compared to Tk. 361,536 million in the previous year. Loans and advances increased by 1%, reaching Tk. 293,726 million. The Bank's import business declined by 4%, totaling USD 1,840 million in 2024, down from USD 1,912 million in 2023. Similarly, exports dropped by 10% to USD 1,245 million from USD 1,380 million. On a positive note, inward remittances recorded a strong growth of 33%, reaching USD 1,113 million compared to USD 839 million in the previous year. Net profit after tax stood at Tk. 2,775 million, marking a 16% increase year-on-year. Adequate provisions were maintained against risky assets in line with regulatory requirements. While the classified loan ratio in the overall banking industry rose notably, Bank Asia's classified loan (CL) ratio increased to 11.40% in 2024. The Bank remains on a solid footing, with a strong capital base supporting business growth and resilience against potential shocks. Capital rose by 2%, standing at Tk. 41,547 million, while the Bank maintained a robust Capital to Risk Weighted Assets Ratio (CRAR) of 15.61%, well above the regulatory requirement.

To maintain the increasing demand of customers for innovative services and a balanced distribution of network, the whole network of Bank Asia now consists of 131 branches, 4 SME service centers, 15 sub-branches, 5,025 Agent outlets, 5 Islamic windows, 217 own ATMs with more than 14,300+ shared ATMs, 33 CDMs, 4 CRMs, 1 Brokerage Company in Bangladesh and 2 exchange houses located in UK and USA. The Bank is also operating 4 branches of BA Express USA Inc. in New York. All the operations of the Bank are interconnected and integrated through state of the art networking technology.

CORPORATE & LARGE LOAN

The Corporate & Large Loan (C&LL) Division, a key strategic arm of Bank Asia PLC, has been instrumental in addressing the corporate financing needs of Bangladesh's industries. By delivering a wide array of tailored financial solutions, C&LL has played a vital role in driving inclusive economic growth across the nation. The division primarily serves clients with funded exposure exceeding Tk. 200 million and/or total exposure surpassing Tk. 300 million, catering to diverse sectors such as power, construction and infrastructure, steel, cement, ceramics, food and beverage, pharmaceuticals, paper and packaging, trade, services, and more.

Corporate & Large Loan (C&LL) Division operates through two specialized asset segments—General Corporate and Syndication & Structured Finance—along with the recently launched Cash Management & Corporate Liability Unit under its liability segment. The division offers a suite of specialized financial products, including Supply Chain Finance, Islamic Banking solutions, and Foreign Currency (FCY) facilities through the bank's Offshore Banking Unit. These offerings reinforce the bank's commitment to providing comprehensive financial solutions across multiple sectors.

As of December 31, 2024, the C&LL Division's total loans and advances stood at Tk. 160,080 million, representing approximately 54.50% of the bank's total loan portfolio, underscoring its significant contribution to the bank's overall lending operations.

Despite facing significant challenges, including a severe foreign currency crisis and adverse geopolitical conditions, the C&LL Division successfully managed import business worth Tk. 98,843 million in 2024. The division strategically prioritized financing in critical sectors such as services, healthcare, infrastructure, manufacturing, essential commodities, and power & energy, while incorporating sustainable financing principles into its decision-making processes.

Key achievements of C&LL in 2024

Key achievements of C&LL in 2024:

- Originating 34 new customers, including industry leaders, and securing approval for aggregate fresh, enhanced facilities totaling Tk.44,976 million.
- Strengthen customer relationship management centrally from the Corporate Office in support of the branches.

Notable new customers onboarded by C&LL in 2024:

- Coal Power Generation Company BD Ltd.: Tk.3,000 million;
- M/S. Noapara Traders and M/S. Mounata Trade Index: Tk.6,303 million.
- Healthcare Chemicals Ltd.: Tk.2,591 million;
- Abdullah Battery Co (Pvt) Ltd.: Tk.1,700 million;
- SQ Electronics Ltd.: Tk.1,525 million;
- ACI Godrej Agrovet Private Ltd.: Tk.1,500 million;
- Transom Beverages Ltd.: Tk.1,450 million.



Coal Power Generation Bangladesh Ltd: Matarbari 2x600 MW Ultra-Supercritical Coal-Fired Power Plant – Working Capital Financed by Bank Asia PLC.

Syndication & Structured Finance



Funded Exposure

Tk. **21,357** million

Syndication & Structured Finance Unit of Bank Asia PLC is capable of providing a comprehensive range of services including fund arrangement, advisory services, agency function and account Banking services and other innovative solutions to both corporate and public sector customers. The dedicated team is comprised of skilled professionals & highly experienced in handling different business transaction/solution. The unit is now providing services to the clients in Power, Manufacturing, Pharmaceutical, Cement, Refinery, Ceramics, Pulp & Paper, Telecom, Steel, NGO-MFI, Construction, and IPFF Financing for infrastructure projects especially in Economic Zone, new & BMRE Projects.

In addition, the unit is well equipped to handle Bridge Financing, ECA covered Financing, Offshore Financing and Investment in Alternative Products and working capital financing for business operation of industry. As of December, 2024, funded exposure of the said unit was Tk.21, 357.00 million. Bank has created its image for raising of fund as lead arranger and increased its exposure through participation in different projects.

Bank Asia Launches Cash Management & Corporate Liability Department in 2024:

Bank Asia is proud to announce the launch of its newly established Cash Management & Corporate Liability Department under the Corporate & Large Loan (C&LL) Division. Through this department, Bank Asia offers a comprehensive suite of Cash Management and Corporate Liability (C&BL) solutions, including transactional banking, receivables and payables management liquidity optimization, and foreign exchange services. These services are specifically designed to empower businesses, enabling them to achieve superior financial efficiency, operational excellence, and strategic growth.

EXPORT FINANCE

RMG & Textile, major component of the Export oriented industries of the country experienced gloomy picture throughout the year 2024. At the onset of national political crisis and labor unrest in the industrial zone, RMG sector of the country under performed in 2024. Yarn price fluctuation, utility crisis, revision of minimum wages and rate of interest caused major setback for the Spinning & Textile Industries. RMG & Textile sector still hold the 2nd position with its 7.40% shares in the global Apparel Market of USD 522.00 billion and 84% shares in the national export basket. Having USD 38.00 billion export in 2024, the sector is running after the ambitious target of USD 100.00 billion by 2030 set by BGMEA. Other export sectors of the country like Jute, Leather, Pharmaceuticals and Agro based Industries are showing prospects of export diversification and boosting national export performance in the coming years. With less than 1.00% share in the global leather and leather goods market, Leather and footwear sectors have huge opportunity to grow. But Growth prospect of the sector could not be flourished mainly on some compliance issue.

In 2024, we have started centralized relationship management for the Export oriented Industries. Despite tight forex market, various national and international economic uncertainties, we ensured import of raw materials and other working capital support for our export oriented customers for their smooth operation.

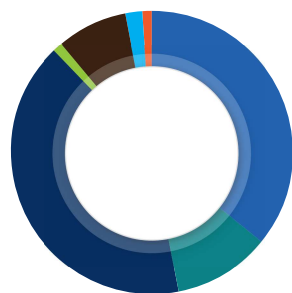
We strived for ensuring sustainable growth of our exporters through participating in all green and environment friendly initiatives. Being eligible PFI, Bank Asia PLC participated in all the pre-financing and refinancing schemes with Bangladesh Bank for arranging cost effective



A Sweater Project of Bank Asia PLC with energy efficient machineries financed under SREUP BB in 2024.

financing for its exporters. We secured refinancing of Tk.625.00 million in 2024 from Bangladesh Bank under Technology Development Fund as a part of our commitment to sustainable Financing initiatives. We also secured investment grant of Tk.38.00 million for our customers as a reward for implementing energy efficient and environment friendly projects under Safety Retrofit and Environmental Upgrades Project (SREUP) Bangladesh Bank for RMG industries. Like previous years, Export Finance Department managed to ensure a solid and quality credit portfolio in 2024 with maximum return for the bank and its stakeholders with effective monitoring and supervision.

All the 100% export oriented customers of Bank Asia PLC including RMG, Textiles (Spinning & Weaving), Dyeing/Washing, Jute, Leather and all other direct and indirect exporters come under the portfolio of Export Finance. Total outstanding Funded Loan portfolio of Export Finance Department (including Islamic and OBU exposure) at the close of business as on 31.12.2024 was about 18% of total Loan portfolio of Bank. Like the national economy, Export portfolio of Bank Asia PLC. is mainly concentrated on RMG and its allied business. However, we are striving for diversification of our portfolio.



Nature wise loan outstanding
Exposure on 31.12.2024

RMG **36%**
Textile **11%**
Spinning **41%**
Printing & Dyeing **1%**
Accessories **8%**
Leather & Jute **2%**
Others **1%**

CMSME

In an unstable political situation in 2024 CMSME businesses were confused about whether to inject capital or to withdraw money from their businesses. Their confidences were lowered during that time. Even though the economic situation was gloomy, Bank Asia PLC partnered with SME clients in financing for business development, machinery purchase, working capital requirement, construction etc.

Besides, we have been organizing capacity development and awareness building programs especially for women entrepreneurs in collaboration with Bangladesh Bank, SME Foundation etc. in different districts in order to increase the loan portfolio and get more people under the reach of credit in manufacturing industries, service oriented business. We have been emphasizing on innovation of CMSE friendly products consistently to cater demand of CMSE clients throughout the country.

Projects, Products and Initiatives

Dedicated team has been works to deal with cottage, micro & small enterprise business with a special focus on diversified refinancing, pre-financing, Credit Guarantee Scheme (CGS) and other projects with Bangladesh Bank, SME Foundation and other donor agencies in order to expedite financing at privileged rate.

Projects with Bangladesh Bank

- Pre-finance Scheme against CMSME Sector under BDT 25,000 Crore Fund
- Small Enterprise Refinance Scheme of Bangladesh Bank for Women Entrepreneurs
- Refinance Scheme under Second Small and Medium-Sized Enterprise Development Project (SMEDP-2)
- Supporting Post COVID-19 Small Scale Employment Creation Project (SPCSSECP)
- Refinance under Start-up Fund
- Credit Guarantee Scheme (CGS) under CMSME Refinance (BDT 25,000 Crore Fund), Agro Product Processing and Women Entrepreneur.

Projects with SME Foundation

- Pre/re-finance Scheme against CMSME Sector under Credit Wholesaling Program.
- Jointly program on Entrepreneurship and Financial Literacy Training Program for Women Entrepreneurs and Cluster Development Program.

Initiatives in the year of 2024

- Training program on "Let's Become Entrepreneur" jointly organized by SME Foundation and Bank Asia PLC. held on 17 January 2024 at Mymensingh.
- Organized 16 training for women entrepreneur regarding "Business Management And Financial Literacy" on different branches in 2024.
- Organized workshop as a lead bank regarding "CMSE Cluster Finance-2024" on April 24, 2024 at Jhenaidah Sishu Academy, Jhenaidah.
- Participated on Bankers 11th "SME Product Fair 2024" from 19 to 25 May 2024 Organized by SME Foundation at Bangabondhu International Conference Center, Dhaka.
- Participated workshop regarding "Cluster based financing" on November 26, 2024 at Shilpokola Academy, Dinajpur.
- Organized seminar as a lead bank on Identification of Women Entrepreneurs and Disbursement of loan to Women Entrepreneurs in CMSE sector on December 09, 2024 at Jhenaidah Sishu Academy, Jhenaidah.
- Agreement signing with Bangladesh Bank regarding Credit Guarantee Scheme under Women Entrepreneur and Agro Process refinancing project for financing CMSM Enterprise on March 11, 2024.
- Agreement signing with SME Foundation under credit wholesaling program to support cottage micro and small enterprise on June 11, 2024.
- Agreement signing with Bangladesh Bank under SMEDP-2 refinancing project for financing CMSM Enterprise on December 30, 2024.

Agreement signing with Bangladesh Bank regarding Credit Guarantee Scheme under Women Entrepreneur and Agro Process refinancing project for financing CMSM Enterprise



Cluster Financing

Bank Asia implemented full-fledged digitized cluster-based approach for financing to cottage, micro and small enterprises. Currently the bank is actively working on developing and financing in the following clusters-

- RMG Cluster
- Electric & Electronic Cluster
- Handloom & Specialized Cloth Cluster
- Hosiery Cluster
- Bamboo & Cane Cluster
- Shitol Pati Cluster
- Hotel & Tourism
- Broom Cluster
- Light & Engineering
- Rice Processing
- Fish Processing

CMSE Portfolio (Million Tk.)

2024 **14,963**

2023 **14,752**

Cluster Financing Number of account
Tk. **1,398** million **333**

2,413 new CMSE New Disbursement
Borrowers Tk. **2,730** million

AGRICULTURAL / RURAL CREDIT



Total Disbursed Amount

Tk. **5,783** Million



Beneficiaries

72,728 farmers



**Bangladesh Bank
Target Achievement**

107%

Bank Asia offers agricultural credit to support farmers and agro-based entrepreneurs in Bangladesh. The bank has a wide range of agricultural credit products designed to meet the diverse needs of farmers, agro-based entrepreneurs, and other stakeholders in the agriculture sector. Like previous years, Bank Asia has remarkable achievement in loan disbursement against the target set by Bangladesh bank in FY 2023-2024. We disbursed Tk. 5,783 million to 72,728 rural farmers and achieved 107% against total target of Tk. 5,400 million.



**Loan through
Agent Outlets**

Disbursed Amount
Tk. **654** million

Distributed among
8,619 farmers



**Financing directly for
cultivation of import
substitute crops**

Disbursed Amount
Tk. **12** million
@ 4.00% interest rate

No. of borrower **238**



**Financing under Food
Security Refinance Scheme**

Disbursed Amount
Tk. **225** million

No. of borrower **2,496**



**Financial support to
10 tk. accountholders**

Disbursed Tk. **85** million

*To improve livelihood of the small
and marginal farmers*

Status of Agricultural/rural Credit in 2024

- Total disbursement was Tk 6,636 million.
- Tk 1,201 million direct disbursement.
- Total outstanding is Tk 4,332 million and the number of beneficiary is 49,285 as on December 31, 2024.

Bank Asia emphasizes on extending credit facilities directly to the farmers. Viewing this, we have been focusing on loan disbursement through Agent Banking network. In 2025, we plan to disburse 85% of total direct lending through this channel. We are also focusing on partnering with national/ international organization and carry out different programs across the country to ensure the direct disbursement.



Dairy project financed by Bank Asia



*Loan at 4% concessional rate for
import substitute crops*

MID-SEGMENT ENTERPRISE FINANCING



New Client Origination

Tk. **2,495** Million
to **158** Clients

The Mid Segment Enterprise (ME) department of Bank Asia PLC is a business Unit deals with medium sized customers. The ME portfolio stood Tk. 24,220 million as on 31 December, 2024 which constitutes nearly 8.25% of Bank Asia's portfolio. 158 Nos of new clients on boarded under ME portfolio during the year 2024 and of which added fresh portfolio is Tk. 2,495 million. Mid Segment Enterprise also handled import of Tk. 23,125 million during the year 2024.

The ME portfolio comprises diversified portfolio where Trading concerns lead with 49%, Manufacturing 30 % and Service Industry 21%. All this happened through our branch network in addition to their effort to procure Corporate and export business.

Looking forward, ME department will focus on diversification of the portfolio especially on manufacturing that create more value addition to our economy. ME department expects to get more business as branch network will only focus on SMR business.

CREDIT ADMINISTRATION

Credit Administration Department (CAD) is ensuring quick, smooth and safe running of the operations of loans and advances extended to the borrowers. Its main objective is to support and control the extension of all credit facility centrally, ensuring security documents as per terms and conditions of sanction letters, working with complex CIB operation & regulatory reporting, monitoring of expired loan, deferral lapses security documents etc.

Departmental Activities in 2024

- Systemized 429,295 numbers of jobs such as changes of limit, terms & interest rate, installment size, allowing of EOL / L/C, time extension along with deferral documents.
- Checked of 376,073 nos. of documents against 32,073 nos. borrowers.
- Visited 10 branches on physically for minimization documentation lapses
- Reviewed 36,237 nos. of Past due, SMA & Expired loan accounts for regularization.
- Regularized 190 nos. of deferral documents through monitoring of all branches.
- Downloaded 157,077 nos. of CIB reports against 81,603 nos. of borrower.

- Uploaded 168,766 nos. of accounts through online system for CIB reporting to Bangladesh Bank.
- 11,222 (After deployment of Credit Information System-CIS on 17/09/2024) nos. of NID verification with CIB Report.
- 15,540 (After deployment of new CIS) nos. of new loan input in the CIS for monthly reporting 15,540 (After deployment of new CIS)
- 126,840 nos. of SMART NID included in the CIB report with verification from NID Server
- Correction of CIB database of 4552 nos. borrowers from Bangladesh Bank
- Submitted 356 nos. of statements to Bangladesh Bank and other bodies (monthly/quarterly /half yearly/yearly through conventional and RIT after checking.

