

SUSTAINABILITY

Report 2023

Mercury Contamination
Unmasking the Silent Poison



Bank Asia

Sustainability Report 2023

Mercury Contamination can be summed up in one phrase:
“A Silent Crisis Threatening our Future”

Over the years, the people of Bangladesh have been exposed to various pollutants such as fertilizers, melamine, formalin, and carbide. Recently, the presence of heavy metals, including mercury, has become a serious concern. Mercury contamination is an emerging and dangerous threat in Bangladesh, posing significant risks to both public health and the environment. According to a study conducted by the Department of Environment with support from the UN Development Program (UNDP) and technical assistance from the UN Institute for Training and Research (UNITAR), Bangladesh releases approximately 32,660 kilograms of mercury annually. The majority of mercury is released into the air (55%), followed by water (13%).

Mercury exposure can lead to severe health problems, including irreversible damage to the nervous system. Vulnerable groups, such as pregnant women, newborns, and children, are particularly at risk. According to the World Health Organization (WHO), no level of mercury exposure is considered safe, meaning that everyone is at risk when mercury is released into the environment without proper safeguards.

In response to this growing crisis, Bangladesh ratified the MINAMATA Convention on Mercury on April 18, 2023, which came into effect on July 17, 2023. This international treaty aims to protect human health and the environment from mercury exposure. With this ratification, Bangladesh is obligated to prohibit mercury mining within its borders and restrict mercury exports, except in specific situations allowed by the Convention.

As a responsible corporate entity, Bank Asia is committed to raising awareness among its stakeholders and contributing to the fight for a safer environment for future generations. It is imperative to recognize that ongoing pollution of our soil and air will eventually have dire consequences, especially when contamination levels exceed safe limits.





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Mission

To assist in providing high-quality service to our customers and to participate in the growth and expansion of our national economy.

To set high standards of integrity and bring complete satisfaction to our clients, shareholders, and employees.

To become the most sought-after bank in the country, rendering technology-driven, innovative services through our dedicated team of professionals.



Vision

Bank Asia's vision is to have a poverty free Bangladesh in course of a generation in the new millennium, reflecting the national dream. Our vision is to build a society where human dignity and human rights receive the highest consideration along with reduction of poverty.



Core Values

- Place customer interest and satisfaction as first priority and provide customized banking products and services.
- Value addition to the stakeholders through attaining excellence in banking operation.
- Maintain high ethical standard and transparency in dealings.
- Be a compliant institution through adhering to all regulatory requirements.
- Contribute significantly for the betterment of society.
- Ensure higher degree of motivation and dignified working environment for our human capital and respect optimal work-life balance.
- Committed to protect the environment and go green.



CODE

OF CONDUCT

- Employees must be open and loyal to the Bank and Bank's interest.
- Employees must keep confidentiality in all Bank's and other matters that could provide other third parties unauthorized access to confidential information.
- Employees must observe the Bank's security requirements concerning access to electronic resources and documents.
- All information and communication with the media, the public and financial markets shall be reliable and correct, maintain high professional and ethical standards and in accordance with established guidelines and regulations.
- Customers shall be met with insight, respect, and understanding. Employees must always try to fulfill the needs of the customer in the best possible manner, within the guidelines for corporate ethics that apply to business.
- Under no circumstances, employees shall or be a part of any activity that prohibits open and fair competition of Bank Asia in breach of relevant business laws.
- Employees shall never offer or accept illegal or inappropriate gifts or other remuneration in order to achieve business or personal advantages.
- Employee's engagement in external duties must not affect his/her working relationship with Bank Asia or come into conflict with Bank Asia's business interest.
- Should an employee become aware of an infringement of Bank Asia's rules and guidelines, he/she should blow whistle raising the issue to the line management or to Human Resources Division (HRD).

REPORT PARAMETER

Bank Asia is the pioneer in the banking industry to publish Sustainability Report as per GRI framework. Our prior two reports were based on GRI reporting framework G3/ G3.1 guidelines. But from the year 2014 to 2017 we have prepared our sustainability report based on GRI reporting framework G4 guidelines. From 2018 we are reporting on GRI reporting framework GRI Standards with an effort to measure, disclose and be accountable to internal and external stakeholders in terms of governance, economic, environmental and social aspects including both positive and negative contribution. This report has been prepared in accordance with the GRI Standards.

Reporting Scope

This report intends to touch upon all significant environmental, economic and social impacts resulting from Bank Asia's activities in the financial year 2023. This is our Twelfth Sustainability Report and there is no significant changes regarding scope, boundary or measurement methods and explanation of the effect of any restatement of information comparing to the previous report.

Boundary of the Report

The report boundary of the year 2023 covers only banks operation run by corporate office, its branches, SME service centers and other direct networks in Bangladesh. Impacts of the activities of our subsidiaries, NGO networks or our suppliers in other countries are not within the scope of this report. Bank Asia has three subsidiary companies, one in Bangladesh and two others in UK and USA, but no joint venture. As owner, the Bank controls the activities of its subsidiaries. Bank Asia Securities Limited (BASL), a majority owned subsidiary is incorporated in Bangladesh and acts as a stock broker and stock dealer in capital market. The financial statements of the BASL are prepared on a going concern basis under historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRS). BA Exchange Company (UK) Ltd. in UK and BA Express USA Inc. at NY, USA are two wholly owned subsidiaries with a primary responsibility of remittance channeling to Bangladesh from UK and USA market. Financial statements of BA Exchange Company (UK) Ltd. and BA Express USA Inc. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities.

Feedback

We welcome any feedback on our sustainability reporting. For further information and comments, please contact Sustainability Reporting Team of the Bank led by Mr. Mohammad Ibrahim Khalil, FCA, Chief Financial Officer, Mr. Md. Shamim Hasnat, CSRS, FVP, Group FAD; Mr. Mahbub-Ul Anam Khan, CSRS, FAVP, Group FAD and Ms. Nahid Tania Khan, CSRS, SEO, Group FAD. They may be reached through

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STRATEGIC FOCUS FOR SUSTAINABILITY

GOING GREEN IN THE FUTURE OF BANKING

Bank Asia firmly promotes green banking to reach its long term strategic objective to be a green, triple bottom line bank where every decision will be taken with both financial and environmental considerations in mind. The Bank's green banking initiatives includes Online & paperless banking, reducing green house gas emission, mapping bank's carbon foot print, efficient energy use, environment friendly projects, plant nursery and horticulture projects etc.

One of the strategic priorities of Bank Asia is to promote financial inclusion for combating poverty which the Bank firmly believes to achieve by its deposit services, agricultural credit program, small enterprise financing for productive new off farm employment of 'missing middle', Solar home system projects with NGO-MFI partners, foreign remittance of poor migrant workers channeling through partner MFIs, Agent Banking channels, domestic remittance distribution through bank branches and agent banking outlets.

GIVING BACK

Bank Asia believes in giving back to the community and it will continue to promote education, fulfill its commitment to community health, disaster management, clean environment, sports, art and culture.

PROMOTING FINANCIAL INCLUSION

Bank Asia is sincere to create higher customer satisfaction and loyalty by its brand enhancement programs & creating brand ambassadors, personalized banking, online product innovation, measure and reduce customer efforts for greater value proposition.

CUSTOMER SATISFACTION

Triple Bottom Line



PEOPLE

Bank Asia always plays a very dynamic role in contributing to the society through its CSR program, which are thoroughly illustrated in CSR section. In the context of value creation model for its employees, the bank has made footprints by achieving: Operating profit and Net profit per employee was Tk. 4.19 million and Tk. 0.87 million respectively during 2023. 24,822 man-hours training (both physically & virtually) have been provided to 2,170 employees in 2023 in home and abroad. Bank Asia works with a wide range of suppliers, vendors, agents and others. To create value the Bank works with them through collaboration by applying its own policy and practice for selecting these suppliers and others.

As one of the strategic focuses of Bank Asia, 'going green' movement includes efficient energy consumption, paperless office, financing renewable energy etc.

Bank Asia's achievements in green initiatives are detailed out in other parts of the report. As greening of mind, training provided to staffs regarding green banking under foundation and other trainings course in 2023.



PLANET

During 2023, Bank Asia generated Economic Value Addition (EVA) of **Tk. 2,405** million.



PROFIT

Sustainable Banking Operations

Key highlights 2023

Disbursed **Tk. 1.88** million under Bank Asia Higher Studies Scholarship

56 students received support under this program



5,051 agent outlets out of which **91%** in rural areas covering **64** districts of Bangladesh

USD.124.50 million disbursed through **336,482** transactions



64,496 rural farmers were financially supported

Disbursed **Tk. 5,712.62** million as Agriculture & Rural credit

24,822 Man-hours of training for human capital development



Delivered **14,98,320** no. of E-Statements to customers

76% done through ATMs



1,069,383 transactions completed Worth **Tk. 17,396** million (approx.)

Internet Banking User **306,938**

Mobile App. user **425,531**

Under Sustainable Finance distributed **Tk. 53,171** million to **96,579** people



Under Green Finance, distributed **Tk. 2,634.23** million to **182** people

We distributed **Tk. 1,072.20** million in Renewable Energy and Energy & Resource Efficiency segment

CHAIRMAN'S MESSAGE



Chairman's Message

Numerous banking sector changes were implemented during this time by our regulator, Bangladesh Bank. The trial period was handled extremely professionally by the bank management, who remained informed and cooperative. The board of directors continuously and consistently improved the capacities and organizational structure of management. The desired results have now begun to materialize. Our strategy and planning in these areas had given us immense paybacks, some of which are cited as under:

- 1st Prize for Best Presented Annual Report 2022 and Corporate Governance Disclosures by ICAB (Institute of Chartered Accountants of Bangladesh),
- 1st Prize (Gold award) for Corporate Governance disclosure category by SAFA (South Asian Federation of Accountants),
- Silver Rank for Sustainability Report 2022 by National Centre for Sustainability Reporting (NCSR) and Institute of Certified Sustainability Practitioners (ICSP) in Indonesia and
- Best Trade Partner Bank-Bangladesh in South Asia by International Finance Corporation in the Global Trade Partners Meeting held in Barcelona, Spain.

Despite the macroeconomic challenges, deposits stood at Tk. 36,161.7 crore with growth of 7%, advances at Tk. 29,132.5 crore with growth of 5% and operating profit of the bank increased to Tk. 1,153 crore, an increase of 8% over last year. After providing for stressed loans and advances, tax, reserve and others, the bank attained net profit of Tk. 239.58 crore and the Board of Directors recommended 15% cash dividend for the year 2023.

Bank Asia considers sustainability in every action it undertakes and plays an integral part in achieving the country's Sustainable Development Goals (SDG). In 2023, disbursement under Green Finance stood at 5.47% (Tk. 263.42 crore) against target of 5% and Sustainable Finance stood at 25.22% (Tk. 5,317.08 crore) against target of 20% given by Bangladesh Bank. Renewable energy, waste water management and agriculture are some of the sectors financed through these facilities.

Bank Asia being pioneer in financial inclusion initiative in Bangladesh, with around 64 lac agent banking customers (including more than 30 lac government's social safety net beneficiaries), have been able to provide structured banking services through over 5,000 accredited agents in the remotest corner of the country.

Bank Asia engaged in a range of CSR (Corporate Social Responsibility) initiatives with the aim of contributing to the betterment of society and advancing sustainable development. The bank spent Tk. 32.6 crore on CSR activities in 2023. One example of CSR activities of the bank is the state-of-the-art, 250-bed hospital located in Malkhanagar, Sirajdikhan, Munshigonj. Needy and deserving students received monetary scholarships as our support to education. Donations and contributions on stand-alone basis were also made to Bangabandhu Memorial Trust, Prime Minister Asrayan Prokolpo, Prime Minister's Education Assistance Fund, Prime Minister's Relief fund etc.