Development & Automation in 2024

- Conducted 03 nos. of Training physically with 150+ participants in different zone.
- Achieved 119% Annual Deposit Target – 2024 of CAD

Planning for 2025

- Centralization of CAD
- 30 branches visit on random basis for reducing documentation lapses
- Online / offline training & workshop (region wise) to educate about existing & future development.

SECTORAL DISTRIBUTION OF CREDIT

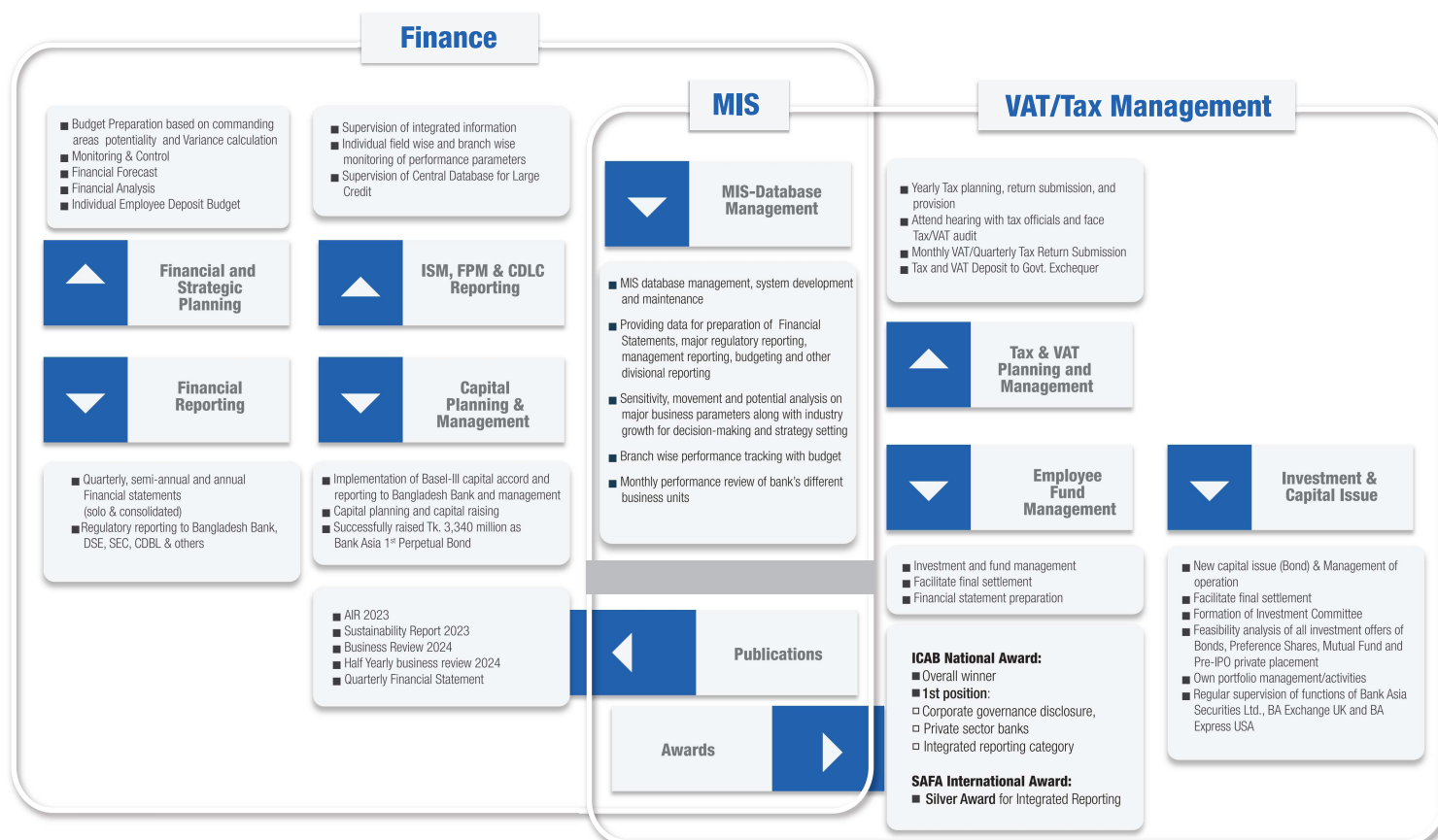
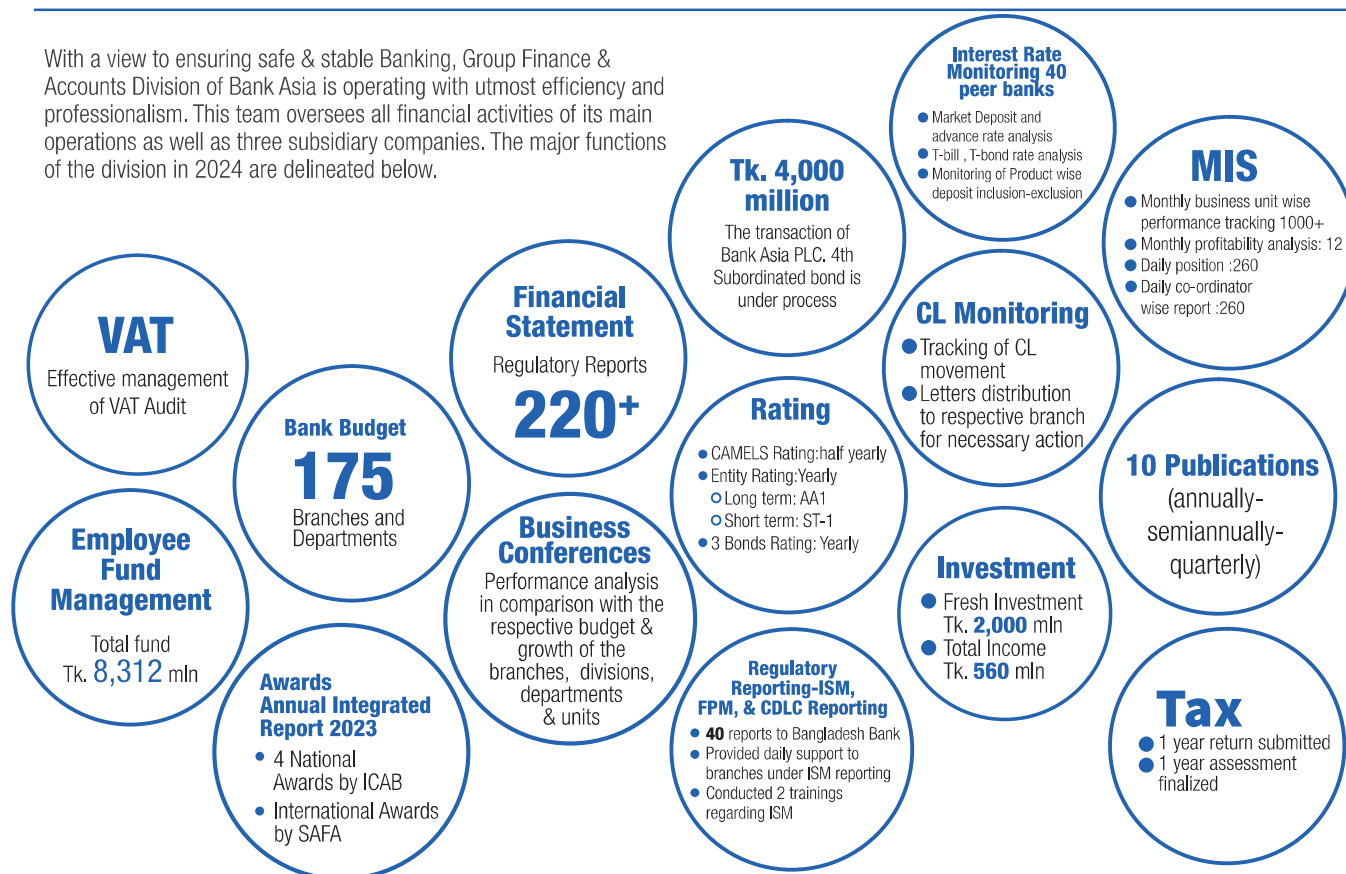
The Bank's loans and advances stood at Tk. **293,726** million achieving a growth of **1%**.

Sectorwise distribution of loans and advances is as follows:

SL. No	Sectors/Sub-Sectors	2024		2023	
		Million Taka	% of Loan	Million Taka	% of Loan
1	Agriculture	6,231.10	2.12%	8,684.70	2.98%
2	Industries				
	Food Manufacturing	22,395.70	7.62%	20,412.40	7.01%
	Beverage industry	4,815.90	1.64%	625.90	0.21%
	RMG industry	26,700.70	9.09%	25,663.00	8.81%
	Textile industry	33,404.80	11.37%	21,211.00	7.28%
	Wood cork and allied products	108.20	0.04%	77.10	0.03%
	Furniture and Fixture	922.20	0.31%	260.10	0.09%
	Paper and paper products	5,999.70	2.04%	5,235.20	1.80%
	Leather and leather products	3,695.20	1.26%	2,510.80	0.86%
	Rubber products	5,440.40	1.85%	6,708.00	2.30%
	Chemical and chemical products	1,800.90	0.61%	1,645.80	0.56%
	Basic metal products	20,712.00	7.05%	18,826.30	6.46%
	Electrical machinery and apparatus	4,299.70	1.46%	3,307.60	1.14%
	Other manufacturing industries	32,389.75	11.03%	28,749.22	9.87%
	Ship building	111.40	0.04%	116.00	0.04%
	Ship breaking	2,184.30	0.74%	1,831.30	0.63%
	Pharmaceutical	12,240.10	4.17%	8,419.70	2.89%
	Subtotal	177,220.95	60.34%	145,599.42	49.98%
3	Constructions	5,217.10	1.78%	6,283.20	2.16%
4	Power, Gas, Water and Sanitary Services	15,451.50	5.26%	17,912.10	6.15%
5	Transport, Storage and Communication	3,860.10	1.31%	4,877.20	1.67%
6	Trade Services	33,969.10	11.56%	51,511.60	17.68%
7	Housing Services	22,618.40	7.70%	19,587.00	6.72%
8	Banking and Insurance	7,057.30	2.40%	7,056.60	2.42%
9	Professional and Misc. services	22,100.05	7.52%	29,813.23	10.23%
	Total	293,725.60	100.00%	291,325.04	100.00%

GROUP FINANCE AND ACCOUNTS

With a view to ensuring safe & stable Banking, Group Finance & Accounts Division of Bank Asia is operating with utmost efficiency and professionalism. This team oversees all financial activities of its main operations as well as three subsidiary companies. The major functions of the division in 2024 are delineated below.



Accounts Department

Accounts Department carries out the responsibility of ensuring accountability, transparency and effectiveness of every penny of the Bank through automated and compliant accounting service.

- Proper accounting and reconciliation of every transaction of the Bank;
- Three Es (Effectiveness, Efficiency and Economy) in every amount expensed by the Bank;
- Accurate accounting services;
- To ensure delivery services at minimum Turnaround Time (TAT);
- Meticulous compliance with all Regulatory and Internal policies/ procedures;
- Digitalization and automation of services'

Key Highlights

Financial Control

Pre-Audit:

- Bills Processed: **14,778** (Nos)
- Cost Savings: BDT **5.58** mln
- Imprest Fund Management 28(Times)
- Branch Grading for setting Financial Delegation
- Issued VAT/Tax Deduction Certificate: **365** (Nos)

GL & TB Monitoring and Controlling Chart of Accounts

- New GL Created: **396** (Nos)
- GL head Modify (Lock/Unlock): **1,003** (Nos)
- OPEX monitoring
- Yearly and Half Yearly Balance Confirmation
- Books of Accounts Closing Certificate

Fixed Asset Management

- Quarterly/Half Yearly/ Yearly Fixed Asset Schedule Preparation
- Updated Fixed Assets Module for Corporate Office
- Review and Reconciliation of Fixed Assets Module
- Monitoring Depreciation/ Amortization of Fixed Assets

Payment Processing

Payment Disbursement and Book-keeping

- No of Bills/Vouchers Payment: **14,778*** (Nos)
- Transactions Executed: **58,435** (Nos)
- Voucher Maintenance

Regulatory Reporting & MIS

External Report:

- Weekly Reports: **54** (Nos)
- Monthly Reports: **87** (Nos)
- Quarterly/Yearly Reports: **25** (Nos)

Internal Report:

- Monthly OPEX Report
- Month and Annual Profit Forecast
- Monthly Profit Movement

Automation & Digitization

- Automated Regulatory Reports
- Updated Scholarship Database
- Developed Automated Reconciliation Report
- Daily Email Automation for Reverse GL Balance
- Paperless Payment Processing System (Under Development)

Reconciliation and Suspense Control

- Reconciliation Statements Prepared: **12** (BB LCY Accounts and **47** Accounts with other Banks)
- Letters issued to Branches/ Divisions regarding different issues
- GL Monitoring Through Email to Branches/Divisions

User Access Control

- ID Approved: **972** Users
- Access Privilege Modification: **10,905** (Nos)
- Rights Deputized: **1,848** Users
- Transactional Limit Enhancement: **1,065** (Users)
- Account Title Modification/ Rectification: **3,163** (Nos)
- Performed Branch Support: **19,352** (Nos)

Month Closing Activity

- Issued Instruction Circulars and Checklist for Month Closing
- Issued Year Closing Preparation Circular
- Issued Instruction Circular for fixed Asset Physical Counting
- Provided closing related support to the Branches and Corporate Office

Accounting Process Development

Accounting Procedure for:

- Accounting process automation;
- Implementing new IAS & IFRS e.g. IFRS-16 for 100 ATMs, IFRS-9;
- Implementing Bangladesh Bank circulars and guidance related to financial accounting;
- Oversee finance and accounts functions of Agent Banking Division;
- System/ Module development coordination;
- Deploying different policies, circulars related to Group Finance & Accounts;

ISLAMIC BANKING

	Deposit <i>Million Tk.</i>		Investment <i>Million Tk.</i>		Profit <i>Million Tk.</i>
2024	41,758	2024	23,880	2024	130
2023	33,772	2023	20,972	2023	99

Bank Asia started Islamic banking operations in 2008 with the slogan "Purity is your dividend". This year, Islamic Banking has celebrated the 16th anniversary of its services. From the very beginning, Bank Asia Islamic Banking has been conducting all types of banking activities with utmost emphasis on ensuring the highest level of Shari'ah standards. All modern services like Visa Debit Card, SMS Alert, Internet Banking and Mobile App usage are also available for Islamic customers.

All our Islamic banking activities and products are strictly monitored by the Board of Directors and the management guided by the Shari'ah Supervisory Committee of the Bank. Our Shari'ah Supervisory Committee consists of eminent members, including distinguished jurists (Faqih experts in Islamic jurisprudence), renowned Islamic scholars, and well known professionals of the country having experience in Islamic banking.

Launched with a commitment to maintain purity in Shari'ah compliance, Bank Asia's Islamic banking services are now available in the all distribution channels of the bank, i.e. in all Branches, SME Centers, SME Agri Branches through online as well as through its dedicated Islamic Windows.

Furthermore, since 2017, Islamic agent banking services have been extended to all districts across the country under the Agent Banking framework. Islamic investment facilities have also been introduced through agent outlets to achieve the country's goal of financial inclusion.

Key Activities in 2024

Introduction of new products:

- Introducing 05 new Islamic banking products in the system

Training & Others:

- 08 training programs for Bank officials and agent owners
- 60 Shari'ah Awareness & Islamic Banking Knowledge sharing program.

Islamic Agent Banking:

- New agent outlet inclusion in 2024 under Islamic Banking: 184
- Total 3,242 outlets covered for Islamic Agent Banking operations

Hajj Activities:

- Total 3,283 Pilgrims were registered under Bank Asia Islamic Banking in 2024.

BRANCH OPERATIONS DIVISION

Branch Operations Division has been playing a vital role through providing the diversified support to the Branches related to the General Banking Operation. Besides, BOD has been controlling the Central Account Opening Unit, Central Sanchayapatra Unit & the Complaint Management Unit of Bank Asia.

New initiatives in 2024

Formation of Liability Operations

Department: Liability Operation Department (LOD) is going to form under the delegation of COO. BOD has taken the initiative to form LOD. SOP of LOD is approved by the SMT. Operation will be started after getting approval of Board of Directors.

Revision of Operation Manual:

General Banking Operation manual 2016 has been revised and published by BOD in 2024.

Document Retention and Destruction Policy:

Branch Operation Division has prepared the Document Retention and Destruction Policy of Bank Asia in 2024 which is approved by the SMT.

Account Opening Form (AOF) e-archiving:

The AOF e-archiving process was started in April 2023 & archiving have finished in 110 Branches as on December 2024.

Broadcasting Group:

For faster and easy communication we have created a Whatsapp group for the MOBs of Bank Asia to broadcast the important message/policy/guidelines.

Uniform Complain Box for the Branches:

BOD provided uniform transparent complain box in 155 Branch/Sub Branch/IBWs of the Bank.

Different Modification in CBS & development activities:

- Digitalization of Locker Management module.
- Solvency certificate auto generation from CBS.
- Tax Certificate auto generation from CBS.
- Half yearly Balance Confirmation SMS to customers' mobile number.
- Early SMS alert for Dormant & Inoperative status.

Physical Account Opening Form Archiving:

BOD started the process of procurement of vendor for physical account opening form archiving. Tender process completed.

Formulation of different Guidelines:

- Uniform Checklist for Account Opening.
- Opening maintenance & closure of the Trust cum Settlement Accounts (TCSA).
- Sub-Branch visit instruction & checklist.
- Reactivation of Dormant Account beyond regular process
- Settlement of deceased Joint Account and applicability of Nominee
- Changing customer Account Information for the Individual Customer
- Non-face-to-face (NF2F) account opening for the Non-Resident-Bangladeshis (NRB).

Regular Activities

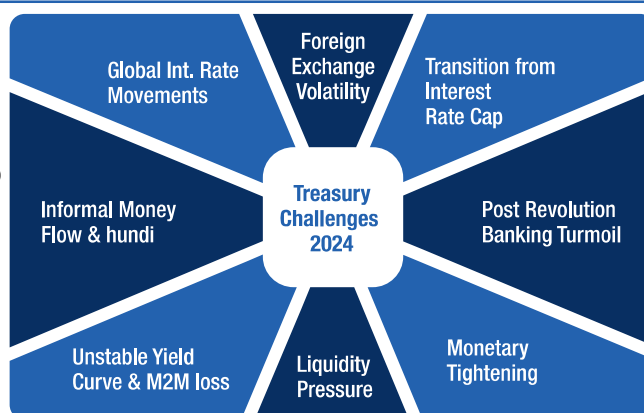
Unit/Task Name	Volume/Amount
Central Account Opening Unit total	27,781
Central Account	7,553
Omni channel	1,027
Bulk Account	17,636
Non-NID Account Approval	1,565
Central Sanchayapatra Unit	
Sanchayapatra issue (no. 6774)	Tk. 4,240 mln
Sanchayapatra claim payment	Tk. 10,897 mln
Sanchayapatra commission earned	Tk. 1.64 mln
Handle customer complaints	144
Circular issued	80
Circular e-archiving	487
Lien/Bank Guarantee reconfirmation	405
FDR/Statement/Cert. verification	380
Modification in CBS	5,000+
Review of audit report of ICCD & BB	135
Surprise Branch visit	15
Account Opening Form e-archiving	85 Branches
Mail circulation on a/c of Branch	As per frequency
Bangladesh Bank reporting	As per frequency
Approval for exceptional transaction	As per frequency

Upcoming projects of 2025

- Started full fledged operation of LOD.
- Framework for cash in transit in different branches.
- Starting physical Account Opening Form Archiving to the vendors' warehouse.
- Sending transaction alert to the e-mail address of customer.
- Marking and inputting mandate information in CBS.
- Yearly basis Excise duty deduction from Scheme Deposit Account.
- Closing balance auto transfer to link account after closing of DPS account.

GROUP TREASURY OPERATION

Year 2024 has been a rollercoaster for Bangladesh as far as market factors and socio-political environment are concerned. In the midst of forex volatility, tight liquidity, time to time policy shifts, Bank Asia Treasury had constantly adapted and evolved its portfolio in short term as well as in ALM perspective. In 2024, treasury played a pivotal role in the profitability of Bank Asia PLC. The year witnessed several significant developments impacting how bank's management maneuvered the movement of assets, liabilities, and utilized the liquidity position. To navigate economic challenges and face market realities of high inflation scenario, policymakers as well as peer and partners in banking industry assumed various strategies. The significant negative balance of financial account and efforts by monetary authority originated the source of market volatility, interest rate risk and liquidity risk for bank in year 2024. Bangladesh Bank on different occasions increased policy rates and removed caps on lending rates to introduce a more competitive, market-based interest rate environment. In May 2024, a Crawling Peg Exchange Rate System was introduced, allowing scheduled banks to trade US dollars within specified limits, aiming to stabilize the exchange rate and reduce market volatility. Bangladesh Bank continued repo support to liquidity-short banks to stabilize the banking sector. In the second half of the year, country's political landscape underwent a seismic shift as a student-led mass-revolution toppled the corrupt and authoritarian regime of sixteen years. Transformation under new regime has not been so smooth and blissful for banking industry, as some peer banks are freshly exposed with high credit risk in post-revolution period. Policy makers in new regime remain focused on reforms in economic and banking sector.



MAJOR TREASURY WINGS

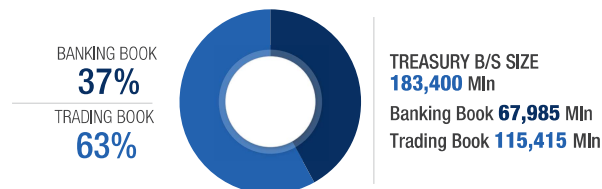
MONEY MARKET	FOREIGN EXCHANGE	ASSET LIABILITY MANAGEMENT
Statutory Compliance & Market intelligence	Monitoring & Planning of Import & Export originated fund flow. NOP (Net open position) management.	Balance sheet gap & profitability analysis, ALM indicators management. Maintain discipline in balance sheet growth & commitment book.
Investment & trading of securities	Quoting Exchange Rates to import, export, and remittance. Advising corporates in Trade Finance Transaction.	Liquidity & Market risk Management of Banking Book. Liaison with business units for balance sheet gap management.
Short term balance sheet gap management	Interbank trading for Risk Management.	Deposit-Advance mix analysis for rate fixation.
Arbitrage business & earnings	Matching & Funding of foreign currency transaction.	ALCO Paper & different MIS paper preparation.

FOCAL ACTIVITIES OF TREASURY IN YEAR 2024

Balancing ALM indicator & Business Facilitation	Earning from investment and customer portfolio focus	Liquidity & Market Risk Management
<ul style="list-style-type: none"> Managing Deposit mix and pricing of Assets & Liabilities. ALM discipline in all indicators were maintained Ceaseless liaison with Corporates for business solutions and fund clearance. 	<ul style="list-style-type: none"> Treasury arbitrage business and utilizing surplus fund due to lower ADR. Service of G-SEC portfolio to individuals and corporate customers. Capital gain and commission earning along with regular interest income from investment. 	<ul style="list-style-type: none"> Safeguarding investment portfolio from interest rate volatility. Maintain net open position limit without compromising business opportunity and exchange gain. Managing the Gap of FCY-LCY liquidity position for funding and income origination.

TREASURY BUSINESS & BALANCE SHEET IN 2024

Throughout the year, bank acted cautious in commercial loan booking. Due to high surplus loanable fund and liquid interbank market, Treasury expanded its trading book. In 2024, the average size of balance sheet is BDT 167,000 Mln. At year end, Treasury Balance sheet size is BDT 183,400 Mln which is more than one-third of total balance sheet.



Throughout the year, the combined effort of ALM, Money Market, Fixed Income, and FX desks fetched substantial amount of income for bank while managing the liquidity and market risks involved in the business. Like previous year, this year was also the year of balance sheet management rather than expansion. Simultaneously, bank is well compliant in all important ALM indicators. Treasury managed the liquidity in both LCY and FCY balance sheet in a concerted and integrated manner that facilitated bank's onshore and offshore FC balance sheet. Besides, the advisory services to the customers in wholesale and mid-market ensured a win-win position for the bank as well as for our happy customers.

TREASURY FOCUS FOR YEAR 2025

- Dynamic ALM Process Implementation
- Collaborative approach with Business for Risk Management
- Increase Presence among Local and Foreign Corporates
- Investment Portfolio optimization
- Talent & Capacity Building for new market penetration

MAJOR ACHIEVEMENT IN YEAR 2024

Investment income & Capital Gain	Exchange Earning	Arbitrage Income	Strong ALM indicator maintenance
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INTERNATIONAL DIVISION



International Division of the bank is playing a key phenomenon with upmost importance to facilitate the bank's international transactions. It always acts to introduce foreign exchange business routed through various branches, innovate different products and mechanisms on foreign exchange business, to ensure better compliance and regulatory requirements. The division has its own portfolio (business targets) for maximization of rebate earning, mobilization of counter guarantee business, establishment of RMA (Relationship Management Application), Offshore Banking Business in addition as facilitators of foreign exchange business of the bank like credit line arrangement, add confirmation, international borrowing, and bilateral arrangements with different International agencies including IFC, ADB, ISDB, FMO etc.

Foreign Trade

In 2024, Import business of the Bank was USD 1,840 million having negative growth of 4%. Total Export Business of the Bank in 2024 was USD 1,245 million with a negative growth of 10%.

Foreign Correspondents

Bank Asia has continuously developed strong correspondent relationship with worldwide well reputed banks to facilitate its foreign trade business. In year 2024 we have reduced our correspondent relationship (RMA) to 611 from across the globe from 632 due to the compliance issue.

Credit Line Management

Our excellent reputation in meeting our commitment and strong financials enabled us in securing Credit lines (both funded and non-funded) from Asian Development Bank, International Finance Corporation-IFC (private sector arm of World Bank Group) and other world renowned Banks. In year 2024, we have obtained additional funded facility of US\$ 35.00 million from IFC as working capital for MSME projects in addition to their existing limit.

Bank Asia is the first bank in Bangladesh to arrange Supplier's Credit with Europe based AKA Bank, Commerzbank AG. Besides, preliminary relationship building with DEG (Deutsche Investitions- und Entwicklungsgesellschaft) known as "German Investment and Development Corporation" and Dutch based renowned development bank FMO (Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.) known as "Netherlands Development Finance Company" has also been setup.

Nostro Accounts

At present Bank Asia maintains 31 nostro accounts in major international currencies: US Dollar, Pound Sterling, Swiss Franc, Japanese Yen, Chinese RMB,

Euro & Dollar accounts under Asian Clearing Union with reputed international banks which ensure effective foreign currency management and timely payment of foreign currency commitments.

SWIFT Operations

Bank Asia has become the member of SWIFT in 2000 in order to ensure smooth, reliable and secured financial transactions for its retail and corporate customers. Gradually our expert SWIFT team has introduced many innovative features in its existing SWIFT system. In year 2024, Bank Asia is going to migrate mandatorily from the existing system to ISO20022 system by November 2025 and Bank Asia in Bangladesh Banking Industry is on one of the top in completion of migration from traditional SWIFT System to ISO20022.

Central Trade Processing Center (CTPC)

Establishment of two Central Trade Processing Center (CTPC) in Dhaka and Chattogram in 2024 to optimize the utilization of human resources, ensure better compliance, better customer services and easy correspondences with regulators on foreign exchange operations.

Online Payment Gateway Services Provider (OPGSP)

To meet the banking needs of the freelancers in Bangladesh, Bank Asia has established strategic alliance with PAYONEER Inc. USA. Through its service, freelancers can receive their valuable earnings quickly and easily. This is the second venture of the bank. In year 2024, we have earned remittance of US \$ 118.00 million equivalent BDT 14,396.00 million through 'Payoneer'.

Milestones of International division in year 2024

- Borrowed overseas funds for OBU of US\$ 1,664.20 million (cumulative for last five years)
- New working capital received from IFC for US\$ 35.00 million in 2024 in addition to the existing limit.
- Bilateral unique trade relationship for counter guarantee, remittance and LC business with Banco Sabadell, Spain, La Caixa Bank, Spain, Unicredit, Italy.
- On boarded maximum FDI customers of Bangladesh with Bank Asia, number is 190 and established of FDI Help Desk for priority services to FDI clients.
- System structured on trade finance products for Central Trade Processing Center (CTPC), Conventional, Chattogram Non-AD Branches through AD Code of Station Road Branch and Islamic.
- Only and unique arrangement with International Online Payment Gateway Service Providers (Payoneer) and repatriated about US\$ 118 million from ICT exports in 2024.
- Up-gradation in automated platform for notification of overdue liability on foreign exchange products to stakeholders.
- Up-gradation in automated 31 Nostro & 03 Vostro Accounts Reconciliation System
- Up-gradation in automated platform for monitoring of import and export transactions of the bank.
- KYC Reviewed of RMA over 611 international reputed banks (all big names in our list) and enjoying about US\$ 850.00 million Credit Line from overseas Banks.

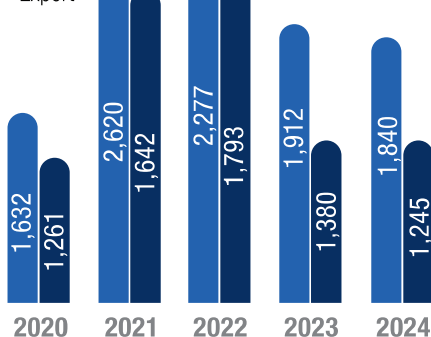
Offshore Banking Unit (OBU)

Bank Asia has a large offshore banking business with a portfolio of over USD 135 million to meet clients' financing requirements in FCY (Foreign Currency) satisfactorily. The offshore Banking Unit (OBU) is a separate business unit of the Bank. It provides financing facilities (on and off-balance sheet exposures) as well as takes deposits in freely convertible foreign currencies to and from person/ institutions not resident in Bangladesh. Offshore Banking Unit has made a profit for USD 4.05 million in 2024.

Import and Export

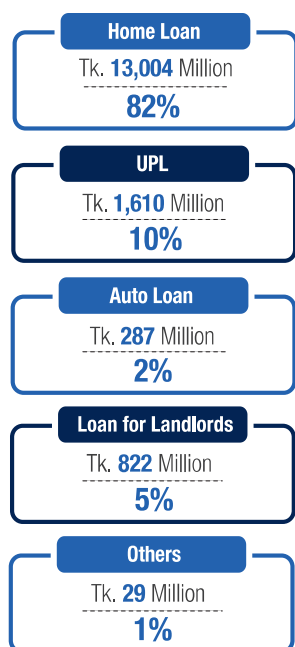
Million USD

■ Import
■ Export



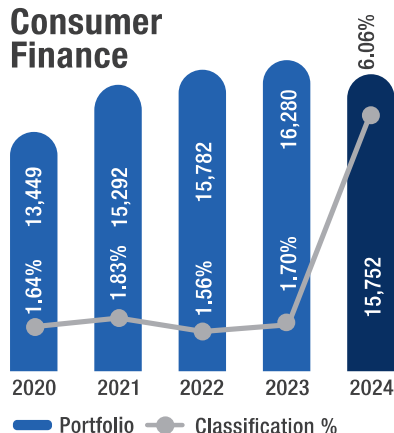
	Profit	Advance	Million USD
2024	4.05	135	
2023	4.46	159	

CONSUMER FINANCE



Consumer Finance deals with retail customers and caters Home Loan, Auto Loan, and Personal Loan mostly along with other wide range of retail banking facilities. Consumer Finance plays a vital role in overall portfolio of the Bank. Following extensively competitive and demand variable market, Consumer Finance has been striving for diversification in products as well as area based concentration. Retail Asset Portfolio is BDT 15,752 million with classification of 6.06%. Consumer Finance strives to serve individuals all over the country and to achieve sustainable growth with a vision to become one of the market players.

Consumer Finance



Achievements in 2024

- Loan portfolio (conventional) reached BDT 15,752 million in 2024
- Classification rate is 6.06%
- One of the leading positions regarding home loan portfolio among local private commercial banks
- Established 1,979 new relationships
- Ongoing digitization initiative named: "GHORE BOSE RIN NIN" - a complete Online Loan Application Module.

FOREIGN REMITTANCE

Wage earners' remittance continues to play a vital role in strengthening the country's foreign currency reserves. Foreign Remittance Department of the Bank has been delivering tireless service to facilitate remittance inflows from abroad. The Bank directly receives remittances from a range of countries, with significant contributions from Saudi Arabia, the UAE, USA, UK, and Malaysia.

In line with the national upward trend, Bank Asia achieved a 33% year-on-year growth in remittance inflow and received remittance amounting to USD 1,113 million. Notably, the Bank received SAR 167 million directly from Saudi Arabia in 2024 through BYC. Additionally, Bank Asia's fully owned overseas subsidiary in the USA achieved a milestone by collecting USD 100 million in a single year for the first time.

At the national level, Bangladesh received a record amount of remittance amounting to USD 26.9 billion in 2024, reflecting a 23% YoY growth. This surge was supported by the rise in the official exchange rate and a reduction in money laundering. The adoption of a flexible exchange rate regime and the narrowing gap between formal and informal market rates also contributed to the remittance increase

Summary of FRD 2024 Performance

- Nos of Exchange house with nos of countries: 66 Exchange Houses (including 2 own overseas exchange houses in USA & UK) & 200 countries
- Nos of outlets for remittance payment: 6,700+ Cash Payout Locations
- Amount of Inward Remittance: US\$ 1,113 million
- Nos of beneficiaries: 1.19 million in 2024 against 1.12 million in 2023
- Market share: 4%
- Bank has served around 328,753 no. of freelancer customers and disbursed USD 119 million worth remittance.