Every year, the bank works on a new theme to focus on the adverse impact of economic activities over environment. This year, the focus was on "Mercury Contamination". Mercury contamination is an emerging and dangerous threat in Bangladesh, posing significant risks to both public health and the environment.

Last but not the least, I would like to express my heartfelt thanks to the members of management for their untiring efforts of making our institution a more socially responsible one by way of extending extensive and inclusive banking services through alternate banking channels and helping the society extend various social services under active guidance of the Board. I would also like to extend my gratitude and congratulations to the respective team for its sincere effort for presenting the bank's activities under the framework of Sustainability Reporting.



Romo Rouf Chowdhury
Chairman
Bank Asia PLC.

REVIEW FROM THE **MANAGING DIRECTOR**



For Bank Asia, sustainability is a core value that governs our operations and choices. Our goal is to sustainably generate wealth for our stakeholders in an ethical manner. Sustainable business practices are essential as Bangladesh works towards a thriving economy, particularly to spur growth and guarantee the viability of our economic landscape.

I am pleased to share Bank Asia's 2023 Sustainability Report, which is centered around the topic of "Mercury Contamination". Mercury contamination poses significant risks to public health and the environment. Mitigating this requires rigorous monitoring, regulatory measures, and adopting cleaner production technologies. Public awareness campaigns and collaborative initiatives are essential for promoting responsible handling of mercury-containing products. This report outlines how we set standards in sustainable development that influence economies, communities, and the environment.

Sustainability: Drive towards a Better Tomorrow

Bank Asia promotes a low-carbon economy and contributes to long-term sustainable development. Since 2011, we have implemented measures to enhance energy efficiency across our business centers, achieving substantial cost savings and reducing our carbon footprint, resource consumption, and waste generation. For instance, Green Banking initiatives by the Cards Division, such as E-Statements, SMS Banking, and email correspondence, resulted in net savings of Tk. 10.49 million in 2023. Additionally, we are committed to using renewable energy.

In 2023, Bank Asia allocated Tk. 2,634 million to 182 borrowers as part of our Green Finance initiative. We also extended Tk. 50,537 million in credit facilities to support 96,937 borrowers through sustainable linked finance, demonstrating our commitment to environmental sustainability and responsible lending practices. This investment helps businesses enhance operational efficiency and reduce costs by leveraging renewable energy sources, allowing them to adopt environmentally friendly practices without compromising their bottom line.

Prioritizing Society First

Bank Asia spent Tk. 326 million on various CSR activities to contribute to social, economic, and environmental development. Specifically, we allocated Tk. 227 million to healthcare, Tk. 16 million to education, Tk. 40 million to environmental and climate change programs, and Tk. 32 million to disaster management.

Financial Inclusion: Bridging Financial Gaps

As a pioneer in financial inclusion, Bank Asia has operated agent banking for ten years in Bangladesh. Our experience in agent banking and collaboration with ABAK (formerly EBK) has refined our ability to provide services for all Government Social Safety Net Programs. Through strategic partnerships with the Social Welfare Department, we now serve beneficiaries such as senior citizens, widows, the disabled, and others. We take pride in pioneering Micro Merchant services, with a network spanning 58,136 locations nationwide. These Micro Merchants efficiently distribute Social Safety Net allowances through secure banking channels, ensuring transparency and reliability.

In 2023, we enhanced our focus on women's empowerment through digital financial inclusion and literacy initiatives, aiming to improve their financial well-being and independence.

Investing in Human Assets

As a service-oriented organization, we recognize human resources as our primary asset. To foster personal growth and development among our employees, Bank Asia offers extensive training and development programs. In 2023, we dedicated 24,822 man-hours to training sessions covering various operational and behavioral aspects to enhance our human capital.

Awards and Recognition

We are pleased to share that our commitment to transparency has been acknowledged with the 'Silver Rank' in the Asia Sustainability Reporting Rating (ASRRAT) 2023. This prestigious recognition, conferred by the National Centre for Corporate Reporting (NCCR) and the Institute of Certified Sustainability Practitioners (ICSP), underscores our dedication to clarity and openness in our 2022 Sustainability Report.

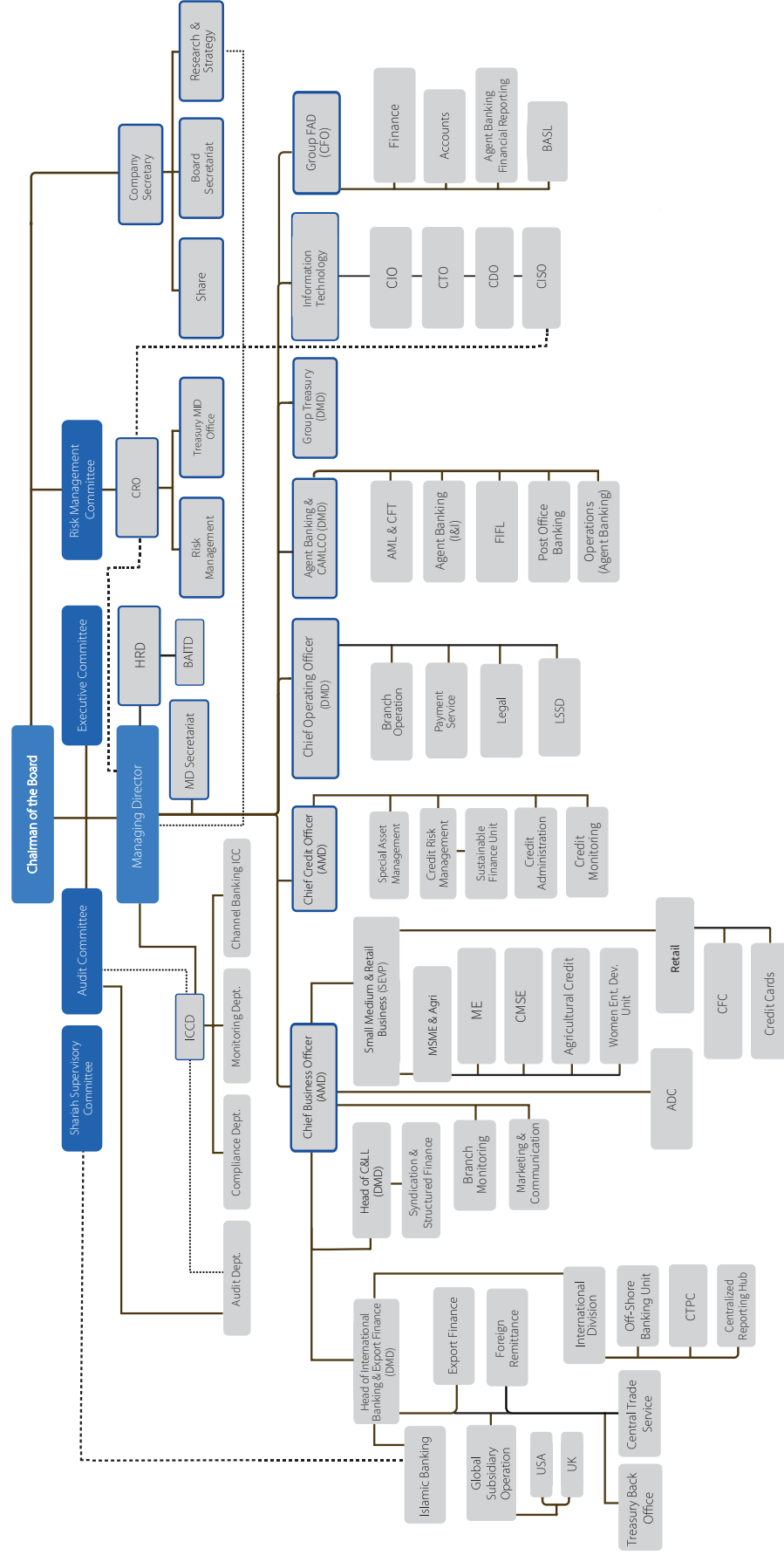
Finally, I extend our heartfelt gratitude and honor to all our stakeholders; whose contributions have been instrumental to advancing Bank Asia's vision for an unceasing future in Bangladesh.



Sohail R K Hussain

Managing Director

CORPORATE ORGANOGRAM



ACHIEVEMENT FOR SUSTAINABILITY REPORT



Silver Rank

in Asia Sustainability Reporting Rating (ASRRAT) 2023 by NCCR and ICSP for Sustainability Report 2022

Bank Asia produces separate full scale *Sustainability Report* every year following GRI Standards including GRI Content Index and page reference. For more details visit : www.bankasia-bd.com

Awareness creation through Sustainability Reporting over the years

Bank Asia always strives for building awareness among the people as a whole. Since 2012, Bank Asia publishes Sustainability Report focusing on different contemporary issues for awareness.

2012 | Create **Ripple Effect** by doing responsible business
 2013 | Start from **Zero to infinity** to start with new dimension
 2014 | Prevent **Water Pollution** by saving our rivers & coastal belt
 2015 | Limit **Ozone Layer depletion** by reduce ozone depleting substances
 2016 | Destructive effect of **Plastic Soup** on ocean
 2017 | Electronic wastage or **E-Wastage**; fastest destructive one for growing planet

2018 | Build awareness about **Electromagnetic Radiation**
 2019 | Improper management of **Medical Wastage**
 2020 | Disposal of hazardous **Chemical Substances**
 2021 | Cutting carbon to put reign on **Temperature Rising**
 2022 | Go green to breath clean by preventing **Air Pollution**



Handing over of Sustainability award to the Honorable Board members of Bank Asia PLC.

GRI 2

MATERIALITY MAPPING



Sn.	Major Topics/ Indicators	Priorities					Bank Asia's Response
		L	M			H	
		1	2	3	4	5	
1	Financial Inclusion						Agent Banking ■ 64 districts ■ 5,051 Outlets ■ 6+ Million Customers Micro-merchant ■ On-Boarded 58,136 Post office Banking ■ 1,097 outlets
2	Technological innovation						OCAS-Diganta project ■ Number of proposals: 23,502 ■ Loans processed : Tk. 14,805 Million Maintained top three international standard ■ ISO 27001-2 (ISMS), ■ PCI DSS v4.0, ■ ISO 22301 (BCMS) Developed rule based alert monitoring systems for risk, fraud and transactions monitoring
3	Building the Community						CSR activities: Tk. 326 million ■ Health Tk. 227 Million ■ Education Tk. 16 Million ■ Disaster Management Tk. 32 Million ■ Env. & Climate Change Mitigation & Adaptation Tk. 40 million
4	Capital Planning & Liquidity Risk Management						■ Total Capital Tk. 40,659 million CRAR 16.5% ■ LCR 199.88% NSFR 110.19 % Leverage ratio 5.77 %
5	Environment Friendly Investment						Sustainable Finance: TK. 53,171 million ■ Green Finance: Tk. 2,634 million ■ Sustainable Linked Finance: Tk. 50,537 million Implemented Document Management Solution (DMS) for paperless office environment

CORPORATE PROFILE

Bank Asia PLC. was incorporated on September 28, 1999 as a private commercial bank with the aim of contributing for the development of the economy by bringing superior quality, technology driven banking products and services. In 2001, Bank Asia set a milestone by acquiring the Bangladesh operations of the Bank of Nova Scotia of Canada, first in the banking history of Bangladesh. At the beginning of the year 2002, the bank again acquired the Bangladesh operations of Muslim Commercial Bank Limited of Pakistan. Bank Asia has associated Islamic banking, Off-shore banking, Agent Banking, Post Office Banking, Social Safety Net Program, Rural Finance, Digital banking program and many more specialized services with its core banking activities. To excel in this new era of technological triumph, Bank Asia has successfully introduced internet banking, cutting edge ICT, state of the art network solution, 24/7 ATM service and many other e-products. Bank Asia maintains an environment of strong corporate governance that helps to maintain its excellent brand image; reflected by consistent financial performance for its stakeholders. To attain sustainability, we focus more on strategic priorities measured by quantitative and qualitative determinants. Besides maintaining a steady growth, Bank Asia always prioritized in the structural and moral development of the society. From the very beginning the bank has started its Corporate Social Responsibility (CSR) activities for the development of our country's unprivileged segments in the areas of education, health, environment, sports, arts & cultures and the likes.