Inward Remittance

Million USD



66

Exchange House

1,113

Remittance
33% Growth

CARDS

Bank Asia's Credit Card is very much popular in the industry because of its multifaceted featured and benefit, such as cashback, rewards, discounts on shopping and dining, access to exclusive events and promotions and many more. For a wide spectrum of customers, Bank Asia's Credit Card offers a variety of enticing value-added services and diversified products that helps to become a major revenue generating hub of the bank. The state of the art Value Added Services are: Easy buy, Hospital Bill EMI, Buy One Get One Free (BOGO) Facility, Any POS Purchase EMI, Protocol Service Facility, Lounge Facility in Abroad, Balaka Lounge Facility, Reward Point, Green PIN etc



Business Performance

	Profit <i>Million Taka</i>	Loan & Advance <i>Million Taka</i>	Classified Loan	No. of active Cards
2024	443	4,605	10.33%	100,208
2023	473	4,172	8.86%	96,257

US Trade Show 2024

Bank Asia has participated in this show earlier successfully to showcase its US origin products like MasterCard and VISA credit/debit card and Payoneer along with other banking products and services. Being an affiliate member of AMCHAM, the Bank may also take the opportunity to participate in the fair this year to showcase its own products and services. A good number of local and foreign banks will participate in the aforesaid trade show.

VISA

- Visa Signature Credit Card (with Priority Pass)
- VISA Platinum Credit Card (with Priority Pass)
- VISA Gold Credit Card
- Virtual Card
- VISA Classic Credit Card
- VISA Prepaid Hajj Card
- Gift Card
- VISA Prepaid Travel Card

MASTER & OTHERS

- Mastercard World Elite (with Lounge Key)
- Master Titanium Credit Card (with Lounge Key)
- Master Gold Card
- Master Silver Card
- Shadhin Card
- Prepaid Travel Card



Promotional Offers throughout 2024:

0% easybuy on electronics Products and Tourism

20% Discount & **7%** Cash Back Offer

Buy One Get One Free (**BOGO**) Offer at renowned restaurants

7% Discount offer to selected at Rangs eMart & Transcom Digital

Discounted Fee base (0%) campaign on ATM, IBFT & Add Money Campaign .

25% discount on Daily Treats at oro, Holey Bakery, Laam, Izumi

10% Cash Back Eid ul Fitre campaign on Dining & Lifestyle

15% Discount online purchase on Daraz

15% Cash back (Eid Special Items) to selected shopping outlet like Aarong, Apex Etc.

7% Cashback offer for grocery shopping at Meena Bazar, Agora, Unimart



Bank Asia Launch World Elite Mastercard Credit Card

Dhaka, Bangladesh, April 30, 2024: Mastercard and Bank Asia PLC announced their collaboration to launch the World Elite Mastercard credit card, aiming to provide a wide range of exciting offers and benefits to cardholders on both domestic and overseas spends.



CREDIT RISK MANAGEMENT DIVISION

Credit risk is the most significant risk in the banking sector. In recent years, the rising level of Non-Performing Loans (NPLs) has become a major concern for banks in Bangladesh. Additionally, loan concentration to large corporate borrowers increases vulnerability to sector-specific shocks. Furthermore, high inflation in the country is making it difficult for businesses to achieve their revenue targets. Consequently, Credit Risk Management Division is focusing on proactively managing credit risk through a holistic approach to safeguard the bank's loan portfolio. Meanwhile, Bangladesh Bank has issued a loan classification circular aligned with international standards. CRM Division has also recently updated the bank's credit policy and restructured its portfolio into small, medium, and large loan segments to ensure best underwriting practices.

Key achievements in 2024

● Updating Bank's Credit Policy:

New credit policy is now in force. CRM Division has implemented new credit policy to align with the evolving business environment and regulatory requirements. This updated policy is designed to strengthen credit assessment processes, enhance risk mitigation strategies, and ensure sustainable lending practices.

● Implementing Early Alert systems:

Implemented Early warning systems to detect potential defaults and take proactive measures. As part of this initiative, a number of accounts have been placed under the Early Alert Category, which are subject to regular review and monitoring.

● Enhanced field visits:

CRM is placing greater emphasis on physical visit to borrower's factory, sales outlet, warehouse/ stocks to have more insight of borrower's business position

● Establishing Business Segment-Specific CRM Units:

To expedite the processing of credit proposals while ensuring effective risk management, business segment-specific CRM units have been established under the CRM Division.

● Development of Technology based Platform for Processing Credit Proposals:

Credit proposal processing through Technology Driven platform (OCAS-Diganta) instead of paper-based system is continued in full swing. It is to mentioned that 18,269 nos. of proposals amounting Tk.11,137.87 million have been processed through the digital platform (OCAS-Diganta) in 2024.

Portfolio	2022		2023		2024	
	Proposal (no.)	Loan amount (Mln Tk.)	Proposal (no.)	Loan amount (Mln Tk.)	Proposal (no.)	Loan amount (Mln Tk.)
SME	8,819	7,570	6,591	7,669	6,525	8,478
Retail	2,841	1,860	2,985	6,131	2,256	1,770
Agri	17,332	1,063	13,926	1,005	9,488	890
Total	28,992	10,493	23,502	14,805	18,269	11,138

● Commitment to Sustainable & Green Finance:

Bank Asia remains committed to building a better society by supporting various sectors through green banking initiatives and financing environment friendly projects. The CRM Division actively pursues targets for Green and Sustainable Finance, achievements of which are outlined below.



Major Strategies for 2025:

● **Diversification of Bank's Loan Portfolios:** To mitigate risks associated with loan concentration, CRM will prioritize diversification of its loan portfolio across various geographies, sectors, and products. A key focus will be on expanding lending in CMSME (Cottage, Micro, Small, and Medium Enterprises), home loans, and consumer financing.

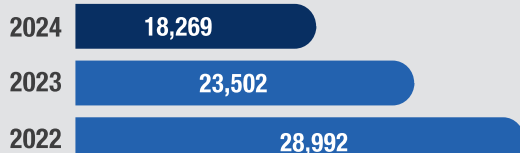
● **Strengthening Credit Monitoring and Recovery:** To Monitor loan accounts regularly to identify early signs of stress, such as low account turnover, delayed payments or deteriorating financial health. This proactive approach helps the bank to initiate corrective and recovery measures before the situation escalates.

● **Adopting best underwriting Approach:** CRM is committed to adopting best underwriting practice to minimize credit risk. To achieve this objective, CRM focuses on a holistic approach that combines comprehensive borrower analysis, industry and economic trend evaluation, and strict adherence to regulatory standards. This approach enables CRM to make more informed lending decisions, reduce credit risk, and maintain a balanced & resilient portfolio.

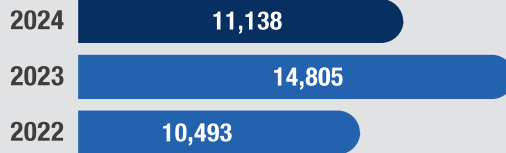
● **Faster Disposal of Credit Proposals:** CRM will put more emphasis on physical visit to the borrower's factory, sales outlet, warehouse/stocks to have better insight of borrower's business position which ultimately helps to take more informed decision. The focus on reducing lead time for proposal disposal will continue through enhanced field visits, training & development of credit officers, and the expansion of technology-driven platforms.

● **Focusing Continuous Training and Development:** To ensure underwriting excellence, CRM prioritizes continuous training for underwriters to keep them updated on the latest industry trends, regulatory changes, and technological advancements.

Total Credit Proposal no.



Loan Amount (Million Tk.)



INTERNAL CONTROL & COMPLIANCE

Internal Control System

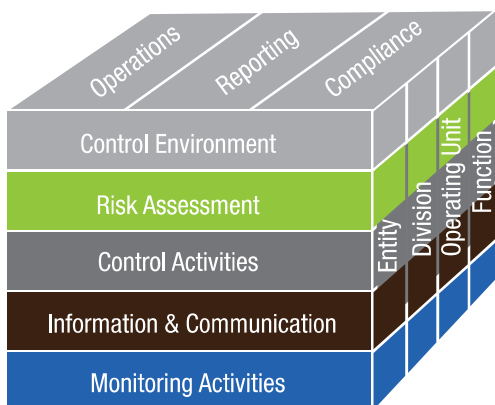
Internal Control is a process, rather than a structure which is an integral part of banking, serving to protect assets, ensure accuracy, and ensure compliance with regulations, thereby maintaining the stability and integrity of the financial institution. The internal control system always helps mitigate risks and prevent fraud, errors, and inefficiencies.

Broadly, Internal Control is a process, effected by a bank's Board of Directors, Management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to the effective and efficient operations of the Bank, the reliability of its financial reporting and compliance with applicable laws, regulations and internal policies.

Internal Controls are policies and procedures established and implemented alone, or in concert with other policies or procedure, to manage and control a particular risk or business activity or combination of risks and business activities to which the Bank is exposed or in which it is engaged. This helps build confidence among stakeholders (such as customers, regulators, and investors) and enhances the bank's reputation for sound and secure operations.

Internal Control Environment

Effective internal control and compliance system has become essential in order to boost effective risk management practices and to ensure smooth performance of the banking industry. Thus, the internal control system of the bank must be designed in a manner that the compliance with regulatory requirements is recognized in each activity of the bank. Therefore, the Board of Directors of the Bank has established an Audit Committee to monitor the effectiveness of internal control system of the



ICCD of Bank Asia follows the 17 COSO Principles including 5 Components to adhere to its objective. Adoption of this Framework helped ICCD run a flexible, reliable and cost-effective approach of internal control systems to achieve operational, compliance, and reporting objectives.

Bank. The Audit Committee meets the senior management periodically to discuss the effectiveness of the internal control system of the Bank and ensure that the management has taken appropriate actions as per the recommendations of the Bangladesh Bank's Inspection Team, External Auditors and the Internal Control and Compliance Division (ICCD).

Structure of Internal Control & Compliance Division

In order to establish the efficient, effective and compliant internal control system in the Bank, Internal Control & Compliance Division segregated its functions into 03 (Three) separate departments:

- Audit & Inspection Department;
- Compliance Department and
- Monitoring Department.



While carrying out the assigned jobs, the Audit & Inspection Department of ICCD complies the Internal Audit Competency Framework of the Institute of Internal Auditors (IIA), which serves as an effective onboarding tool for the both Audit Team Members and Leaders to continuously upgrade themselves with the evolving changes or skill required.

Audit & Inspection Department

Audit & Inspection Department emphasizes that the bank has moved forward from comprehensive transaction testing to risk based prioritized audit areas and proper resource allocation in line with the risk assessment. While focusing on effective risk management and controls, risk-based internal audit of Bank Asia PLC is not only offering suggestions for mitigating current risks but also anticipating areas of potential risks and playing an important role in protecting the bank from various risks.

Key Activities of Audit & Inspection Department in 2024:

- Completed the Audit & Inspection tasks of 131 Branches, 04 SME service centers, 05 Islamic Banking Windows, 14 Sub-Branches and 20 Corporate Office Divisions/Departments including subsidiaries.
- Completed ICT/IS Audit on 72 Branches & Corporate Office Divisions/Departments.
- Conducted 76 Special Audit & Investigations on different issues of the Bank.
- Conducted Audit on 03 Core Risks of the Bank.
- Conducted Cash Incentive Audit on 08 AD Branches and CTPC.
- Conducted Surprise Cash Audit on 04 Branches.
- Conducted Special Audit/Inspection on Anti-money Laundering issues of 18 Branches.
- Conducted 62 Collateral Valuation Inspections.
- Conducted Shari'ah Audit on 60 Branches.
- Internal Control & Compliance Team of Channel Banking conducted Audit/Inspection tasks on 715 Agent Outlets and related 10 different Units/Departments of Agent Banking in the year 2024. Besides, the Team also conducted 86 Special Inspections and 25 Investigations on different issues of Agent Banking including incidents like fraud-forgery.

Compliance Department

The Compliance Department of the ICCD ensures timely and proper compliance (both internal & regulatory) with the relevant laws, regulatory instructions/circulars/guidelines and internal policies and procedures in banking operations to ensure a compliance culture in the Bank. Compliance Department is entrusted to ensure that Bank complies with all internal & regulatory policy requirements while conducting its business. This Department also ensures adequate and effective oversight on evolving changes in business climate and regulatory requirements.



Key Activities of Compliance Department in 2024

- Ensured compliance of observations (Internal Audit) of 131 Branches, 04 SME service centers, 05 Islamic Banking Windows and 20 Corporate Office Divisions/Departments.
- Submitted 206 compliance reports to the Bangladesh Bank against their 52 inspection reports.
- Compliance Tests (On-site & Off-site) were conducted on all 131 Branches, 04 SME service centers & 05 Islamic Banking Windows of the Bank.
- All Compliance Functions have been adequately documented and reported on a timely basis to the appropriate level of Management and the Audit Committee of the Board.

Monitoring Department

The Monitoring Department of this division monitors effectiveness of the Bank's internal control system continuously through off-site supervision, follow-up on compliances and regularization of deficiencies that are detected through different Off-site monitoring reports, On-site monitoring reports, scrutinizing QOR, LDCL, DCFCL, Half-yearly Self-Assessment of Anti-Fraud Internal Controls etc.



Key Activities of Monitoring Department in 2024

- Monitored 131 Branches, 04 SME service centers & 05 Islamic Banking Windows through 508 Off-site Reports.
- On-site Monitoring and Surprise Visit conducted on 06 Branches.

- Reviewed 278 nos. of Credit Proposals and identified lapses were submitted to the EC of the Board and Board of Directors with the remarks of Monitoring Department of ICCD.
- Prepared 233 exception reports on Control Tools and communicated with the concerned Branches/Centers/IBWs for due compliance.
- Prepared Bank's Annual Integrated Health Report 2023 and duly submitted to Bangladesh Bank.
- All Monitoring Functions have been adequately documented and reported on a timely basis to the appropriate level of Management and the Audit Committee of the Board based on the gravity of the issues.



Audit and inspection covers

131 branches
04 SME service centers
05 IBWs
14 Sub-branches
20 Corporate Office Departments
715 agent outlets
10 Different Units of Agent Banking



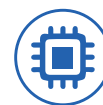
Monitoring

508 off-site reports
233 exception reports



Special Audit on Anti-money Laundering

18 Branches



ICT/IS Audits

72 Branches and corporate office division/departments



Shariah Audit

60 Branches



Compliance Test

131 branches
04 SME service centers
05 IBWs
20 Corporate Office Divisions/Departments

Evaluation of Effectiveness of Internal Control

The Senior Management Team (SMT) of the Bank reviews the overall effectiveness of the control system of the Bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice and procedure. Internal Auditors conduct comprehensive internal audit of the internal control system of the Bank. The significant deficiencies identified by internal audit team are reported to the Audit Committee of the Board.

Outlook for 2025

- Implementation of Audit, Monitoring and Compliance Plan for the year 2025.
- Detection of Irregularities, Malpractice, Fraud-Forgery, Operational Loss/Error (if any).
- Find out the potential threats/risks in Banking.
- Ensure timely submission of all regulatory returns.
- Arrangement of frequent Training/Learning Session on recent reforms for the Officials of ICCD.
- Automation of the Audit, Monitoring and Compliance tasks.

INFORMATION AND COMMUNICATION TECHNOLOGY

Information and Communication technology has taken various key initiatives for transforming Banking services. We work on improvement of services for customer satisfaction and Simplicity. The business environment is very dynamic and undergoes rapid changes as well as due to technological innovation need to increase awareness and fulfill demand from customers. Information and Communication Technology (ICT) is at the center of global technological changes.

KEY INITIATIVES DURING 2024

Empowering Digital Transformation: Bank Asia PLC. has successfully implemented DMS utilized for e-archiving Account Opening Forms (AOF), allowing branches to scan and store forms digitally while maintaining hard copies with barcodes for easy tracking. This system facilitates regulatory compliance by ensuring updated Know Your Customer (KYC) information and improving customer service by providing quick access to necessary documents.

Optimizing Service Delivery: Introduction of QMS enables branches to efficiently manage and prioritize customer interactions, ensuring smooth service delivery within branch premises. By automating queue management, the system speeds up processing times, enhances tracking, and optimizes workflow, ultimately leading to a more seamless and efficient customer experience. Additionally, it helps maintain compliance with customer service standards while improving operational efficiency.

Enhancing Customer Transaction Security: To strengthen the security and reliability of customer transactions, Bank Asia has deployed advanced Hardware Security Modules (HSMs) with high availability (HA) and load balancing in August 2024. This initiative ensures seamless and secure processing of BACH-II and BEFTN transactions, aligning with Bangladesh Bank's BACH upgrade directives. HSMs are highly trusted security devices designed to perform essential cryptographic functions, including encryption, decryption, authentication, and key management.

Strengthen bank's security posture: Implementation of Web Security Gateway (WSG) enhances banking security by acting as a protective shield between users and external web services. It ensures secure browsing through URL filtering, blocking access to malicious or unauthorized sites, while malware detection prevents harmful software from compromising the network.

Transforming Customer Service with Next-Level Banking

Infrastructure: To improve efficiency, security, and performance, core banking databases have been consolidated onto a cutting-edge engineering platform. The reason for migration from legacy technology is to ensure maximum availability and scalability, aligning with business growth, modern technology adoption, and future cloud-native readiness. This transition integrates database, server, storage, and network components into a tightly coupled architecture, leveraging Oracle Exadata Database Machine and Oracle ExaCC. This upgrade delivers faster processing, enhanced reliability, and seamless customer service.

Monitoring for Smart Banking: A robust Network Management System (NMS) implemented by Bank Asia, provides a 360-degree view of ICT infrastructure monitoring, performance management, network optimization,

and fault management. By continuously tracking performance and detecting faults in real time, NMS enhances service reliability and minimizes downtime, ensuring seamless operations.

Cutting-Edge Cybersecurity for Ultimate Protection: For strengthening Cyber security control, Bank Asia has implemented various intensive tools like Privileged Access Management (PAM), File Integrity Monitoring (FIM), Security Information and Event Management (SIEM), Next Gen Firewalls with hardened policy, Network Access Control.

DIGITALIZATION & DIGITAL TRANSFORMATIONS

Ultimate Convenience for Customers Hassle-Free Cash Withdrawal: Bank Asia introduces a Branch QR Cash Withdrawal service through the Bank Asia Smart App, enabling customers to withdraw cash effortlessly at any branch—without a cheque or ATM card.

Banking for Smart Businesses: Bank Asia's Corporate Internet Banking empowers businesses with seamless, real-time financial management—without the need for physical movement. This comprehensive platform enables users to check balances, view statements, transfer funds within the bank, and process BEFTN and RTGS transactions.

Instant Access to Remittance Earnings: Bank Asia has revolutionized remittance services through seamless Fintech API integration, enabling faster access to remittance earnings. By connecting with foreign exchange houses via in-house generic APIs and API-based exchange platforms, the bank has significantly streamlined cross-border transactions. Additionally, the introduction of a push-based real-time account statement API for corporate partners ensures automatic, up-to-date access to account information, enhancing efficiency in fund reconciliation.

Simplifying Trade Business: Bank Asia's Centralized Trade Processing System (CTPS) is designed to streamline foreign trade operations, making transactions faster, more efficient, and hassle-free. By integrating Core Banking System (CBS), SWIFT, and Bangladesh Bank reporting into a single platform, CTPS eliminates redundancy and enhances accuracy in trade processing. Additionally, the Q-Management system optimizes workflow, reducing wait times and improving the overall user experience.

Compliance for Customer Protection and National Security: Through advanced transaction monitoring and fraud detection, Bank Asia has introduced a multi-phase AML platform to combat Money Laundering (ML), Terrorist Financing (TF), and Proliferation Financing (PF). Key measures include trade-based money laundering alerts, LC over/under-invoicing detection, and rule-based reporting, ensuring greater transparency and regulatory compliance.

Bank Asia also developed and introduced, Virtual Card for Redefining Digital Payments and Post/Pre-Finance Fund Management (for managing Post and Pre-Finance funds, specifically for Bangladesh Bank's Finance and Refinance schemes. This system facilitates efficient tracking, disbursement, and repayment of funds, ensuring compliance with Bangladesh Bank's guidelines).

Bank Asia has successfully renewed the international cyber security & compliance standard certifications i.e. PCI DSS v4.0, ISO 27001, BCMS 22301

ALTERNATIVE DELIVERY CHANNEL (ADC)

Alternative Delivery Channels (ADC) have revolutionized the way banking services are delivered, offering customers convenient, efficient, and secure access to financial services without the need to visit physical bank branches or agent outlets. The various ADC channels—such as ATMs, CDMs (Cash Deposit Machines), CRMs (Cash Recycling Machines), POS devices, Debit Cards, Internet Banking, Mobile Apps, SMS Banking, A-Challan, E-GP Service, E-commerce and E-Banking Solutions, Bangla QR, E-payment solutions, and Contact Center services—collectively ensure that customers can access banking services anytime and from anywhere (24/7).

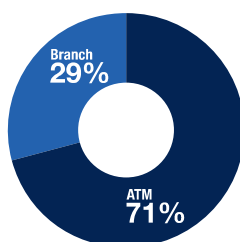
ATM, CDM & CRM Service



Own ATMs **217** | CDM's **33** | CRM's **4** | Shared ATMs **14,300+**

To have access banking services round the clock, ATM, CDM & CRM are excellent channel. Automated Teller Machine (ATM) & Cash Recycler Machine (CRM) provides banking services to its customers 24 hours a day, 7 days a week and 365 days a year. Through our ATM & CRM customer can access withdrawal, deposit, balance inquiry and mini statement facility. In our total 71% cash transactions of Bank Asia are done through its 217 own ATMs, 33 CDMs, 4 CRM's and more than 14,300 shared ATMs all over the country. Our bank is planning to invest continuously in a bid to increase and widen its ATM network significantly.

ATM transaction vs Branch transaction



Online Payment System or E-Payment Solution

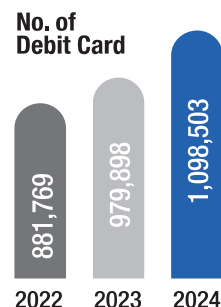


Total Number of Transaction **3 Million** | Tk. Amount **21,571 Million (approx.)**

Bank Asia has developed the solution which verifies and processes with a verity of secured transaction instruments for Payment of Member/ Student fees of different institutions, Residential & Industrial Gas Bill & different payment of renowned insurance company using their respective Bank accounts, Over the Counter(OTC), Debit/Credit cards, EFT, etc on behalf of the Online Banking payment. We have developed a system for KGDCL (Karnaphuli Gas Distribution Company Limited), MetLife Alico (American Life Insurance Company), Pragati & Sandhani Life Insurance Company Limited, ICMAB (Institute of Cost and Management Accountants of Bangladesh), ICAB (The Institute of Chartered Accountants of Bangladesh), SGCL (Sundarban Gas), BGDCL (Bakhrabad Gas), Postpaid bill collection of DESCO, DPDC & NESCO, Ekpay (Unified Utility Bill Collection-a2i), bKash (Instant Fund Transfer Facility), bKash bulk disbursement, Nagad (Instant Fund Transfer to Nagad), Pocket (Fund Transfer to Pocket & Vice versa), Akash DTH, ACI Motors bill collection, Online Tuition Fees Collection of East West, Beautiful Mind School, Green & Uttara University & for different types of payment collection. We have received more than 3 Million number of transaction where BDT amount 21,571 Million (approx) from customers through all of our Branches/ Agent Outlets including ADC channels.

Debit Card

In 2024, Bank Asia elevated its debit card services as a cornerstone of its digital transformation strategy, introducing enhancements aimed at delivering greater security and convenience to its customers. The bank's upgraded debit card now supports advanced contactless payment technology and real-time transaction alerts, ensuring secure financial transactions. Till the year 2024, more than 10,98,503 debit cards are issued against eligible savings and current accounts. These Visa and MasterCard-branded debit cards facilitated seamless transactions across over 19,000+ ATM/CRMs and 1,25,641+ POS terminals nationwide, supporting services such as cash withdrawals, balance inquiries, purchase and online shopping. Moving into 2025, the bank aims to further expand its digital footprint by launching TakaPay debit card and Dual Currency debit card.



A-Challan



Total Number of Passport & other Challan Payments **127,526** | BDT **20,148 Million (approx.)**

The Government of the People's Republic of Bangladesh has introduced Online Banking Payment systems Automated Challan System to collect different types of payment. For ensuring digitalization of this service, Automated Challan System (A-Challan System) has been introduced for online submission of various government service fees.

Internet Banking



Total Number of Internet Banking User **227,054**

Bank Asia's internet banking module allow clients to get a clear state of their financial position and offers a vast banking services like pay bills, change password, balance enquiry, view statement, fund transfer, EFTN, NPSB, utility bills payment, standing instruction, stop & view cheque status and mobile talk-time recharge facilities for all Telco in Bangladesh. We have ensured international standard of security shields for the Internet banking to prevent any unauthorized access. Now the total Internet Banking active users are more than 227,054. Notably, over 66,238 transactions, amounting to approximately BDT 2,916 million, have been successfully processed through Internet Banking, reflecting its increasing adoption and usage among customers.

E-Procurement System



Total Number of Services **9,644** | Total Registered Branch **129**

Bank Asia has been providing banking services for e-Government Procurement (e-GP) through our Branches. In the meantime, customers have received around 9,644 services from our bank with their utmost satisfaction.

Directors' Report

ALTERNATIVE DELIVERY CHANNEL (ADC)

Bank Asia SMART APP



Total Transaction no.
4,028,123

BDT Amount
77,319 million

Total SMART App
Active User
341,806

Bank Asia has introduced modern technology based on unique banking app "Bank Asia SMART App" both for branch & Agent Banking customers which is an integrated internet and mobile banking solution designed to enable to offer customers the widest capabilities across the internet and mobile channels. Smart Banking offers vast banking services and manage customer's accounts, pay bills, change password, balance enquiry, view statement, fund transfer, EFTN, NPSB, utility bills payment, standing instruction, stop & view cheque status and mobile talk-time recharge facilities for all Telco in Bangladesh. By the end of 2024, the total number of active users for Bank Asia's mobile app has reached 341,806 with the active user base growing steadily every day. Notably, over 4,028,123 transactions, amounting to approximately BDT 77,319 million (approx.) have been successfully processed through this app.

NPSB Bangla QR



Total Number of
Services **162,684**

BDT **1,565**
Million (Approx.)

Bank Asia proudly launched the NPSB Bangla QR Issuing & Acquiring services and this innovative payment collection method ensures secure person-to-merchant (P2M) transactions via a simple QR code, leveraging the NPSB (National Payment Switch of Bangladesh). Mobile app users from NPSB-Bangla QR listed banks and MFS/PSOs can conveniently make payments using Bank Asia QR codes. This strategic move not only aligns with Bangladesh Bank's Schedule of Charges but also presents a significant revenue opportunity for Bank Asia through the issuance and acquisition of NPSB Bangla QR services. In 2024, over 1,62,684 transactions were processed through the NPSB Bangla QR channel, amounting to a total value of approximately BDT 1,565 million.

National Payment Switch Bangladesh (NPSB)



Total Number of
Services **5.76 miln**

BDT **161,644**
Million (Approx.)

Bangladesh Bank has introduced the National Payment Switch Bangladesh (NPSB) to streamline interbank electronic payments across various channels. NPSB aims to create a common platform for switches, promoting card-based payments, real-time transfers, utility bill payments, and more. Bank Asia plays a vital role in facilitating real-time transactions among forty-nine (49) connected banks through NPSB. They've launched Internet Banking (IB & APP) based Fund Transfer services via NPSB. The objective is to provide a unified platform for instant Inter-Bank Fund Transfers, benefiting both retail and corporate customers. Over 5.76 million transactions, totaling approximately BDT 161,644 million, have been processed through NPSB channel in the year 2024.

E-Commerce Solution



Total Number of
Transactions **817,373**

BDT Amount
2,899 Million
(approx.)

Bank Asia has spearheaded initiatives to enhance the 'E-Commerce' facility for its valued customers, positioning the bank as a trusted payment partner. Bank Asia account holders can now conveniently shop and purchase online using Internet Banking, Debit Cards, or Credit Cards at low costs, anytime and from anywhere. These initiatives have resulted in over 817,373 successful transactions, totaling approximately BDT 2,899 million, executed seamlessly through the mention channels in the year 2024.

Contact Center

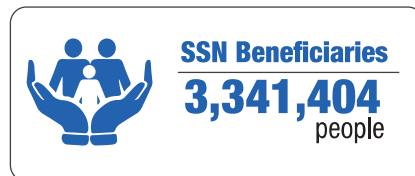
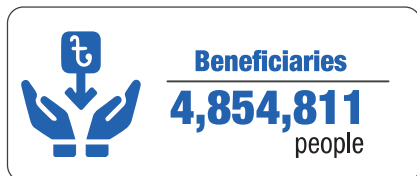
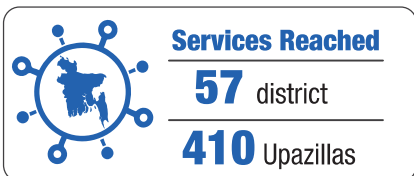


Contact Number
09617016205

Short Code
16205

Our bank is committed to providing exceptional customer service through our Centralized Call Center, available 24/7 to address all our banking needs and inquiries. Customers can reach us using the short code 16205 or the dedicated number 09617016205, which is also accessible to customers calling from abroad. Our round-the-clock Contact Center ensures that both domestic and international customers receive prompt and efficient support at any time of the day.

FINANCIAL INCLUSION & FINANCIAL LITERACY DEPARTMENT



The Ekti Bari Ekti Khamar (EBEK) scheme, later renamed Amar Bari Amar Khamar (ABAK), is a transformative social initiative by the Government of Bangladesh, designed to uplift rural communities by organizing poor families into cooperative economic units. Bank Asia launched the EBK Operation and Social Payment in 2012 to support this effort, successfully completing the operation in 2021. In 2019, the overseeing department was rebranded as the Financial Inclusion and Financial Literacy Department during the 401st Board Meeting on February 18. From the foundation of this project, agent banking was introduced in Bangladesh, gaining national prominence for its impact on financial inclusion. Currently, the Financial Inclusion Department operates in 3,201 unions, 410 upazilas, and 57 districts, collaborating with the government through Digital Center Agent Banking and Social Safety Net payments to expand financial services to the unbanked and ultra-poor populations.

Digital Center Agent Banking The development of rural communities is crucial for the overall progress of any country. In Bangladesh, where approximately 72% of the population resides in rural areas (World Bank report, 2012), the government has taken significant steps to bring essential services to the doorstep of unbanked citizens. The initiative aims to provide public services directly to people, rather than requiring them to seek out these services. To facilitate this, the government has launched Union Digital Centers (UDCs) across 4,480 unions, enabling the dissemination of information and delivery of government services, thereby improving access to essential financial and public services for rural communities.

Social Safety Net Beneficiaries can conveniently withdraw their allowances after verification through biometrics devices from their bank accounts linked to their unique national ID numbers by visiting the nearest Digital Center or agent banking outlets.

Bank Asia PLC has expressed interest in disbursing the Rural Livelihood Program 3rd Phase loan under the Bangladesh Rural Development Board (BRDB), ensuring that loans reach to actual beneficiaries through banking channels. To formalize this, an MoU was signed with BRDB on 11th April 2022. In 2024, 28,349 recipients received BDT 1,291.68 million loan through this initiative.

Additionally, Bank Asia PLC has been awarded the provision of pre-paid cards for the World Food Programme (WFP) and Cash in Hand for CBT activities in Bangladesh for one year, with a potential four-year extension. Following the signing of the MoU with WFP, two cycles have been completed in 2024, distributing BDT 101.01 million to 43,462 recipients.

Indicator	2024	2023
No. Of Digital center	3,201	3,252
No. of Account	4,854,811	4,447,540
Deposit in Mln BDT	18,428	15,500
Loans in Mln BDT	651	685
Remittance in Mln BDT	3,059	4,451



SSN payment from agent outlet.

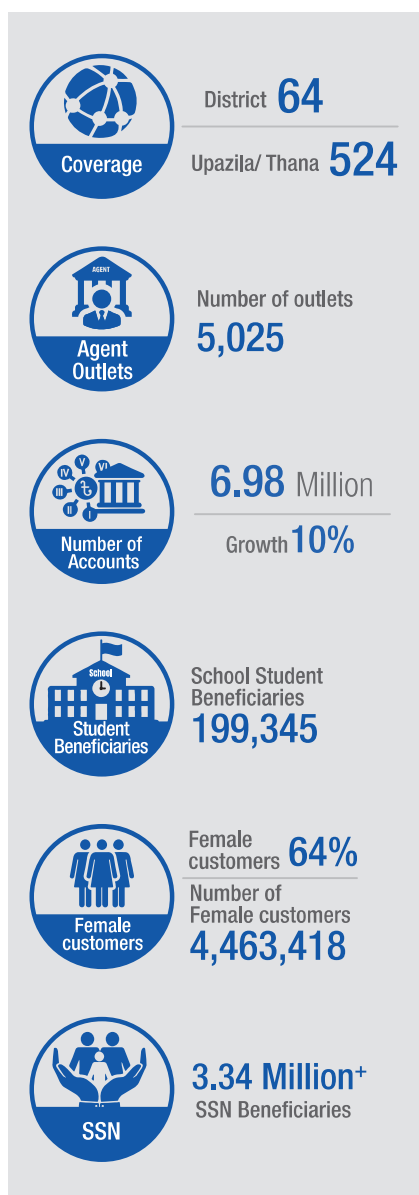


SSN payment from agent outlet.