Nature of Ownership and Legal Form

Bank Asia PLC. was formed as a public limited company under the Companies Act 1994, and governed by the Banking Companies Act 1991. The Bank obtained Certificate of Incorporation on September 28, 1999 and banking license on October 06, 1999. It went for public offering on September 23, 2003.

Number of countries where the organization operates

Bank Asia runs its operation only in Bangladesh. However, the Bank has two fully owned subsidiaries in overseas. Among these subsidiaries, 'BA Exchange Company (UK) Limited' and 'BA Express USA Inc.' facilitate as speedy and dependable medium for remitting the hard-earned money of expatriates back home. 'BA Exchange Company (UK) Limited' started its operation in London on

May 16, 2011. The 3rd subsidiary of Bank Asia 'BA Express USA Inc.' started its operation on June 1, 2014 in New York. It has also opened its 2 new overseas branches in Jamaica and Brooklyn for remittance channelling to Bangladesh.

Banking Channel

Currently we have 135 branches, SME service centers & 15 subbranches across the country spread over different zones that includes 131 branches, 4 SME agricultural branches and 4 SME service centers. Geographically 69 are placed in capital Dhaka, 39 in Chattogram, 7 in Sylhet zone, 7 in Khulna zone, 6 in Rajshahi, 4 in Rangpur, 2 in Barishal, and 1 in Mymensingh. All these branches and SME centers are efficiently supervised and monitored by Zonal heads who take care of their overall performance indicators on a regular basis. Due to the low operational cost as well as increasing popularity of agent banking operations, Bank Asia is emphasizing on adding new agent outlets. There are total 5,051 agent outlets in 64 districts. Agent banking network outreaches the customers through individuals, passport, institutions, UDC, Post office. Post Office Banking is new inclusion in the financial ecosystem. At present there are 1,097 on-boarded agents. Bank Asia has Automated Teller Machine (ATM) that provides banking services to its customers 24 hours a day, 7 days a week and 365 days a year. In our total 76% cash transactions of Bank Asia are done through its 217 own ATMs and more than 14,000+ shared ATMs all over the country. In terms of Internet banking, currently we have more than 306,938 active users.

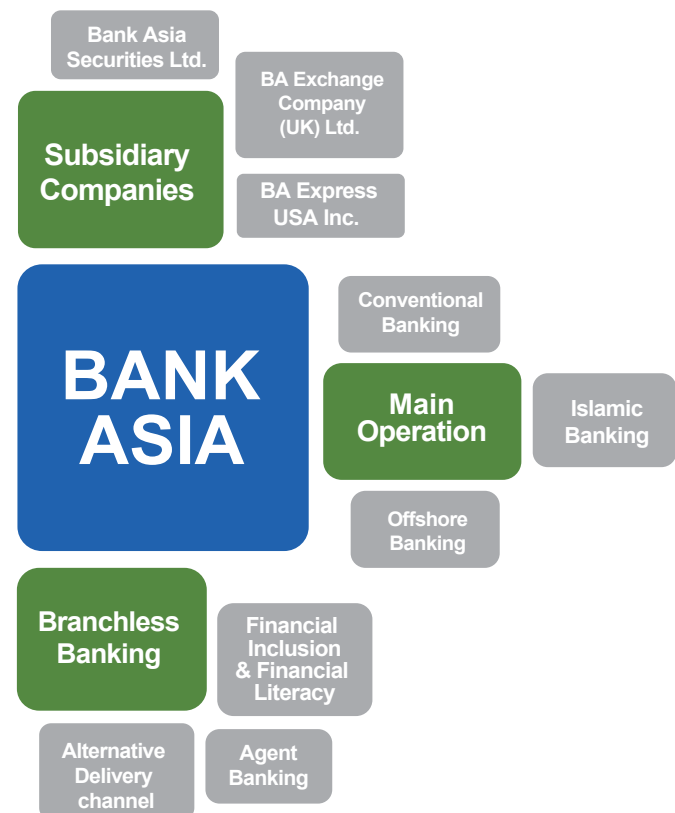
Number of employees	2,751
Number of branches	135 (131 branches, 4 SME/Agri branches and 4 SME service centers), 15 Sub-branches
Total operating income	Tk. 21,069 million
Total debt & equity	Tk. 443,414 million & Tk. 21,069 million
Number of ATMs	217 own ATMs and more than 14,000+ shared
Number of credit cards	157,435
Number of VISA debit cards	979,898

SCALE OF THE REPORTING ORGANIZATION

As of the end of 2023, our Bank's operating profit is Tk. 11,531 million and total assets are Tk. 474,229 million. The Bank's Capital to Risk Weighted Assets Ratio (CRAR) is 16.45%

MEMBERSHIP WITH ASSOCIATIONS

- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Associations of Banks (BAB)
- Association of Bankers Bangladesh (ABB) The Institute of Bankers Bangladesh (IBB)
- The American Chamber of Commerce in Bangladesh (AMCHAM)
- Bangladesh Foreign Exchange Dealers Association (BAFEDA)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Money Market Dealers Association
- Metropolitan Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club
- Islamic Banks Consultative Forum (IBCF)
- Central Shari'ah Board for Islamic Banks of Bangladesh (CSBIB)
- The Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI), Bahrain



Bank Asia's Service Network

Branch Banking

Branches **131**

Sub branches **15**

SME Centers **4**

SME/Agri branches **4**

Branchless Banking

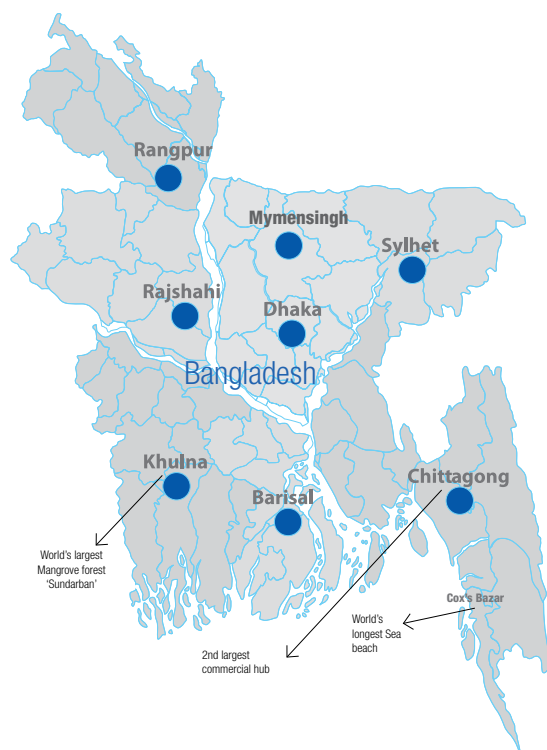
Agent outlet **5,051**

Individual & Institutions **755**

Union Digital Center **3,136**

Post Office **1,097**

Micro merchant **58,136**



Division wise Agent Outlet

Division	No. of Outlet
Barishal	322
Chattogram	1,079
Dhaka	1,016
Khulna	684
Mymensingh	423
Rajshahi	611
Rangpur	532
Sylhet	384
Total	5,051

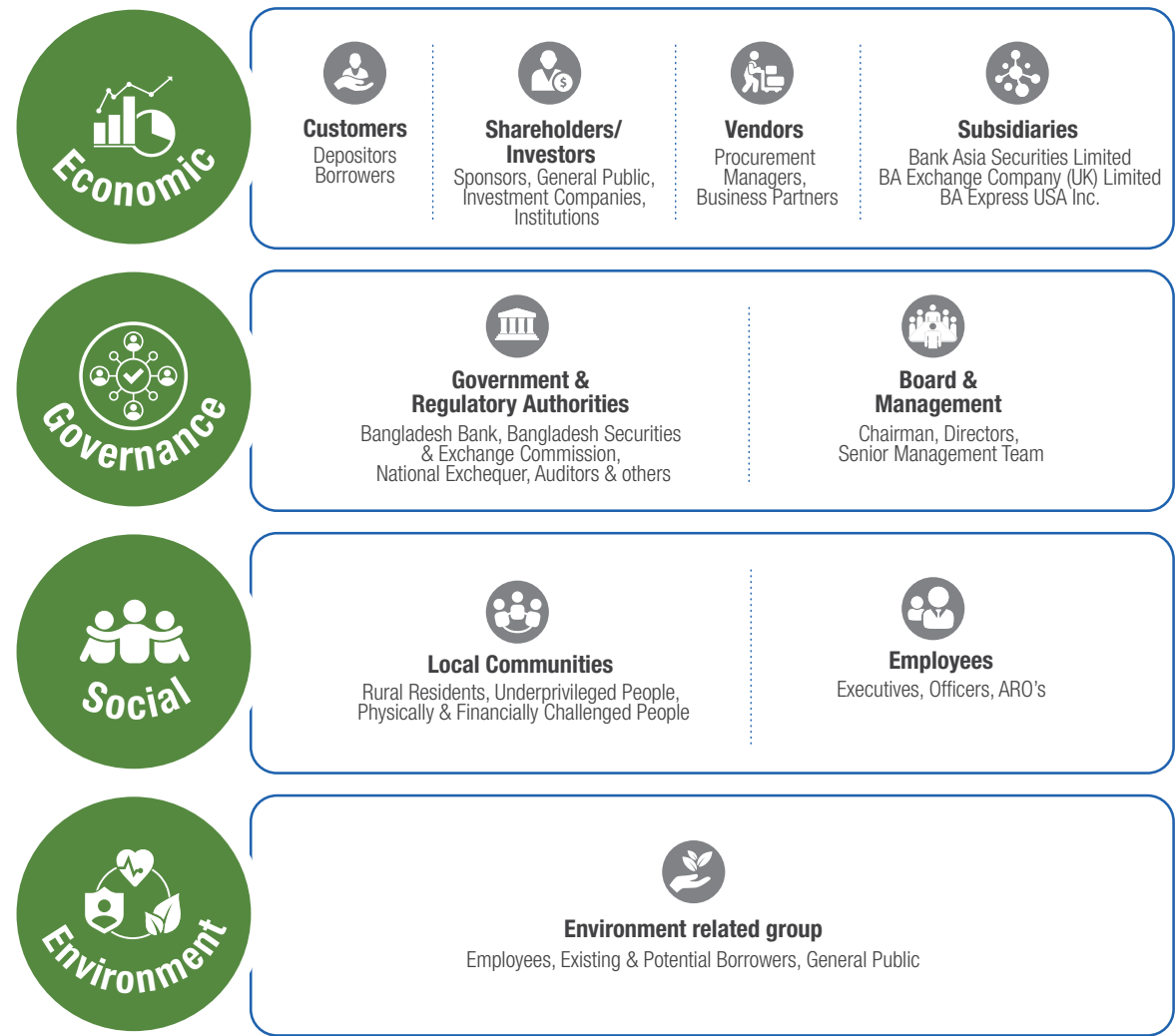
Stakeholders' Engagement

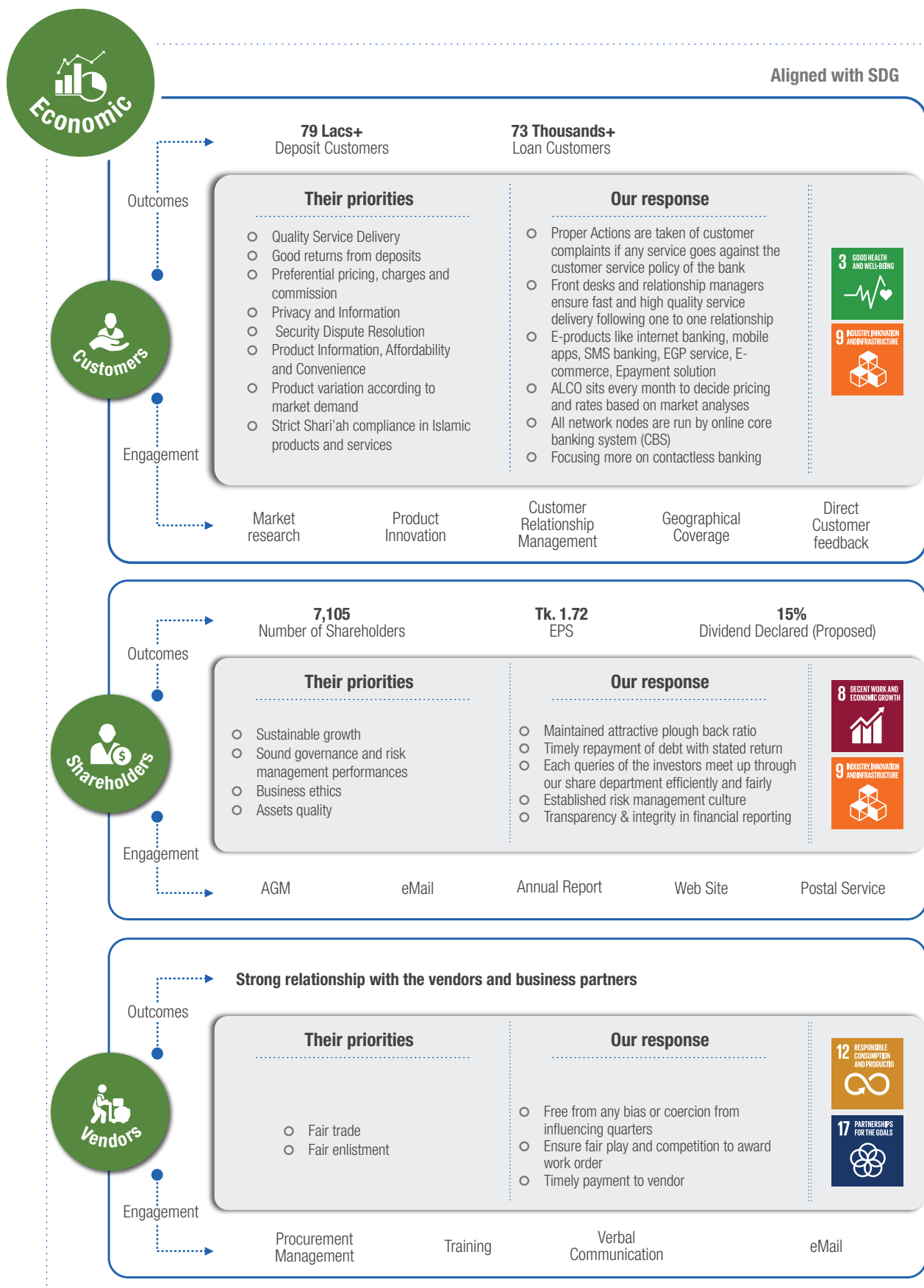
Bank Asia believes in the proper stakeholders' engagement in every aspect of its banking activities. We identify our stakeholders through conducting impact analyses in respect of

- **Responsibility:** Bank Asia has direct legal responsibility to regulators, tax authority etc.
- **Influence:** Decision making of the bank is influenced to reach its intended goals by shareholders and employees etc.
- **Proximity:** The local community that influence heavily our daily operation.
- **Dependency:** Those who are dependent on their operational performance, e.g. business partners, and those whom we are dependent, e.g. customers.
- **Representation:** Those who represent Bank Asia to the outside world, e.g. employees, board and those whom we face for various decision making purposes, e.g. business association leaders, local community leaders .

As a value driven financial brand Bank Asia try to maintain transparency in providing both financial and non-financial data activities of the bank. Bank Asia prioritizes stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social and financial impacts.

Bank Asia's Stakeholders





Aligned with SDG



Their priorities	Our response	SDG
Goals and Strategic focuses are based on local environment analysis & regulatory purview	Review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries	<div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>



Outcomes

Engagement

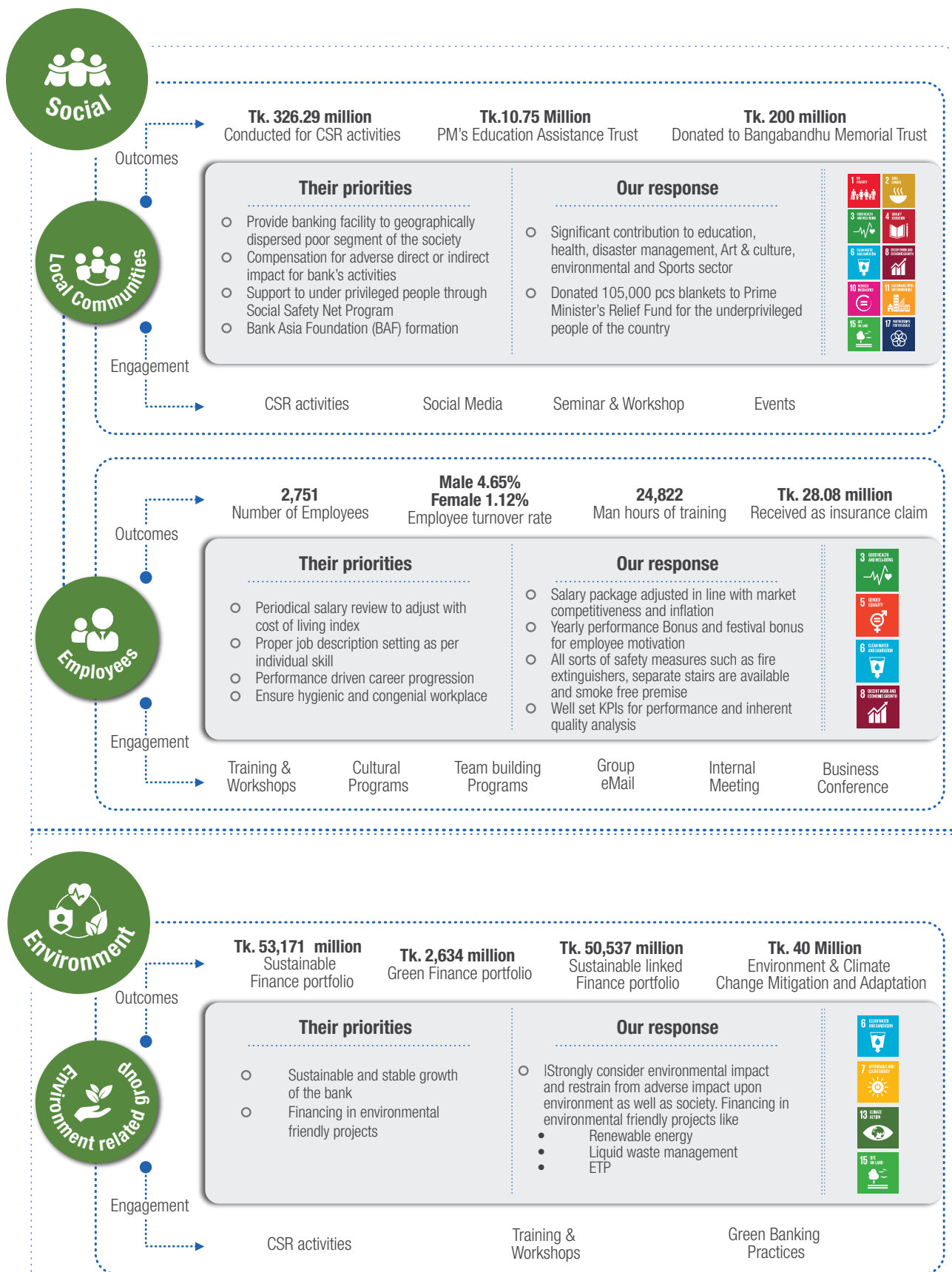
Tk. 9,775 million Contributed to National Exchequer	153,359 number+ Passport & other Challan payment received	
Their priorities	Our response	SDG
Goals and Strategic focuses are based on local environment analysis & regulatory purview	Review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries	<div>10 REDUCED INEQUALITIES</div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
Meetings	Directives and circulars	eMail
		Verbal Communication
		Regulatory Reporting



Outcomes

Engagement

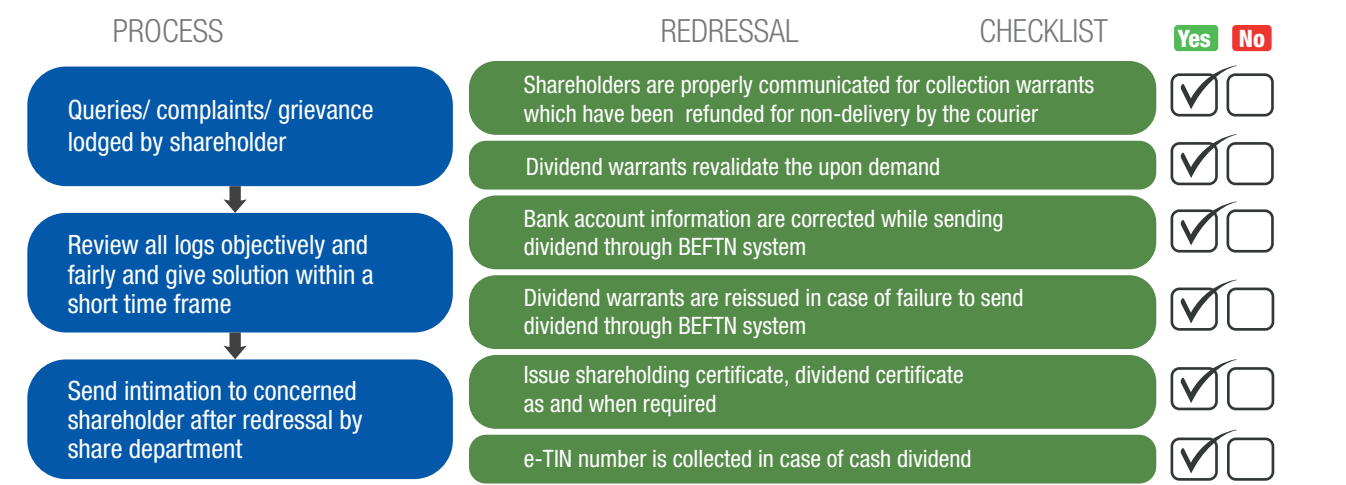
28 Number of Board Meeting	Maintaining strong Governance principles	
Their priorities	Our response	SDG
<ul style="list-style-type: none"> Governance principles, policies & procedures formulation Strategic focus & value creation Strategic business planning 	<ul style="list-style-type: none"> At least one board meeting in every month, frequent executive committee meeting, audit committee meeting Board members meet management on various occasions like annual & semi-annual business conferences, different remarkable day celebration 	<div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
Meetings	eMail	Verbal Communication



Stakeholders Relationship/ Grievance Redressal

Bank Asia strongly believes in maintaining smooth and interactive relationship with the stakeholders. We pursue high quality stakeholder's redressal policy proactively to handle all types of grievance, complaints in an effective and fair manner.