SSN payment from agent outlet.

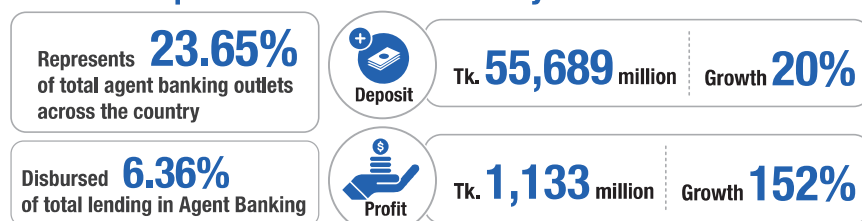
AGENT BANKING



Bank Asia pioneered in Agent Banking has observed the 11 years of auspicious financial inclusion journey in Bangladesh, with around 7 million accounts (including 3.34 million government's social safety net beneficiaries). Bank Asia has been providing structured financial services through 5,000+ accredited agents dispersed in the country, 92% is in rural territory. Establishment of 28,000+ micro merchants, an extended hand of agent has been enabling the customer to avail limited scale banking facilities at doorstep. Women empowerment has been promoting through these channels where 64% of the total customer portfolio is women. Supported by renowned international agency named Bill & Melinda Gates Foundation, Bank Asia created a women centric financial ecosystem where the women agents were empowered with capacity building to support more women customers and to build an improved inclusive society. Agent Banking is also leveraging the model to solve one of the rising concerns as unemployment where it has already created employment opportunity for more than 10,000 youths as customer service officer under agent's payroll.

Agent Banking has achieved a deposit volume of Tk. 55,689 million through it's 5025 outlets by the end of 2024. The platform now facilitates more than 1 lac transactions of Tk. 200 crore in a day which is expected to be multiplied by 2025 to make the channel vibrant and meaningful. By 2024, the wage remittance inflow through agent channels ended at Tk. 138,427 million. Agent outlets have sufficiently been equipped with capacities to support remittance customer and to include the segment into the formal financial chain. To outweigh the religious barrier, Islami Agent Banking is also a step forward to the local community. Till 2024, Bank Asia agent banking disbursed Tk. 15,283 million loan in agri & MSME segment to support their livelihood, entrepreneurship and income generation.

Bank Asia's performance in the industry



Bank Asia is an advocate of the philosophy of responsibly growing together "for a better tomorrow". It envisions through its agent banking to contribute for financial emancipation of the unbanked, empowering communities through its services as remittance, SSN payments, creating opportunities of livelihood & employment generation, empowering women and encouraging sustainable financing in line with SDGs through establishing a culture of compliance.

Capacity building of Agent Banking stakeholders:

Agent banking has conducted more than 45 capacity building events in 2024 among 2561 agents-merchants, BA Staff and other stakeholders where 35% participants were women. Supported by Bill & Melinda Gates Foundation, Bank Asia distributed more than 300 mobile handset and Bio-metric devices for women merchants and agent for their business support during the capacity building training. To enhance operational efficiency and compliance, 27 trainings have been conducted virtually with 8,272 Agent Banking officers, Agents and CSOs.

Agent Banking Day 2024: a decade of financial inclusion

Bank Asia Agent Banking observed the decade of its founding anniversary in Dhaka and across the country in a festive manner. To mark the anniversary, Agent Banking chalked out a number of programs that included cutting cakes at agent outlets and DC offices across the country, organizing a 3-day health camp, District Manager's Strategic Meet and cultural program at Rangs Tower Corporate Office.

Launching of Comic book for agents:

Bank Asia partnered with Microsave Consulting and supported by MetLife Foundation's, launched a comic book for Bank Asia's agents. It features relatable stories of everyday heroes and will serve as a training guide for post-banking agents to increase their business resilience. Through the comic book, readers will appreciate the dedication and resilience of those who bring banking to every corner of Bangladesh.

Agent Business Meet 2024:

Bank Asia PLC organized 'Agent Business Meet-2024' on 23 November, 2024 with Agents from 8 districts to review business strategies and compliance. Prof. M.A. Baqui Khaili,





Independent Director & Chairman of Board Risk Management and Audit Committee was Chief Guest while Mr. Sohail R K Hussain, Managing Director Special Guest and Mr. Ziaul Hasan, Deputy Managing Director-CAMLCO & Agent Banking presided over the conference. Agents and Branch Managers from Tangail, Manikganj, Gazipur, Sirajganj, Jamalpur, Mymensingh, Sherpur and Netrakona districts and senior officials of Bank Asia attended the program. Top performing Agents were accorded award at the program.

Financial Literacy for better financial management:

Financial literacy is essential for better financial management of customer. As per guidelines of regulatory bank, Bank Asia celebrated Financial Literacy Day, 2024 on March 4, 2024, that aimed to aware customer about financial management and knowledge for better financial health. Channel Banking organized financial literacy workshops for customer simultaneously in 64 districts in different scale that includes urban bothok, classroom based session, customer gathering at agent location, digital literacy and so on. During 2024, 92 financial literacy sessions were conducted for 3805 customers; 71 % was women.

Financial literacy campaign:

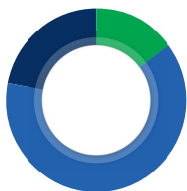
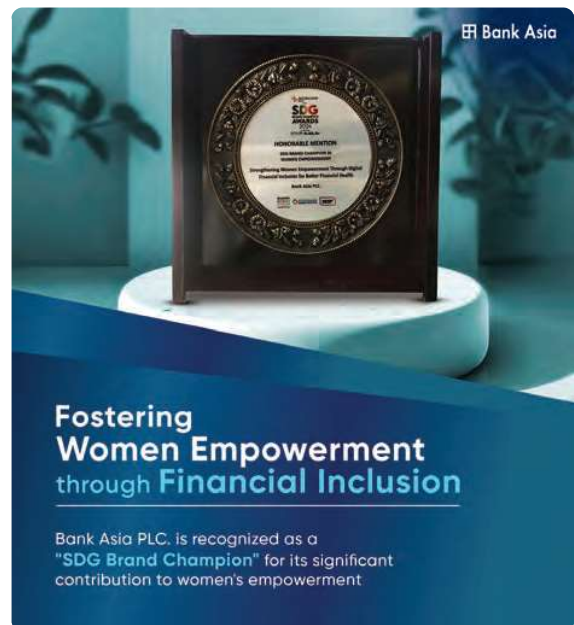
Supported by Metlife Foundation and in partnership with Microsave Consulting Group, Bank Asia organized a caravan based financial literacy campaign throughout the country with the aim of spreading the concept and awareness of banking among the underbanked and marginalized communities. The campaign was organized in 64 districts that reached 66,304 people directly and 504,000 people.

'Amar Hisab-Kitab'

To accelerate financial inclusion activities, Bank Asia PLC has launched a digital financial literacy app 'Amar Hisab-Kitab' for RMG workers in collaboration with United Nations Capital Development Fund (UNCDF), under the H&M Foundation's Oporajita project. Bank Asia's Amar Hisab-Kitab mobile application aims to enhance financial and digital literacy among the customer who lacks in proper education on financial management.

SDG Brand Champion Award 2024

Bank Asia PLC. has been recognized as a "SDG Brand Champion" at the Sustainability Summit 2024, for its significant contribution to women's empowerment.



Agent Outlets

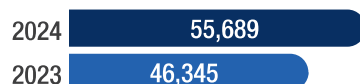
Individuals & Institutional **723**
UDC & CDC **3,201**
Post Office **1,101**



Total Accounts

Rural **6,327,803**
Urban **654,052**

Deposit Million Tk.



Profit Million Tk.



Loan Disbursement Million Tk.



PAYMENT SERVICE DEPARTMENT (PSD)



Bank Asia takes pride being one of the leading banks in Bangladesh that can offer all types of banking Payment Services: BACPS, BEFTN and RTGS, from any of its units including Branches, Sub-branches, Agent points, SME, Islamic banking and Credit Card Department. This is result of PSD's relentless efforts towards new developments and process re-engineering.

Decentralized Outward and Centralized Inward model in all units is a key-feature of PSD operation. PSD always works as a team to ensure all Inter-bank payment and settlements are secured, smooth, fast and reliable to all the customers.

KEY ACHIEVEMENTS IN 2024

- Bank Asia made history by initiating the first BDT transaction in upgrade ISO 2002 standard BD-RTGS system on 24th November, 2024, Sunday; this was appreciated by Bangladesh Bank.
- Highest EFT received on a single day – 15,35,307 transaction through DigiPay (BEFTN) system.

TRAINING & DEVELOPMENT IN 2024

- Conducted total 04 Training sessions at Bank Asia Training Institute and Corporate Office on BACH, BEFTN & RTGS operations and guidelines and another one BD –RTGS system upgradation which was conducted by Bangladesh Bank resource person.
- Total 191 employees were provided training over the year.

STRATEGIC PLANNING FOR 2025

- RTGS Inward process full Automation based on Routing No matching, and Account No. & A/C name matching score.
- SMS notification/confirmation to and from account holder for Inward clearing cheque Positive Pay.
- Deploy Central Dashboard for BACH, BEFTN & RTGS for smooth, combined and at-a-glance fund monitoring by PSD & Treasury.

BACPS

Daily Average Transactions

No. **5,504**,
BDT **406** Crore

PSD is involved with BACPS operation. Here, sincerity, proper attention is the key for smooth operation. Keeping automation and Green Banking in mind, prioritizing technology driven innovative services, PSD tagline is Protected Systematic Disciplined. Several system related updates introduced for improving resiliency and dependency. Sub-branches are now under BACH operation.



BEFTN

Daily Average Transactions

No. **59,027**,
BDT **149** Crore

BEFTN transactions from and to single or bulk transactions is still growing rapidly. This year PSD received 15.36 lac inward transaction in a single day thorough digiPay (BEFTN) System. Individual account holders are also enjoying BEFTN facility through branches, sub-branches, agent points, net-banking and Smart App. PSD channelized over 9.19 lac Foreign Remittance, 2.23 lac NetBanking/SmartApp and 67 thousand Agent Outlet over the year. Received 15.26 lac Safety net payments on a single day.



RTGS

Daily Average Transactions

No. **2,224**,
BDT **353** Crore

RTGS is now available in Net-banking and Smart App which increased reliability. Ensuring security, matching with CBS and through dual authentication, PSD executes Inward RTGS payments in few minutes only. RTGS is growing very fast and becoming most essential for some payment method, supporting Govt. to collect Custom duty, Tax etc. Automation of Inward RTGS is upcoming which will be reduced credit time more significantly.

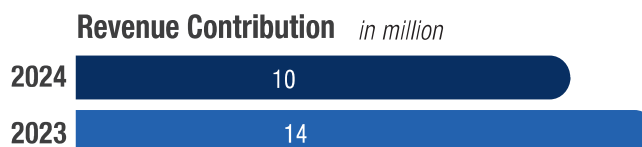


MICR

Daily Average Transactions

Average **28,379** cheque leaves daily including cards.

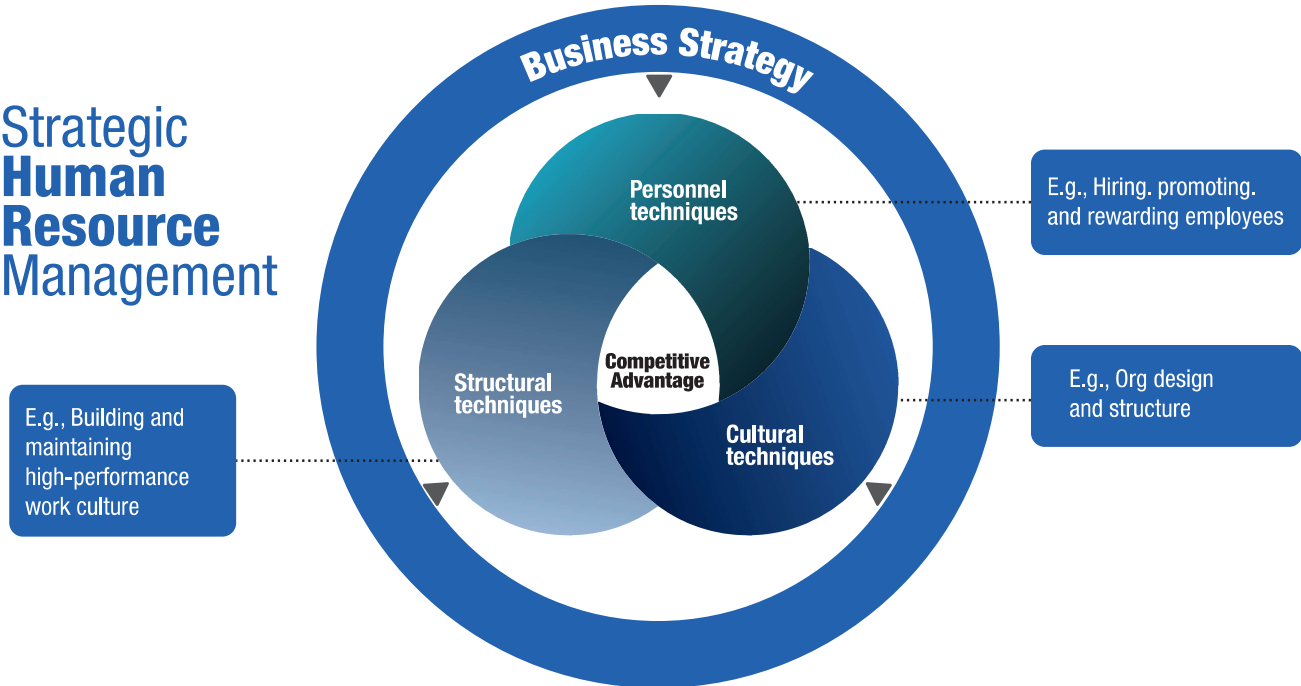
Supplying MICR cheque books to large volume of customers. MICR Instruments are; SB, CD, MSA, AWC, MSND, Pay Order and Card Cheque. MICR Instruments are issued for Islamic Wings, Agent banking, and Card Department. Sub-branches customers are the latest addition.



HUMAN RESOURCES DIVISION (HRD)

Strategic human resource management provides a framework involving human resource management and development practices to long-term business goals and outcomes. It focuses on longer-term resourcing issues and other HR strategies, such as reward or performance, determining how they are integrated into the overall business strategy.

Strategic Human Resource Management

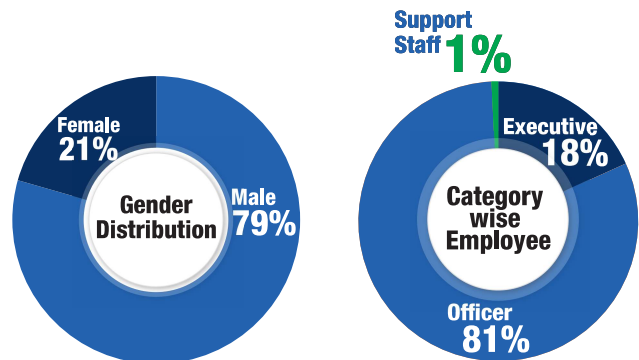


In 2024, the Human Resource Division (HRD) focused on aligning HR planning with the strategic goals of Bank Asia PLC to ensure that the right talent is available at the right place. By leveraging workforce analytics, we were able to predict future staffing needs and implement proactive recruitment strategies. A total of 48 new employees were recruited across various functions during the year, ensuring that the bank's growth targets were met while maintaining a strong talent pipeline. The employee dynamics for the year 2024 are shown below:

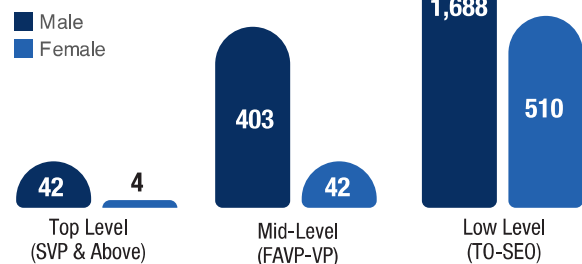
Category	Male	Female	Total	Ratio (M:F)
Executive	445	46	491	91 : 9
Officer	1,668	510	2,178	77 : 23
Support Staff	20	-	20	100 : 0
Total	2,133	556	2,689	79: 21

Manpower Beginning of 2024	2,762
Recruited	48
Separated	121
Net Increase/(Decrease)	(73)
Manpower End of 2024	2,689

Employee Attrition Rate
4.44%



Management Tierwise Gender Positioning in 2024

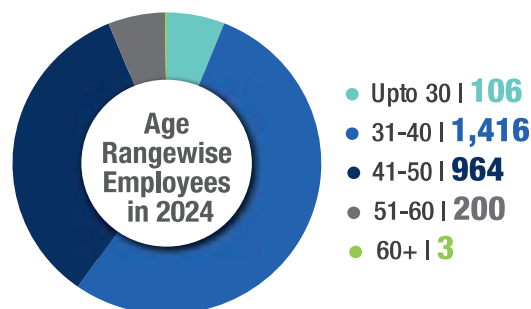


Bank Asia is an equal opportunity employer and promotes a diversified culture with highly congenial work environment for its female employees. Currently 21% of total manpower is female which is expected to rise in the coming days to ensure an even better mix of employee genders.