Bank Asia strongly believes in equitable treatment to every shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the time frame stipulated by the Bank.



REDRESSAL PROCESS OF BANK ASIA PLC.

- Complaints raised by the investors/ shareholders must be dealt with courtesy and in a timely manner
- Complaints are treated and solved efficiently and treated fairly
- Communicate to the shareholders for collection of the dividend warrants which have been refunded for non-delivery by the courier
- Revalidate the dividend warrants upon demand
- Correction of bank account information while sending dividend through BEFTN system
- Re issue of dividend warrants, in case of failure to send dividend through BEFTN system
- Issue shareholding certificate, dividend certificate as and when required
- E-mail or letter must be send to all the investor who have submitted written complaints/applications

- Request for updated e-TIN number to the share holders respective BO account in case of cash dividend

Redressal Statistics 2023

Requests received from shareholders	Ways of addressing mentioned requests
<ul style="list-style-type: none">• Demat 8,88,110 shares;• Re-issue 773 dividend warrants for the year 2022 (which were returned from BEFTN)• Issuance of 7,204 shareholdings certificates on payment of cash dividend for income tax purpose;	<ul style="list-style-type: none">• Demat confirmed all the shares timely;• 773 duplicate dividend warrants for the year 2022 issued• 7,204 shareholdings certificate were issued and send email to the respective shareholder e-Mail address.

The bank continues to have regular communication with the shareholders through periodic updates of performance and at any time when it believes it to be in the best interest of shareholders generally.

REDRESSAL POLICY



SHAREHOLDER'S PERSPECTIVE

Bank Asia redressal system covers the following issues

- Receiving the complaints for non-receipt of dividend warrant, dividend intimation letter, cash dividend;
- Transfer of shares from suspense account to the shareholders BO account;
- Clarification of any price sensitive information over telephone;
- Grievance for not receiving of Annual Integrated Report, half-yearly financial position timely;
- Concerns relating to share dematerialization (DEMAT);
- Queries about and clarification on recent or upcoming price sensitive information over telephone, etc.

Any Investors may lodge their complaint related to their investment in the company through formal letter, Bank's official e-mail ID i.e. bankasia@bankasia-bd.com and phone call to the Company Secretary and/or Share Department. We focus in addressing those complaints within the shortest possible time.



CUSTOMERS' PERSPECTIVE

Customers are one of the key stakeholders of the Bank. We are very much conscious about customers' demand and always ready to serve our best as per our Customers Service Policy and Customers Acceptance Policy (CAP). We also address our customers' queries and complaints through our Central Customer Services and Complaint Management Cell (CCS & CMC) handled by Branch Operations Division (BOD). In 2023, the Bank received 118 complaints from customers of various branches and all the problems were solved successfully through taking proper remedial action. Those problems were solved within reasonable time where some complaints were met up within 24 hours. As per regulatory requirement we have introduced Branch Level Customer Service & Complaint Management Desk (BLCS & CMD) at all Branches and Zonal Customer Service & Complaint Management Cell (ZCS & CMC) at Zonal Office of the bank.



EMPLOYEES' PERSPECTIVE

Employees are the main resource of the Bank, the human capital. We are committed to provide comfortable work environment to our employees for enriching their productivity. To resolve undesirable issues in the workplace and create a conducive and gender sensitive working environment we have separate Grievance Handling Policy and Female Anti-Harassment Policy. Our People Management Division takes necessary measures to redress if any adverse situation arises. In 2023, we didn't receive any significant complain related to our employees.

Redressal point for Shareholders

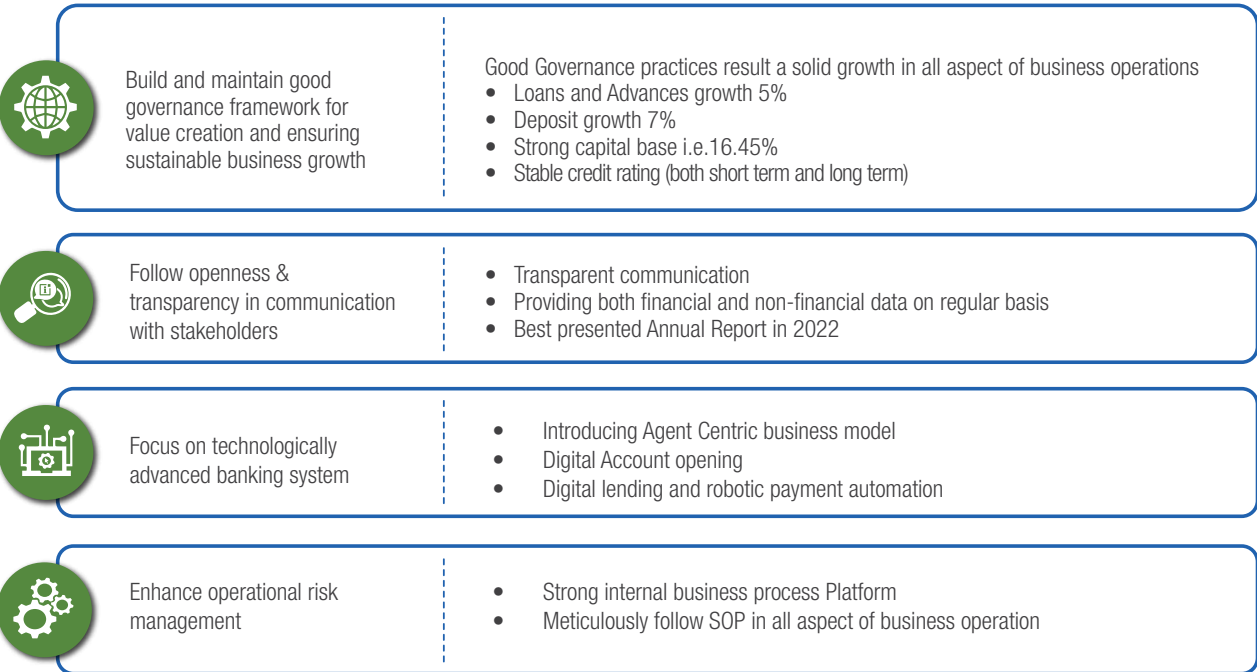
Bank Asia PLC.
Corporate Office
Bank Asia Tower, Level: 02
32 & 34, Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka
Phone: +8809617001100 | EXT: 1213-1215

MATERIAL TOPICS AND BOUNDARIES

GRI Topic Standards		Material Topics of Bank Asia	Boundaries inside the organization	Boundaries outside the organization
201	Economic Performance	CSR activities for fostering healthy communities towards enhancement of wellbeing and productivity of the country	<ul style="list-style-type: none"> ● Discharging our responsibility towards society to ensure sustainable balanced growth in economic, social and ecological arena ● Product diversification and attachment to mainstream of the economic activity of the country ● Client base of the organization increases with diversity, tapping business opportunities, increase of revenue generation 	<ul style="list-style-type: none"> ● Overall betterment of the nation through CSR activities in different sectors like health, education, sports and culture etc. ● As an agricultural country, share croppers and marginal farmers will be benefitted by lower interest rate and their poverty level will be improved ● The community including the overall economy benefitted from reduction of poverty through augmenting economic activities in the geographically dispersed areas
203	Indirect Economic Impacts	Investment in Social empowerment through community investment and financial inclusion. Sectoral development in women segment, SME, agri and micro credit.		
204	Procurement Practices	Encouraging local suppliers for the procurement of logistics support and services		
205	Anti-Corruption	Relevant training to employees for working efficiently and ethically		
302	Energy	Energy consumption within the organization and initiatives taken for reduction of energy consumption.	<ul style="list-style-type: none"> ● Efficient use of scarce resources ● As a responsible corporate entity, the Bank believes in doing business without compromising with the eco system. It emphasizes conserving scarce resources for next generation 	<ul style="list-style-type: none"> ● Sequestration of carbon emission and the national GHG inventory will be reduced ● Public awareness as well as regulatory requirement enforced the organization to increase environment friendly investment gradually
305	Emissions	Environmental impact assessment and mitigating factors.		
401	Employment	Talent management, increasing productivity and employment generation.	<ul style="list-style-type: none"> ● Enhancement of operational level efficiency. ● Attaining cost savings through reducing time requirement. ● Existing Customer retention and increase of customer base 	<ul style="list-style-type: none"> ● The clients will be benefitted from customer friendly efficient services and will be more loyal to bank ● Overall employment generation and contribution to national income ● Bringing up the underprivileged segment in the mainstream
403	Occupational Health and Safety	Ensuring congenial environment for our employees and maintain safety and security of workforce.		
404	Training and Education	Career development and increase productivity		
405	Diversity and Equal Opportunity	Employee opportunity irrespective of gender, locality and ethnicity.		
406	Non-Discrimination	Equitable consideration for the local as well as indigenous people.		
413	Local Communities	Community development through CSR activities		
418	Customer Privacy	Privacy of financial information, business transactions and consultancy reports.		

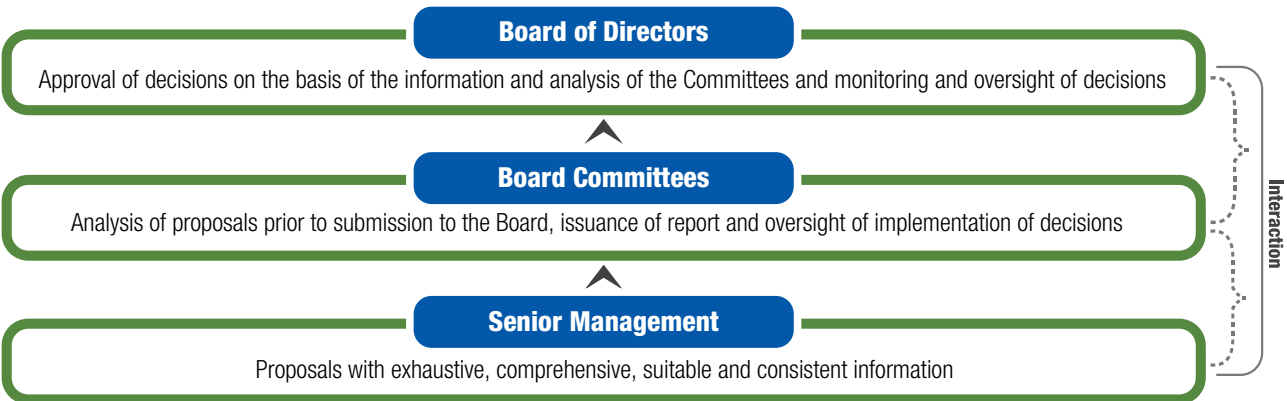
GOVERNANCE COMMITMENT AND STAKEHOLDERS

Bank Asia is strongly committed to ensuring that its systems, procedures and practices reflect a high standard of Corporate Governance. It has a well-defined and well-structured Corporate Governance framework in place to support the Board's aim of achieving long-term and sustainable value, as well as fostering a culture that values ethical behavior, integrity and respect to protect shareholders' and other stakeholders' interests at all times.



The Board meets on a monthly basis and meetings are scheduled well in advance (before the commencement of each financial year) to enable members to plan ahead. When required, the Board will meet on an adhoc basis to deliberate urgent matters.

During FY 2023, the Board met twenty (20) times to deliberate and consider a variety of significant matters that required its guidance and approval. The Board also had separate sessions with the management to discuss the Bank's strategies particularly in pandemic period of COVID -19.



Capital Structure

December 31, 2023

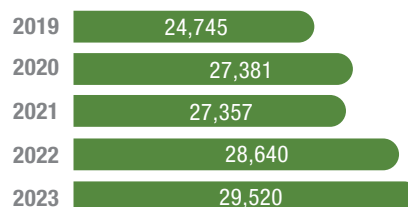
Figures in Million

Particulars	Taka	USD
Paid up Capital	11,659	106
Statutory Reserve	11,750	107
General Reserve	8	0.075
Retained Earnings	3,417	31
Total Shareholders' Equity	29,519	270

1 USD = Tk. 109.50

Total Shareholders' Equity

Million Taka



BOARD COMMITTEE

To ensure a better performance of its functions through a suitable decision-making process, the Bank Asia's Board of Directors as per the guidelines of regulators has established specific Committees that assist it in matters falling within their remit, with a coordinated working system among them. These Committees are essential to ensure the correct discharge of the management oversight and control functions of the Board, on the basis of a system that guarantees full independence from the executive level, and therefore strengthening the checks & balances structure of Bank Asia's Corporate Governance System. In 2023, 28 meetings held where 829 memos were presented.

Meeting held by Board of Directors

28

Major agenda covered in 2023

- Directorship Structure of the Board of Bank Asia Securities Limited (BASL).
- Approval of "Guideline for Prevention of Money Laundering and Terrorist Financing 2023."
- Sub-Branch Expansion Program for the year 2023
- Proposal for opening of Islamic Banking Windows
- Half Yearly Compliance Report of Central Customer Services & Compliant Management Cell (CCS & CMC)
- Market Disclosure under Pillar-III Basel III as on December 31, 2022
- Compliance of Bangladesh Bank's Comprehensive Inspection Report
- Appointment of Practicing Professional Body for Conducting Certification on Compliance of Corporate Governance Code of BSEC
- Appointment of Practicing Professional Body as an Independent Scrutinizer for Providing Professional Services Relating to the Report on General Meeting (AGM or EGM) using Digital System on Compliance of Directives from Bangladesh Securities and Exchange Commission
- Review of Management Organogram of Bank Asia Limited
- Channel Banking Internal Control and Compliance Manual
- Revised/Amended Departmental Operating Instruction (DOI) & Resource File for Offshore Banking Unit (OBU) of Bank Asia
- Amendment of TA/DA Policy (Foreign Travel) for the Members of the Board of Directors and the Employees of the Bank
- Re-constitution of Executive Committee, Audit Committee, Risk Management Committee of the Board of Bank Asia Limited
- Approval of Appointment of Chartered Accountants Firm for conducting audit on deduction and deposit of Tax & VAT on Outward Remittance of the Bank
- Approval of Cluster Financing Policy for Cottage, Micro, Small and Medium Enterprises (CMSMEs)
- Reconstitution of Senior Management Team (SMT) in the Bank
- Revision of Bank Asia Employee Car Scheme (BAECS)
- Reformation of Sustainable Finance Unit (SFD) & Sustainable Finance Committee (SFC) of Bank Asia Limited and ToR & Organogram of SFU
- Approval of Bank's Annual Integrated Health Report-2022
- Recommendations for Strengthening Internal Control & Compliance Division of the Bank
- Engagement of new service provider for security guards and armed guards of the Bank
- Revised 'Operation Manual of Bank Asia Limited (Version 2.0)'
- Approval of Operational Manual for Bank Asia Islamic Banking
- Review of Sectoral Lending Cap 2023-2024 with business segment wise demarcation
- Nomination of Director(s) to the Board of BA Exchange Company (UK) Limited

Executive Committee

The Executive Committee (EC) of the board of Bank Asia was first constituted in January 2010 to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. The number of members in executive committee is 7(seven) nominated by the board from directors. The EC time to time reviews policies and guidelines issued by Bangladesh Bank regarding credit and other operations that are customized and adopted by the management after approval of the board of directors. EC approves credit proposals as per approved policy of the board. In 2023, 40 meetings held where 491 memos were presented.

Meeting held by Executive Committee			40
Loan approval in 2023			
	No. of Memo	Funded	Non-funded
New sanction	398	123,472.60	141,778.60
Enhancement	77	7,142.10	7,993.00
Rescheduling	9	288.40	-
Forced Loan	7	2,493.6	-
Total	491	133,396.70	149,771.60

Audit Committee

The audit committee of the Board of Bank Asia was first constituted in January 2003 with the objectives of generating a platform for a compliant and secured banking. As per the BSEC notification no BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 Audit Committee must consists of at least 3 (three) members with 1(one) Independent Director. All the members of Audit Committee should be selected from Directors and the Chairman must be an Independent Director.

Bank Asia's Audit Committee consists of 5 (five) members. All of them are non-executive directors from whom 3 of them are Independent Directors and the Company Secretary of the bank is the secretary of the Audit Committee. Mr. M.A. Baqui Khalily, the Chairman of the audit committee is an Independent Director and all the members are knowledgeable in financial industry and have long experience in banking industry. More information is available in the Director's Profile at pages 20 to 31 and the 'Report on the activities of the Audit Committee' at page 243 in the Annual Integrated Report 2023. 9 meetings held where 66 memos were presented in 2023.

Meeting held by Audit Committee

09

Major agenda covered in 2023

- Recovery Plan for Banks (Internal Methodology)
- Progress Status of IFC
- Comprehensive Risk Management Rating June 2022 & June 2023
- Risk Report December 2022
- Report on Top 10 Defaulter Analysis
- Policy for Acceptance of Personal Guarantee and Corporate Guarantee
- Treasury Note on Liquidity and Market Risk Issues for Bank in Q1 & Q2 of Year 2023
- Outcome of Additional Capital Assessment for the Year 2022
- Internal Client Rating Model of the Bank
- Review of existing Know Your Customer (KYC) structure of the bank
- Comprehensive Risk Management Rating (CRMR) December 2022
- Revision of Forced Demand Loan
- Review of Sectoral Lending Cap 2023 with Business Segment-wise Demarcation
- Current Bank's Exposure against PEPs and IPs
- AML Rating of Bank Asia PLC. as on 30.06.2022
- Review of Distributor Financing PPG for Cottage, Micro, Small and Medium Enterprises (CMSMEs)
- Compliance of Different Corporate Governance Circulars or Guidelines published by Primary and Secondary Regulators of Banks
- Review of CRM Policy of Bank Asia PLC. named 'Policy Guidelines: Credit Risk Management (Revision-2023)'
- Revised "Bank Asia Operation Manual 2023"
- Significant Issues under Human Resource Risk
- Risk Control Self-Assessment on Agent Banking

Risk Management Committee

To minimize risk while implementing the policies and business plan of the Bank, the Board has formed a Risk Management Committee as per the guidelines of Bangladesh Bank. The Committee will supervise whether the risks arise from credit, foreign exchange, internal control and compliance, money laundering, information technology, operation, interest rate, liquidity and other sources are identified, and measured and adequate systems are in place to minimize such risks. Currently 5 (five) members are in the Risk Management Committee. In 2023, 6 meetings held where 44 memos were presented.

Meeting held by Risk Management Committee	6
Major agenda covered in 2023	
<ul style="list-style-type: none"> ● Recovery Plan for Banks (Internal Methodology) ● Progress Status of IFC ● Comprehensive Risk Management Rating Jun'22 & Jun'23 ● Risk Report December 2022 ● Report on Top 10 Defaulter Analysis ● Policy for Acceptance of Personal Guarantee and Corporate Guarantee ● Treasury Note on Liquidity and Market Risk Issues for Bank in Q1 & Q2 of Year 2023 ● Outcome of Additional Capital Assessment for the Year 2022 ● Internal Client Rating Model of the Bank ● Review of existing Know Your Customer (KYC) structure of the bank ● Comprehensive Risk Management Rating (CRMR) December 2022 ● Revision of Forced Demand Loan ● Review of Sectoral Lending Cap 2023 with Business Segment-wise Demarcation ● Current Bank's Exposure against PEPs and IPs ● AML Rating of Bank Asia Limited as on 30.06.2022 ● Review of Distributor Financing PPG for Cottage, Micro, Small and Medium Enterprises (CMSMEs) ● Compliance of Different Corporate Governance Circulars or Guidelines published by Primary and Secondary Regulators of Banks ● Review of CRM Policy of Bank Asia Limited named 'Policy Guidelines: Credit Risk Management (Revision-2023)' ● Revised "Bank Asia Operation Manual 2023" ● Significant Issues under Human Resource Risk ● Risk Control Self-Assessment on Agent Banking 	

MANAGEMENT COMMITTEE

Under the leadership of the President and Managing Director, the Bank Asia has executive management responsibility for the steering of the Bank and its business. It assumes overall responsibility for developing the Bank and business division strategies and the implementation of approved strategies.

- Senior Management Team (SMT)
- Supervisory Review Process (SRP) Committee
- Asset Liability Committee (ALCO)
- Credit Committee
- Executive Risk Management Committee (ERMC)

Senior Management Team (SMT)

The highest committee of Management is the Senior Management Team (SMT), which is responsible for overall management of the Bank, internal control and core risk management as well as recommending strategy and monitoring business performance of the bank and its subsidiaries. The SMT operates under delegated authority from the board and membership of the management committee consists of the President and Managing Director, Deputy Managing Directors, c-level executives and the heads of major operational departments. The current number of SMT members is 15. In 2023, 12 meetings were held of SMT. The name of the SMT members and their photos can be seen at pages 40 to 41 of the Annual Integrated Report 2023.

Meeting held by SMT	12
Major agenda covered in 2023	
<ul style="list-style-type: none"> ● Review of Credit Risk Management Policy ● Product Program Guideline (PPG) for liability product DPS-100 ● Product Program Guideline (PPG) for Digital Nano Loan ● CMSE Cluster Financing Policy ● Specific Guidelines on Agent Centric Asset Business ● Revised Bank Asia Operation Manual-2023 ● Certification on the effectiveness of Internal Control Policy, Practice and Procedure to the Board of Directors by the Senior Management Team (SMT) for the year 2022 ● Review of Forced Loan Policy ● CIB Report: Request submission, report generation, existing policy, TAT Agreement, actual TAT, MCM percentage vs market data etc. Accountability or ownership decision ● Recommendation for Specific CRM Policy & Guidelines for Agent Centric Asset Business ● Changes and modification in Treasury Manual & Operational Guideline for Version 2023 ● Revised CSR Policy of Bank Asia 	

SRP Committee

The Supervisory Review Process (SRP) Committee is formed under the second pillar of Basel III capital accord. Bank Asia PLC. on year basis assesses the requirement of additional capital to address other material risks that have not been considered under minimum capital requirement (MCR) i.e. credit risk, market risk and operational risk of Pillar I of Basel III. The SRP Committee is comprised with senior management where Managing Director is the Chairman of the Committee, other members are AMD & CCO, AMD & CBO, DMD & COO, Head of Treasury, Head of ICCD, Head of SMR, Chief Finance Officer (CFO) and Head of RMD & CRO. The Committee is primary responsible for ensuring that the bank has maintained an adequate level of capital and addressing appropriately the level of risks arises.

Meeting held by SRP Committee

1

Major agenda covered in 2023

- Assessment of Additional Capital Requirement for 2022
- Review of supplementary documents
- Calculation Methodology of ICAAP 2022

ALCO

The Asset Liability Committee (ALCO) comprising the senior management, take strategic decisions on fixation of asset liability pricing, on liquidity management in the context of changing market scenarios. Managing director in the chairman of the committee. The Member-Secretary of the ALCO, i.e. Head of Group Treasury calls for a meeting of the committee based on a regular schedule. When needed special ALCO meetings are held to respond to the unusual or seasonal market behavior or other volatile market scenarios.

Proactive measures of ALCO kept the balance sheet mix as well as all vital ALM indicators, e.g. ADR, IDR, LCR, NSFR, Commitment, leverage ratio within a comfortable range that helped the bank to earn revenue and simultaneously maintain a strong balance sheet structure. In 2023, there are 08 members in ALCO and 1 permanent invitee. The committee may be reconstituted as and when deemed necessary.