Directors' Report

HUMAN RESOURCES DIVISION (HRD)

Bank Asia PLC. has good balance of employees of different age ranges who are of unique perspectives, skill sets and approaches making the bank a place of experience and innovation. Employees having age of below 40 years represent 57% of total manpower. Apart from the above, the bank enjoys an advantageous position due to the presence of a significant number of experienced employees to make it a better working place. Age range wise employees of Bank Asia PLC. in 2024 are shown below:

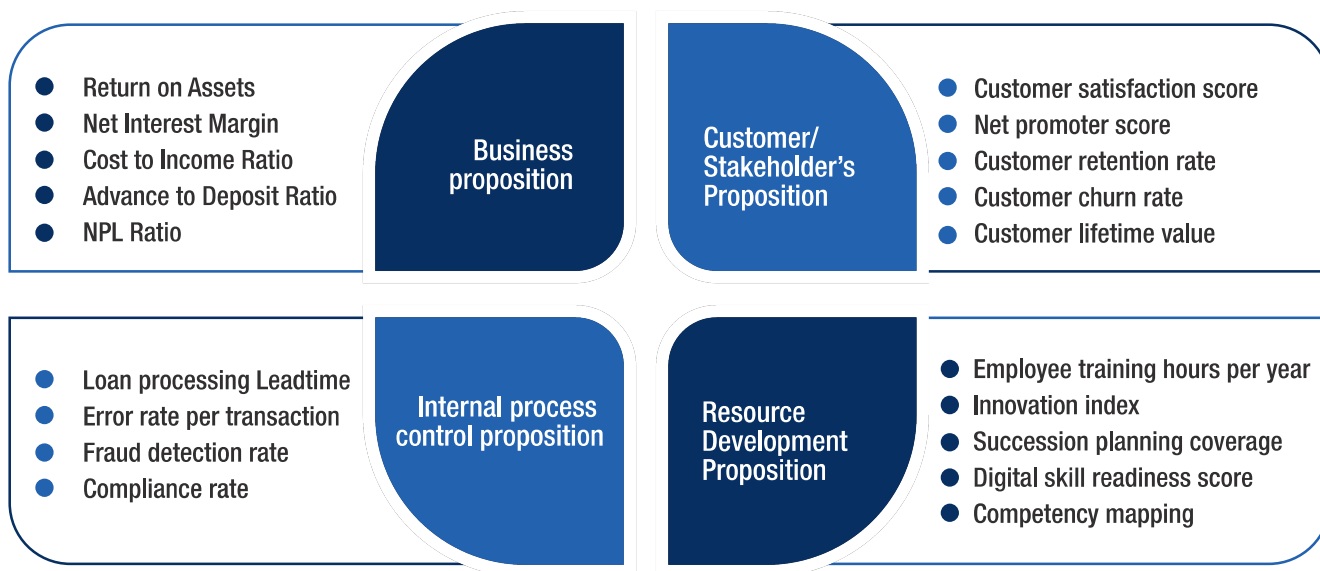


Organizational Development:

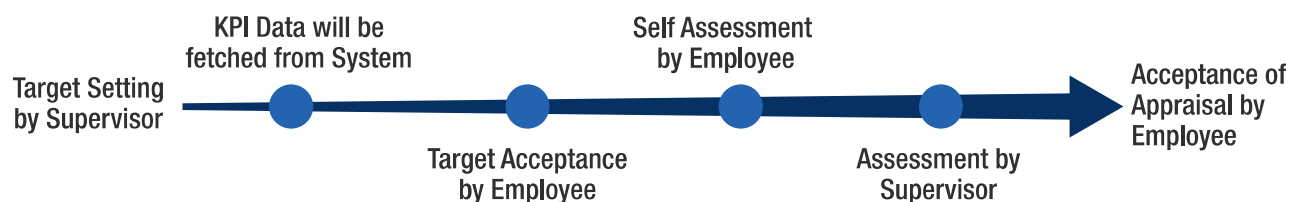
Organizational Development (OD) is a change-management model that focuses on improving a company's performance and health by looking across its structures and functions, taking a human approach to processes and culture, and involving employees at all levels.

In 2024, Bank Asia PLC. has started its journey for structural changes with Zonal Concept, centralization of Credit Administration, Central Trade Processing Center (CTPC), Priority Banking etc. HRD has played significant role by ensuring proper staffing in those areas.

Bank Asia PLC. has enrolled System Based Performance Management System (PMS) from 2024. Here, PMS uses Balanced Scorecard and Management By Objective (MBO) depending on supervisory and non-supervisory roles for Performance Appraisal.



Performance Appraisal System follows a series of steps which are shown below:



Total process of Performance Appraisal is entirely incorporated in People Hub interfacing with Core Banking Solution.

HRD has also undertaken initiatives to develop High Performance (HP) Team through role play and mentoring. HRD also works with renowned consultants to take high potential employees through the most sophisticated development and assessment techniques to ensure high standards. Potential candidates are put in various critical roles to enhance their capacity for grabbing future leadership helm of the bank.

Compensations-Benefits

We remain committed to offering competitive compensation and benefits packages that attract and retain top talent. The compensation & benefits of Bank Asia includes attractive pay packages, Festival Bonus, Incentive Bonus, Performance Bonus, Provident fund, Gratuity fund, Group insurance (medical and life) and many more attractive features. The compensation structure of the Bank is aligned with market standards and is reviewed from

time to time in order to maintain standards with the industry and the economy of the country. Recently an enhancement of employee benefits was undertaken, that included expansion of health insurance coverage and employee wellness programs. These initiatives were aimed at improving employee satisfaction and productivity.

Bank Asia PLC. always inculcates Performance Based Culture for Reward & Recognition. Performance is the main yardstick to the career progression of employees. All monetary and non-monetary benefits are awarded on the basis of performance of the employees. In 2024, Bank Asia PLC. has rewarded its employees with Annual Increment, General Incentive and Performance Bonus. Apart from the above, Management of the Bank has promoted 658 employees to next higher grade resulting in promotion rate about 52.5%. Apart from the above, Crest, Cash Incentives, Letter of Appreciation, Home or Abroad Tour with or without Spouse etc. are the examples of creating performance based culture for rewarding & recognizing performing employees of Bank Asia PLC.

HR Operations:

The implementation of HR automation tools, such as a revamped Human Resource Information System (HRIS) named People Hub, allowed for seamless processing of payroll, employee data management and leave administration. These improvements enhanced our service delivery and enabled employees to access HR services more efficiently. HR process optimization efforts resulted in a reduction of manual tasks and improved overall productivity. HRD is also working relentlessly to incorporate the performance appraisal process through the HRIS.

Training & Development

In line with our commitment to continuous learning, the Human Resource Division expanded the scope of its training and development programs in 2024. We offered a range of trainings, workshops, courses, and e-learning modules covering technical skills, leadership development, and soft skills. A notable achievement this year was the successful completion of 137 training programs covering 23,705 Training Hours, which contributed to a more skilled and adaptable workforce. HRD prepared the Training Calendar 2024 in the beginning of the year on the basis of Training Needs Assessments and conducted the trainings accordingly through Bank Asia Institute for Training & Development (BAITD) and virtual platforms. Furthermore, various local and foreign trainings/ workshops/seminars were outsourced which were conducted by regulatory bodies and international organizations. We believe these training programs are instrumental in shaping the careers of our employees which ultimately benefits the Bank.

Particulars	2024	
	Nos	Hours
In House Training	3,573	21,937
Bangladesh Bank	29	456
BIBM	21	464
Overseas/Foreign Training	5	128
Training by other institutes	58	720
Total No. of Participants & Man Hour	3,686	23,705

HR Compliance

Ensuring compliance with the labor laws and internal policies remained a top priority for the HRD. We ensured that our employee policies were transparent, fair and readily available to all the employees. Furthermore, initiatives to update the Bank Asia Staff Service Rules in alignment with Bangladesh Labor Law and industry practices has also been taken. In 2024, we complied to and acted on multiple audit findings that has impacted the bank positively. Regular training sessions on compliance-related topics were provided to managers and employees to foster a culture of integrity and adherence to legal and regulatory requirements.

Employee Welfare

At Bank Asia, relentless efforts are made to maintain the standard work life balance of the employees through providing all out support and necessary guidance while ensuring they feel valued and motivated. Happy, proactive and loyal employees are the greatest assets of the bank. The Management of the bank is always very keen to ensure employee wellbeing and growth by :

Physical & Psychological Wellbeing:
Group Insurance, Long Term Service Benefits

Work Life Balance:
Discouraging Overstay Beyond Office Hour

Employee Engagement: Food Competition, Sports Competition, Cultural Events etc.

Health & Safety:
Occupational Safety & Health

Diverse Work Environment:
Equal Employment Opportunity

Conclusion

2024 was a year of transformation for the bank and HRD played a pivotal role in supporting organizational change initiatives. Key projects included restructuring of departments for greater agility and the introduction of succession planning frameworks for leadership positions. Our focus on talent management and leadership development ensured that the organization is well-prepared for future challenges and growth opportunities. The Human Resource Division of Bank Asia PLC demonstrated its commitment to strategic HR management and employee development. By focusing on innovation, compliance, and employee engagement, we have created a robust HR framework that supports the bank's objectives while fostering a positive work environment. As we move forward, we will continue to prioritize our employees' growth, well-being, and contributions to the success of Bank Asia PLC.

RESEARCH & STRATEGY

Bank Asia's Research and Strategy Division (R&SD) was founded on October, 2015 to give management unbiased, fact-based market insights, find new business prospects, and improve current operations. In order to meet business targets and accomplish the bank's strategic objectives, the division's reports concentrated on studying the market situation, assessing competitors' performance, diagnosing Bank Asia's performance in comparison to competitors, and developing strategies to overcome obstacles. The following are significant studies carried out in 2024:

SL	Project Name
1	Areas of Improvement of Bank Asia in the eyes of the hobs & expected Support from The Board & Management
2	Branch feasibility study on three locations
3	CAD policy observation
4	Branch/IBW/SME service center environment checklist
5	Business Plan for Restructuring CMSE Business
6	Branch Categorization (Command Area vis-à-vis Bank Asia)
7	KPI of Major Business
8	Potentiality of branch and agent banking business in 2025
9	Power Sector of Bangladesh: Current Status, Prospect & Challenges and Way Forward
10	Strategic planning retreat 2024

In addition to defining the anticipated support from the board and management, the Areas of Improvement (AoI) study concentrated on finding gaps in business acquisition, asset quality, compliance, service quality, technology, and human resources. The structure, risk management, automation, human resources, and service quality of Bank Asia were identified as critical areas that needed attention in this qualitative assessment. The Heads of Branches (HoBs) responded by suggesting policy changes, technological advancements, and marketing

expenditures in order to boost productivity, expand the company, and enhance customer service.

By examining competition in key command areas, the Market Potential Study sought to determine the greatest commercial prospects across a range of channels. In order to help the bank deploy resources wisely, this study assisted the Group Finance Division in creating the 2024 budget. In line with previous years, R&SD also visited various locations to identify business opportunities and obstacles, assisting top management in making informed decisions regarding branch establishment in the most viable areas.

To make sure that all branches and service centers adhere to the necessary operational, safety, and regulatory standards, the Branch/IBW/SME Service Center Environment Checklist was created. This all-inclusive instrument assists in evaluating the operational and physical preparedness of branches and service centers, guaranteeing that they are outfitted to deliver safe and effective services. The checklist is used to assess important elements such staff readiness, equipment functionality, safety procedures, and infrastructure.

In accordance with industry best practices, the CMSE Business Plan established a new business model (NBM) for overseeing the bank's CMSE activities. It described the hiring and deployment of human resources required to support these operations efficiently, as well as the organizational structure of the CMSE departments.

In order to provide a strategic roadmap for the bank, the Power Sector of Bangladesh Study was carried out to assess the sector's present state, future potential, and difficulties. In order for the bank to promote sustainable energy projects and make well-informed decisions while controlling exposure to sector-specific risks, the study concentrated on identifying potential barriers as well as opportunities for financing, investment, and cooperation.

LOGISTICS AND SUPPORT SERVICES

The Logistics Support and Services Division (LSSD) serves as a critical backbone of the Bank, ensuring seamless infrastructure development and providing essential logistical support for smooth operations across the organization. In today's dynamic banking environment, integrated logistics support functions as a strategic enabler-encompassing the planning, design, execution, and maintenance of facilities and resources necessary for sustainable business operations. The scope of LSSD spans infrastructure development, procurement, inventory and asset management, warehousing, distribution, transportation, and customer support services.

In the year 2024, the LSSD team undertook and successfully executed several major initiatives that significantly contributed to operational efficiency and service excellence. The key accomplishments are outlined below:

Establishment of facilities for Central Trade Processing Centers (CTPC):

Establishment of facilities for two centralized hubs-one at Rangs Tower, Paltan in Dhaka and the other in Chattogram.

Relocation and Setup of EPZ Branch, Chattogram: The successful relocation of the EPZ Branch in Chattogram was completed,

involving end-to-end interior decoration, installation of modern fixtures and furniture, and creation of a customer-friendly banking environment. The initiative ensured minimal disruption to branch operations while significantly upgrading its facilities.

Renovation and Modernization of Key Branches:

Comprehensive interior renovation and fit-out works were successfully executed for Lohagara Branch and MCB Dilkusha Branch. These upgrades enhanced the functional aesthetics, improved customer experience, and aligned the branch layouts with the Bank's modern design standards.

Implementation of a Centralized Video Management

System (VMS): As part of the Bank's focus on strengthening security infrastructure, a state-of-the-art Video Management System (VMS) was deployed to enable centralized monitoring of the CCTV network. This system improves real-time surveillance capabilities and enhances the overall safety and security framework across branches and facilities.

Through these initiatives, the LSSD has reinforced its commitment to operational excellence and continuous improvement, contributing to the Bank's long-term strategic goals and customer-centric service delivery.

AML & CFT

Effective anti-money laundering and combating the financing of terrorism (AML/CFT) policies and measures are key to the integrity and stability of the international financial system and member countries' economies. Money laundering (ML), along with its underlying crimes—referred to as “predicate offenses”—and terrorism financing (TF), including the financing of weapons of mass destruction proliferation (WMD) or proliferation financing (PF), are crimes that have far-reaching economic consequences. These crimes pose a significant threat to the financial sector and can destabilize national economies, resulting in both the inflow and outflow of illicit funds.

In addition to these immediate risks, money laundering and terrorist financing can contribute to broader economic instability. This can manifest in various forms, including banking crises, foreign exchange reserve, ineffective revenue collection, and governance weaknesses. Furthermore, these activities carry reputational risks for international financial centers and can lead to the loss of correspondent banking relationships (CBRs), further weakening financial systems.

In response to the ongoing threats of fraud and money laundering in both digital and physical domains, Bank Asia PLC have established comprehensive policies and processes across all areas of our banking operations. In 2024, Bank Asia PLC made significant advancements in enhancing its Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) framework, reinforcing our position as a trusted institution in the fight against financial crime.

As we look ahead to 2025, we remain fully committed to preventing money laundering and terrorist financing. Our strategy will prioritize innovation, continuous improvement, and collaboration to ensure that Bank Asia remains a key player in safeguarding the integrity of the financial system.



AML & CFT Conference 2024

Digital Transformation

Developed own AML software:

- Daily Alert Generation,
- Rule Based Transaction Monitoring
- Risk Assessment of Trade Customer,
- Trade Transaction Profile,
- Price Verification Module,
- TP Modification report.



Training Program

2,498 Participants

Review of KYC & EDD for High Risk Customers

Regularly reviewed the KYC & EDD for:

- High-Risk Customer,
- Influential Person,
- Government Official
- Political leaders and
- Few specific groups

Collaboration with Regulatory Bodies and Law Enforcement Agency

Timely responded around 10,792 Queries from different regulatory authorities like:

- BFIU
- DUDOK
- CID
- NBR
- SEC
- Drug Administration
- Department of Environment

Transaction Monitoring & STR –SAR Submission

This year 622 nos. of STR-SAR submitted to BFIU through:

- Transaction Monitoring,
- CTR Analysis,
- Adverse News Monitoring,
- Trade Transaction Analysis.