Meeting held by ALCO

14

Major Agenda covered in 2023

- Market scenario & economic outlook
- Projections on Exchange Rate and Interest rate movements
- Balance Sheet Gap analysis as per time bucket & forecasting
- Analyze re-pricing gap of Asset-Liability
- Asset pricing and liability pricing fixation.
- New Liability Product designing and introduction
- Transfer pricing fixation.
- Monthly trend and variance of Deposit- Advance and planning of strategies
- Currency wise B/S position & gap analysis
- Deposit product analysis [Term, Rate, Other conditions]

- Business unit wise asset product analysis [Rate, Term, Cash flow, Classification]
- Investment analysis and decision for Banking & Trading book
- FC Inflow-outflow & commitments scenario
- Ratio trend analysis and projection
- Discussion on Risk appetite and budgeting for business targets.
- Discussion on Cost of doing business in relation to asset pricing and non-funded business earnings.
- Balance sheet expansion and funding strategies in pandemic situation.
- Review of key ALM indicators (LCR, NSFR, ADR, MCO, MCR, CRAR)
- Commitment position analysis and strategies for sustainable earnings.
- Capital allocation and capital planning discussion
- Review of ALM Manual.
- Review of Contingency Funding Plan.
- Review of FTP Policy.

Credit Committee

Bank Asia's credit committee is formed with a group of highly knowledgeable senior management who are responsible for assessing the credit worthiness and ability to repay debt of prospective borrowers. As per complete and critical assessment, the committee recommends for approval or declines the credit proposal and put observations where necessary. Based on the recommendations, credit proposals are approved or declined by the Managing Director or executive committee of the board or the board as per delegation of authority.

Type wise sanction during 2023 [Under recommendation of COCC]				
Sanction Type	Number	Funded	Non Funded	Total Facility
Renewal	368	80,314.57	111,589.14	152,818.82
Renewal With Enhancement	152	40,071.26	61,370.49	89,286.48
Fresh Approval	358	43,039.71	35,129.87	67,677.77
Onetime	501	17,802.89	13,723.84	31,923.57
Renewal With Reduction	52	13,031.50	10,102.15	21,910.90
Reschedule	133	17,399.67	3,034.58	17,587.27
Enhancement	22	6,565.15	7,628.00	12,716.15
Reduction	4	1,390.14	420.00	1,810.14
EOL	5	-	361.67	361.67
Restructure	3	105.60	-	105.60
Return	1	20.00	-	20.00
Clearance	21	-	-	-
Modification	227	-	-	-
Total	1847	219,740.49	243,359.74	396,218.37

Executive Risk Management Committee

The Banking Companies Act, 1991 (amended up to 2023) mandates that every bank in Bangladesh form a Risk Management Committee (RMC) at the board level to oversee risk management. Following this amendment, Bangladesh Bank issued BRPD Circular No-11 on October 27, 2013, specifying the formation of a Board-level Risk Management Committee and outlining its roles and responsibilities. In compliance with this circular, Bank Asia PLC's Board of Directors approved the formation of a Board-level Risk Management Committee during their 269th meeting on December 7, 2013. Prior to this, Bank Asia PLC. had already established a Risk Management Committee consisting of senior management members, which was approved by the Board of Directors in their 255th meeting on May 26, 2013. To avoid confusion after the formation of the Board-level committee, the existing management-level committee was renamed the Executive Risk Management Committee (ERMC). The roles, responsibilities, membership, attendance, reporting, and review processes of the ERMC remained unchanged.

The Executive Risk Management Committee (ERMC) is comprised with Senior Management where CRO is the Chairman of the Committee, others members are Managing Director, DMD & COO, DMD & CBO, DMD & SMR, CFO and the Heads of major operational divisions & departments.

Meeting held by ERMC	12
Major Agenda covered in 2023	
<ul style="list-style-type: none">Review of Comprehensive Risk Report (June, 23 & December, 23)Risk Appetite 2024Risk of Lending Cap 2024Prompt Corrective Action (PCA) FrameworkClient Rating Drive for Capital ManagementStatus of Internal Credit Risk Rating System.Policy review of Early Alert & CAD CentralizationCounter Party Risk Review 2023ICAAP Preparation 2023Outcome of Stress Testing (Q1-Q4)Preparedness of Recovery PlanCore Risk Management	

Independent Director

Bank Asia complied with relevant guidelines of Bangladesh Bank circulars, rules and regulations of the Bank Companies Act, 1991 (amended up to 2018) and guidelines of Bangladesh Securities and Exchange Commission regarding composition of its board of directors. While appointing new directors Bank Asia emphasizes the mix of knowledge, skills, experience and perception. The directors are elected by the shareholders in AGM. In case of nomination, removal, causal vacancy and alternate directors, Bank Asia follows all relevant rules and regulations. The Bank's non-executive directors are independent of management and free from day to day business of the bank.

Position of the Chairman of the Board of Directors and the Managing Director

The functional responsibilities of the Chairman of the board and of the Managing Director are kept separate and independent of each other. The Chairman is responsible for leading the board and overseeing the entire functioning of the bank is as per corporate governance framework. Mr. Romo Rouf Chowdhury is the current Chairman of the Board. Through his dynamic leadership, he is leading the Bank towards the success. The Managing Director leads the bank by developing, designing and implementing the business strategic plan of the Bank. The Managing director, Mr. Sohail RK Hossain is also responsible for developing long term business plans and the day-to-day operation. He is also accountable to the shareholders and the board of the bank. For attending the Board Meeting, Audit Committee Meeting, Executive Committee Meeting and Risk Management Committee Meeting, the Directors receive an honorarium of Tk. 8,000 each. But in management level no remuneration was given to any for any meeting regarding setting remuneration. During 2023, the expenditures incurred related to directors were Tk. 3,776,000 for Directors' honorarium purpose.

Mechanism to Provide Advice to the Board

Bank Asia maintains transparency and close communication with its shareholders. With this view we publish annual report, publishing quarterly financials and price sensitive information (PSI) in newspapers for shareholders, investors, capital market experts, and other equity participants in a complete, fair, accurate, timely and understandable manner within the framework of generally accepted accounting principles and legislation provisions. Our bank's shareholders can also use their query rights or can provide any recommendations or direction to the Board of directors at the annual general meeting and the Board answers all questions of shareholders. Prior to AGM, the meeting date, venue and agenda are announced and also the annual report is submitted to the shareholders through our bank's website or through different channels. After getting feedback from shareholders at AGM, the Board then directs the management to implement the recommendations of the shareholders. If the Management requires making any change in policy or practice, the Board approves those changes; otherwise if this authority of approval is beyond the power of the Board, this can be approved by the shareholders of Bank Asia PLC. at AGM through voting. In applicable cases extra ordinary general meeting (EGM) of general shareholders may be called. So far 24 AGMs and 12 EGMs have been successfully arranged.

Avoiding Conflict of Interest

In financial intuitions there exists high possibility of arising conflicts of interest between Board of directors and the management of the company. To avoid such unwanted situation Bank Asia has separated the responsibility/authority of these two interest groups of the bank. To avoid conflict of interest and also to make accountable the bank has already taken the following measures:

- Loan to the directors is restricted subject to full filing certain terms and conditions of regulatory guidelines.
- If there is any related party transaction, the management discloses the matter in the Annual Integrated Report and it is also approved by the general shareholders in AGM.
- Executive committee of the Board can approve loan to anyone up to a limited portion.
- Board of directors' approval is needed for loan rescheduling.

CAPITAL MANAGEMENT

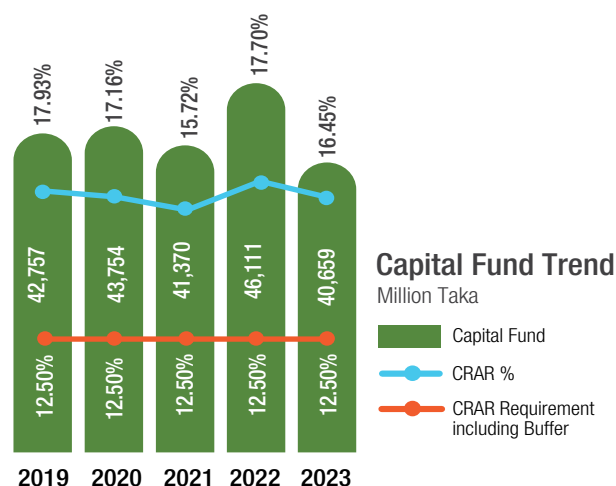
Bank Asia is very much keen about maintaining capital adequacy. The management continuously plans capital requirements considering risks and shocks of financial market movement and assess the sensitivity with regard to interest rate risk, FX risk, equity risk and liquidity risk. Currently Bangladesh banking industry is in the process of implementation of risk based capital adequacy (RBCA) in line with Basel III capital accord since January 2015 under the following three pillars:

- Pillar I – minimum capital requirement (MCR); Standardized approach for credit risk, Standardized (rule based) approach for market risk, and Basic indicator approach for operational risks;
- Pillar II- supervisory review process; and
- Pillar III – market discipline

Million Taka

Capital Fund of Bank Asia	2023		2022	
	Amount	%	Amount	%
Tier-1: Core Capital	30,473	74	29,817	65
Tier-2: Supplementary Capital	10,186	26	16,287	35
Capital Fund	40,659	100	46,104	100
Risk Weighted Asset	247,186		260,487	
Capital to Risk Weighted Asset Ratio (CRAR)	16.45%		17.70%	

- Regulatory MCR is 10% on risk weighted assets (RWA), which was gradually increase up to 12.50% in the year 2020 including counter cyclical capital buffer of 2.5% and some regulatory adjustment of capital.
- The Leverage ratios will by 3%, liquidity coverage ratio will be $\geq 100\%$ and net stable funding ratio will be $> 100\%$.
- Bank Asia is always committed to ensure sustainability in doing business including capital adequacy to support healthy growth of business. As on December 31, 2023 CRAR (Capital to Risk weighted Asset Ratio) reached at 16.45% against regulatory requirement of 12.50%.
- To bring the good business growth, Bank Asia has also taken decision for issuing perpetual bond of Tk. 5,000 million out of which Tk. 4,500 million under private placement and Tk. 500 million under public offer. In this regard, Bank Asia has raised fund of Tk.3,340 million under private placement and Tk.340.20 million under public offer totaling Tk.3,680.20 million. This capital will be added to bank's Tier-1 capital.