Employee Training and Awareness

AML & CFT Division arranged vigorous and extensive training through physically and virtually for the employees which covers:

- Global & National initiatives for AML & CFT Framework
- Overview of AML & CFT
- Regulatory requirements for Banks on AML & CFT issues.
- Risk Based Transaction Monitoring & STR/SAR submission
- Trade Based & Credit Backed Money Laundering with
- Recent typologies and case studies.

AML & CFT Conference

Bank Asia PLC Organized annual conference for to create awareness for:

- All Employees of the Bank
- BAMLCO's of Bank
- Senior Management Team
- Honorable Board of Directors.

Adverse Media News Service

Bank Asia subscribed Adverse Media News Service to monitor the activities of the customer for identifying the suspicious activities/transactions

Conference on AML & CFT

AML & CFT Division organize BAMLCO Conference, AML & CFT Conference etc.

Lead Bank Training

In collaboration with BFIU, Bank Asia Organize Lead Bank Training for the officers and executives of different district. Operate

SPECIAL ASSET MANAGEMENT

The Special Asset Management Division (SAMD) at Bank Asia is a dedicated unit that specializes in managing distressed and non-performing assets. Focused on addressing willful defaulters and deliberate misconduct, SAMD approaches its work with a combination of firmness and empathy. The division is not only aggressive in its pursuit of resolution but also receptive to valid concerns during negotiations.

In recent years, SAMD has made considerable efforts to resolve long-standing delinquent accounts, often through the liquidation of collateral. As a key player in non-performing loan (NPL) management, SAMD has also played a vital role in authorizing the recovery of written-off and classified funds for the bank, including interest suspense and unpaid interest. This consistent commitment over several years has strengthened asset quality, while also ensuring that any profits derived from classified or written-off accounts are significantly maximized. At year end, the CL amount stood at Tk. 33,477.95 million, with a CL% of 11.40%.



Major activities in 2024

- Conducted regular visits to branches and accounts to assess recovery opportunities and ensure effective management of delinquent assets.
- Organized branches into strategic zones and set up dedicated monitoring teams to improve recovery efficiency and accountability.
- Established streamlined communication systems for consistent, effective correspondence between SAMD and branches.
- Focused on tailored solutions, such as rescheduling payments and settlement negotiations, to ensure optimal recovery from defaulters.
- Actively pursued legal actions, including filing court cases, to apply pressure on defaulters and expedite the recovery process.
- Focused on continuous development and training to build capacity and ensure sustained recovery performance.



Cash Recovery 2024

Classified Loans Tk. **5,948** Million

Written off Loan Tk. **229** Million

Stressed Loan Tk. **6,180** Million

Million Tk.

Performance of Legal Unit in 2024	No	Value
Total Artha Rin Suit as on 31.12.2023	583	42,066
Artha Rin Suit Filed in 2024	66	20,805
Total Artha Rin Suit as on 31.12.2024	646	62,870
Decree Obtained in 2024	43	3,753
Solenama submitted before the court in 2024	01	45
Total NI Act Cases as on 31.12.2023	555	20,279
NI Act Cases Filed in 2024	220	19,863
Judgment obtained in 2024	55	1,841
Total NI Act Cases as on 31.12.2024	720	38,001
Cash Recovery through Legal Process in 2024		1,564

Sub-Standard Million TK.

2024 2,303

2023 1,781

Doubtful

2024 4,439

2023 1,052

Bad & loss

2024 26,736

2023 16,677

Strategies for NPL Management & Recovery Process

- Regular visits to customers, businesses, and collateral sites to build strong relationships, assess asset conditions accurately.
- Constructive and empathetic negotiations with customers, exploring options for rescheduling payments, offering customized repayment plans and reaching mutually beneficial settlements that addressed both the bank's and the customers' needs.
- Legal action against all default customers, securing overdue payments and safeguarding the bank's financial interests by exploring every possible recovery option.
- We identified Customer-Centric Recovery Solutions for improvement in our engagement strategies with defaulters, ensuring that recovery efforts remained flexible and customized to meet the unique needs of each customer, resulting in improved recovery outcomes.
- From the beginning of 2024, we implemented the POE technique, prioritizing recovery from CL (Classified) and WO (Written-Off) accounts. This strategic focus helped us achieve maximum recovery from high-priority accounts.
- We strengthened collaboration between SAMD, Branch Teams, and Legal Team to ensure seamless coordination of recovery efforts. This cross-functional approach facilitated better alignment and efficient sharing of information across departments.

CAPITAL STRENGTHENING

Bank Asia is always eager to maintain sufficient capital base against performing business to support healthy growth of business and ensure compliance with the Basel III capital accord in line with Bangladesh Bank roadmap. Bank's CRAR (Capital to Risk weighted Asset Ratio) reached to 15.61% as on December 31, 2024 against required 12.50% (including buffer@2.50%).

To bring the good business growth, Bank Asia has completed the transaction of Tk.5,000 million of perpetual bond as additional Tier-1 capital as of January, 2024. Moreover, the bank has also taken decision for issuing Subordinated bond of Tk. 4,000 million out. In this regard, Bank Asia has raised fund of Tk.2,000 million under private placement out of Tk.4,000 million. This capital will be added to bank's Tier-2 capital.

RISK BASED CAPITAL ADEQUACY

The Bank has formed a strong capital base by way of various capital enhancement initiatives with a view to promote more integrated management of market and counter party credit risk and also operational risks. As per Pillar-3 revised RBCA (Risk Based Capital Adequacy) guidelines of Bangladesh Bank, all scheduled banks have to publish their capital adequacy disclosure framework for market participants i.e. stakeholders as a key information about the bank's Minimum Capital Requirement (MCR) under pillar I of Basel III and exposure to various risks related to capital adequacy to meet probable loss of assets. Details of required disclosures both in qualitative and quantitative form are laid out in a separate segment under [page no 162-183](#)

CORPORATE GOVERNANCE

In essence, corporate governance is a system ensuring a company's accountability to its stakeholders. It is achieved through internal controls and procedures that are implemented throughout the company's life cycle. Bank Asia prioritizes fairness, transparency, accountability, and responsibility in its corporate governance approach. Our disclosures on compliance with BSEC and Bangladesh Bank guidelines demonstrate the strong compliance culture of the Bank.

In recognition of that, in 2024 Bank Asia has been awarded 1st prize by ICAB (Institute of Chartered Accountants of Bangladesh) for Corporate Governance disclosures. The details of corporate governance practice of Bank Asia are discussed in a separate segment 'Corporate Governance' under [page no 228-283](#).

CORPORATE SOCIAL RESPONSIBILITIES

Bank Asia always streamlines its efforts to look beyond short-term quantitative gains and concentrates on issues that make the institution socially responsible. We are committed to social and environmental well-being and strive to ensure sustainable balanced growth in economic, social and ecological arena. Bank Asia strongly believes that sustainable

growth of an entity is nothing but a counterfeit ideology without being communally responsible in business conduct and contribute to the society. That is why Bank Asia is always committed to be a proud development partner of its communities where it belongs and make the communities grow up through continuous and balanced CSR activities.

Like in the past, Bank Asia spent an amount of Tk. 134 million for several CSR activities this year as well. Our major CSR programs includes Health, Higher Study Scholarship & and disaster management. Other CSR programs include support cold affected people, infrastructural development of different institutes, sports, art & culture. The pace of CSR contribution is expected to accelerate in the future with long term vision. In depth CSR activities of the bank are available in Corporate Social Responsibility (CSR) segment under [page no. 218-223](#)

GREEN BANKING

Green banking or Sustainable finance refers to any form of financial service integrating environmental, social and governance criteria into the business or investment decisions for the lasting benefit of both clients and society at large. We recognize that the policies and practices we adopt today will shape not only our lives but also those of future generations. We therefore have an opportunity to make a positive contribution to environmental and social concerns by enacting policies designed so that our business operations do not degrade the environment or cause social harm. Such policies not only indicate positive environmental responsibility, but also present business opportunities such as innovative financial products and investments in sustainable forestry and renewable energy. This will help us better manage our risks, develop expertise and provide clients with solutions to evolving exposures. During day to day business Bank Asia heavily contributes towards the carbon emission in terms of use of paper, electricity, stationary, lighting, air conditioning, electronic equipment etc. even though this is moderate compared to other carbon sensitive industries like steel, oil and gas etc. In the case of banks, the direct interface with the environment has considerably increased due to rapid growth of the banking industry. Energy consumption is the only way to describe our living, but excessive use is called waste. Prime focus of Bank Asia is utilization of solar power, Reduction of Energy & Resource Consumption; control the consumption of water, waste management, emission of greenhouse gas etc. Under Green and Sustainable Finance scheme, Bank Asia has disbursed Tk. 123,604 million to different segments like renewable energy, liquid waste management, recycling & manufacturing recyclable goods & others. We managed to secure Net profit from environmental savings worth Tk. 10.39 million in 2024. Green Banking of the bank are available in Environment performance segment under [page no. 204-207](#)

BANK ASIA SECURITIES LIMITED (BASL)

The year 2024 was very disappointing for equity investors, as the benchmark index of the Dhaka Stock Exchange (DSE) lost 16.5 percent which is the biggest annual drop in last four years. The broad index of the Dhaka bourse (DSEX) fell by 1,030.1 to 5,216.4 points from 6,246.5 points and at the end of the year. This year the DSE's average daily turnover was BDT 6.3 billion as compared to BDT 5.8 billion in the previous year, risen by 9.3 percent. Moreover, the total market capitalization decreased by 15.1 percent to BDT 6,626.2 billion from BDT 7,808.5 billion. The overall price earnings (P/E) ratio at the end of the year was at 10.50.

The year started with investment uncertainties of holding national election, and withdrawal of floor prices of majority scrip's by BSEC. The benchmark index witnessed sharp fall as many investors rushed to sell off their holdings that were stuck on the floor for a long time. After that the market experienced a brief recovery, and the market acceded to a prolonged bearish trend affected with the central bank's monetary tightening measures and NBR's proposal to impose taxes on capital gains. Furthermore, gradual uplifting of floor price of other large-cap stocks accelerated additional draining to the ailing market, despite a failed regulatory measure of enacting the lower circuit breaker of 3% for each scrip to obstruct the market's free fall.

Following the appointment of new BSEC chairman, the regular circuit breaker policy was brought back and formed an investigation committee to review various market wrongdoings during previous commission. However, the measures have not revived the market momentum suffering from investor's confidence crisis. The initial public offerings (IPOs) remained low in 2024; six companies that received regulatory approval collected BDT 6.55 billion in 2024. Consequently, the number of beneficiary owners' accounts dropped more than 5 percent to 1.66 million in the last year.

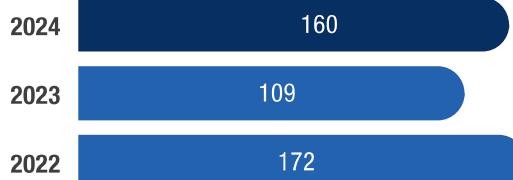
Despite of bearish movements of market, BASL has advanced its position to 7 from 9 of DSE's Top - 20 in consideration of daily turnover

throughout the year of 2024. Total Operating profit of Bank Asia Securities Limited (BASL) stood at BDT 160 million in 2024 against BDT 108 million in 2023.

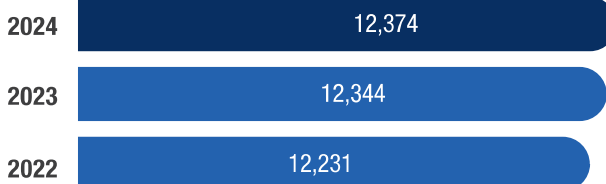
Number of total active clients reached at 12,374 in the end of 2024, which was 12,344 in December 2023. Margin loan outstanding stood BDT 4,215 million on December 31, 2024, which was BDT 4,553 million on December 31, 2023.

The current number of outlets are twelve, of which three are Digital Booth. The location of the mentioned booths is at Rajshahi, Bagura and Comilla. The number of employees reached to 66 at the end of the year.

Operating Profit Million Tk.



Total Active Clients



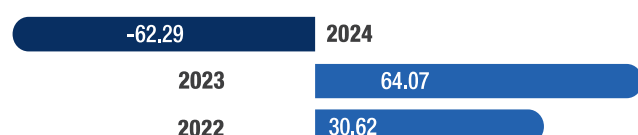
BA EXCHANGE COMPANY (UK) LIMITED

B A Exchange UK remitted USD 13.10 million in 2024. The UK remittance market presents a challenging environment, particularly for companies targeting the Non-Resident Bangladeshi (NRB) community. The market is characterized by a limited client base, as immigration flows into the UK for permanent settlement have stabilized, resulting in a lack of significant growth in the potential customer pool.

Remittance Mln. USD



Profit & Loss Thousand £



Agent Business Model:

As part of our business expansion strategy and revenue growth initiatives, we have initiated a strategic plan to introduce the Agent Operation model. Our highly functional organizational capacity ensures seamless collaboration between B A Exchange UK and agents. This approach enhances efficiency, expands market reach, and strengthens customer trust. By leveraging strategic partnerships, we optimize service delivery and operational effectiveness.

Meet & Greet Service at Dhaka Airport:

BA Exchange has already launched a Meet & Greet service at Dhaka Airport, designed to offer a personalized and welcoming experience for our esteemed customers. This service aims to facilitate a seamless and comfortable transition throughout their travel journey.

Pre-Paid Travel Card Launch:

In response to the changing needs of our customers, BA Exchange has launched a Pre-Paid Travel Card specifically designed for use in Bangladesh. This forward-thinking solution provides our customers with a convenient, secure, and adaptable payment option, enriching their travel experience within the country.

Consistently Quality Customer Service:

At the heart of our accomplishments lies our steadfast dedication to delivering exceptional customer service. The key to our success is the trust and loyalty of our customers, and we remain focused on enhancing their experience.

Remittance
USD **13.10** million.



BA EXPRESS USA INC.

BA Express USA Inc. is a wholly owned subsidiary of Bank Asia PLC, operating as a money transmitter since 2014 and licensed by the New York State Department of Financial Services. Currently, BA Express has four branches and numerous agent locations, with plans to expand to more locations throughout New York State.

This year, BA Express achieved a record of high remittance volume of \$101.12 million and earned a profit of \$842,883. However, the business's growth is subject to the competitive rates offered by large multinational companies in the USA and the market rates in Bangladesh.



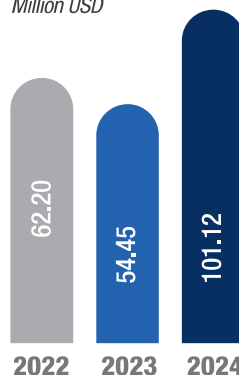
FUTURE PLANS

- To become the most preferred and popular money remitting company
- To launch a mobile app
- To be the leader in the remittance industry in New York

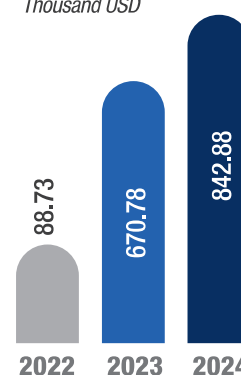
Remittance
USD **101.12** million.



Remittance Million USD



Profit/Loss Thousand USD



EVALUATION OF QUARTERLY REPORTS

The Board of the Directors evaluates the quarterly reports every year. The Management prepares the financials and submits to the Board for approval. The Board examines the financials with due diligence in order to ensure the financial statements are fairly stated. Thereafter the Board approves the financials with recommendation in various aspects such as reducing non-performing loan, increase of profitability and other key issues for improvement of financial performance.

ADDITIONAL STATEMENTS

Additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (amended up to 2020) (Act No. XVIII of 1994) is described in a separate segment ([page no. 271-272](#)) where different issues such as detailed discussion on related party transactions, explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements, remuneration paid to the directors including independent directors, statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, explanation of significant deviations from the last year's operating results (if any), 5 (five) years summarized performance etc. are discussed.

OUR GRATITUDE AND THANKS

We want to continue on doing the best and ensure prolonged development in the economy, society, lifestyle and thus every sphere of our country in line with our vision. Our sustainable banking operation is attributed to our prudent Board of Directors, effective Management, enthusiastic and skillful employees and trust bestowed upon us by our valuable clients and shareholders. We would like to convey our earnest gratitude to the Bangladesh Bank, Ministry of Finance, Bangladesh Securities and Exchange Commission (BSEC), National Board of Revenue (NBR) and other concerned authorities for their guidance, valuable suggestion and continuous support. Our Board of Directors, Management and staffs of the bank are devoted to achieve the priceless goals of the bank and to maximize shareholders value through combined efforts and strengths.

On behalf of the Board of Directors

Zakia Rouf Couwdhury
Second Vice Chairman

Rume A Hossain
Director

Enam Chowdhury
Director