Bank Asia and Dhaka Stock Exchange Ltd, exchange signed documents of an agreement

FINANCIAL PERFORMANCE

Major Financial Highlights

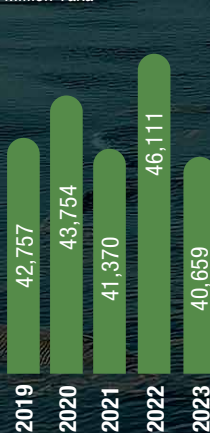
Million Taka

Particulars	2023	2022	2021	2020	2019
Paid up Capital	11,659.07	11,659.07	11,659.07	11,659.07	11,659.07
Deposits	361,617.15	337,695.42	317,782.43	303,028.11	253,709.57
Loans and Advances	291,325.04	277,870.36	262,266.70	244,642.03	227,298.96
Import	205,373	210,588	225,789	141,289	158,115
Export	150,524	171,275	141,496	108,549	132,465
Inward Remittance	86,123	132,243	128,441	98,911	79,750
Total Income	38,027.50	35,148.68	29,394.30	28,105.56	30,536.30
Total Expenditure	26,496.76	24,453.87	20,201.77	22,034.72	21,213.84
Operating Profit	11,530.74	10,694.80	9,192.53	6,070.84	9,322.46
Net Profit After Tax	2,395.8	3,045.87	2,706.74	2,035.71	1,960.81

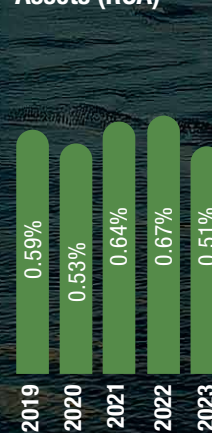
Total Assets
Million Taka



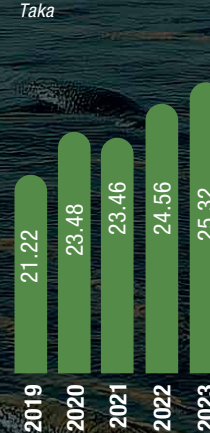
Total Capital
Million Taka



Return on Assets (ROA)



NAV per Share
Taka



Key Management Ratios

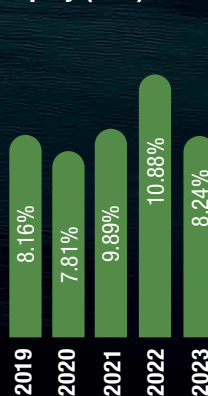
Million Taka unless otherwise specified

Particulars	2023	2022	2021	2020	2019
Credit Deposit Ratio	72.48%	68.17%	65.58%	69.42%	76.47%
Cost of Deposit	4.41%	4.10%	3.94%	4.95%	5.67%
Administrative Cost	2.43%	2.60%	2.09%	2.27%	2.59%
Yield on Loans and Advances	8.04%	7.37%	7.61%	7.68%	10.19%
Spread	3.63%	3.27%	3.67%	2.73%	4.52%
Burden Ratio	0.41%	0.21%	0.21%	0.62%	0.67%
Salary Exp. to total Overhead Exp.	55.67%	53.10%	51.87%	50.03%	48.63%
Cost to Income/Efficiency ratio	45.02%	47.14%	44.93%	54.00%	42.00%
Earnings Per Share (Taka)	1.72	2.61	2.32	1.75	1.68
Dividend Coverage ratio	1.37	1.74	1.55	1.75	1.68

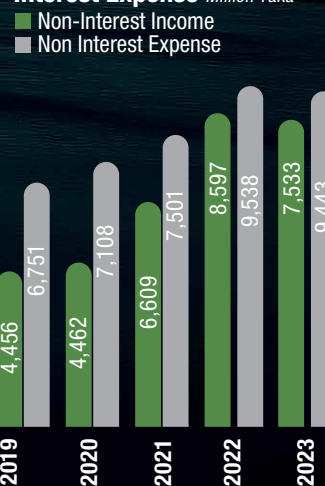
Profit per Employee
Million Taka



Return on Equity (ROE)



Non Interest Income & Non Interest Expense Million Taka



Primary Brands Products & Services

Since its inception, Bank Asia PLC. has been able to maintain a very sound corporate brand image amongst its peer group of new generation private commercial banks in Bangladesh. Over the years, the corporate brand identity was strengthened mainly due to the superior excellency in customer relationship management and also innovating various technology driven unique banking services that catered the need of people from all socio-economic background.

The brand identity of Bank Asia PLC. emerged from an outstanding corporate banking establishment and escalated towards a broad extended sphere of audiences ranging from semi-urban to deep rural, to the remotest possible landscapes where people need banking, to achieve the noble goal of financial inclusion. Bank Asia PLC has pioneered the idea of financial inclusion by providing banking to the un-banked with an intention of eradicating poverty by ensuring access to finance for all, which matches our brand slogan, “For A Better Tomorrow”.

With this frame of mind, Bank Asia has championed brands like Agent Banking, Post-Office Banking, Micro Merchant etc. These strategic business units (SBU) are providing banking products and services almost identical with its corporate brand, however to an extended group of consumers who were completely untapped by the goodness of modern banking. To achieve both financial inclusion and customer satisfaction, the products & services portfolio of the bank consists of all of the banking needs of an individual, despite of their geographic, demographic or socio-economic class.

Digital Nano Loan



Launching program of the Digital Nano Loan

Grow your Foreign Currency with us Enjoy the maximum benefits

Offshore Banking FC Account & Int'l Banking (IB) Account

Persons resident outside Bangladesh without limiting to non-resident Bangladeshi nationals, persons of Bangladeshi origin, foreign nationals, companies/firms registered and operating abroad, foreign institutional investors may open and maintain accounts USD & EUR currency with our Offshore Banking Unit.

Advantages:

- Attractive deposit rates
- Tax exempted from any interest earnings.
- Deposited balance and interest can be easily repatriated
- Funds can be transferred easily to other banks abroad
- Funds can be utilized in eligible local investments
- No cap on maximum balance that you can deposit
- Premature encashment will result in account holder receiving immediate past completed tenor's rate

For More Details

www.bankasia-bd.com/obu/

Dial to our Call Centre

+8809617-016205 (Outside Bangladesh)

16205 (inside Bangladesh)

Email Communication

obu.ba@bankasia-bd.com

Who Can Open FC Account

- Foreign nationals.
- Foreign institutional investors.
- Non-Resident Bangladeshi (NRBs).
- Dual citizenship Bangladeshi.
- Companies/firms registered and operating abroad.

Who Can Open International Banking (IB) Account

Overseas remitter may open International Banking account in the name of below individual /entities having bona fide relations:

- Any Resident Bangladeshi individual.
- Bangladeshi Corporate Entities/Firms.
- Any industrial enterprises operating in EPZs (Export Processing Zones)/EZs (Economic Zones) / HTPs (High Tech Parks).

Account Opening Form



**Experience Financial Freedom
Like Never Before**

Offshore (OBO) Account



AGENT BANKING

Bank Asia pioneered in Agent Banking has observed a decade of financial inclusion and contribution to digitization of mass level banking services in Bangladesh following Bangladesh Bank induced policy and guidelines. In last 10 years agent banking opened up avenues for millions to get access to banking services truly at doorsteps and become financially empowered. This unique tech-based specialized banking service turned very popular among general people living remote rural geographical locations. More than 6.38 million unbanked people have been included in the bank's agent banking network of 5051 agent outlets across the country. Bio-matric device, facial recognition for customer identification and e-kyc for customer onboard and many other multifaceted innovations introduced in its digital operation system made transactions easy and convenient for customers.

The gender gap in financial inclusion that Bangladesh considers as a runaway train poised to a positive boost up in agent banking platform. More than 64% customers of Bank Asia Agent Banking are female. It is mentionable that about 75% of women in Bangladesh are unbanked although they are increasingly literate and employable, and they are considered to be a major part of financial inclusion.

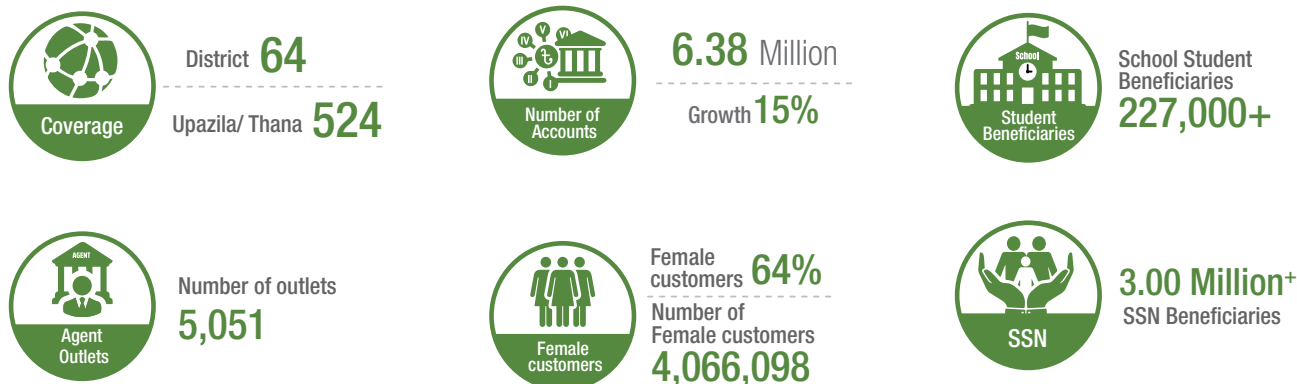
Agent Banking serves more than 3.0 million Social Safety Net (SSN) beneficiaries through its countrywide network that include, Individual Agent, Union Digital Center (UDC), City Digital Center (CDC), Digital Post Office (DPO) and Micro-merchant. So receiving SSN payment is no longer a trouble for the beneficiary rather it turned a convenient experience for the beneficiaries living any geographical locations of the country. Even more than 227,000 school students are availing financial services through these channels.

Bank Asia's performance in the industry



Digital Nano Loan: Bank Asia Agent Banking introduced Digital Nano Loan to facilitate lending facilities for all segments of Individual Customer by using Bank Asia Smart App. Any Bangladeshi national can apply for loan, ranging from Tk.500 to Tk.50,000 upto 6 month to meet their sudden or urgent miscellaneous personal expense by using Smart App from at any geo-location of the country.

Partnership: Bank Asia Agent Banking so far signed 68 agreements in different capacity with national & international partners including UNDP, USAID, UNCDF, Swisscontact, Bill & Melinda Gates Foundation, and Metlife Foundation under the bank's grant-based partnership. Major focus area of the cluster outreach under partnership include agriculture, MSME and Industrial workers (RMG). Since 2016 the Bank



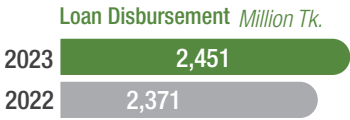
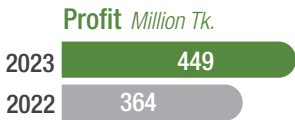
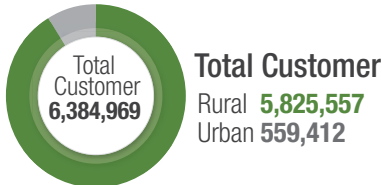
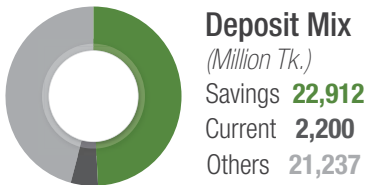
received Tk.248 million grand for capacity building, create awareness among customers, registering women entrepreneurs, network expansion and new service and model piloting. Around 700,000 customers have been onboard in agent banking channel under the partnership initiative. Therefore, Bank Asia has been working on strengthening Women Empowerment through financial inclusion of women customers and ensuring access to finance supported by Bill & Melinda Gates Foundation.



MoU signing ceremony

Sustainable Development Goal: Agent Banking of Bank Asia carried out a wide spectrum of activities in last one decade which directly and indirectly contributed to achieve Sustainable Development Goals (SDGs). The contributed areas include gender equity, reduced inequalities, good job and economic growth, no poverty, no hunger, innovation and infrastructure, climate change, life below water, life on land and partnership for the goals.

Achievement: Bank Asia has been crowned as Honorable Mention in the '2nd Bangladesh FinTech Award 2023' organized by Bangladesh Brand Forum, recognizing the bank's innovation (Digital Lending FinTech Innovation category of the year) of Digital Nano Loan which facilitates micro lending opportunities to borrowers. In this award the Bank's instrumental role in achieving the SDG goals specially 'innovation and infrastructure' also recognized.



Financial Inclusion at a glance

Being the pioneer of financial inclusion, Bank Asia has already completed 9 years of journey for agent banking operations in Bangladesh. With the experience from Agent Banking operation and ABAK (formerly known as EBEK), Bank Asia has become capable enough to provide services to all Government Social Safety Net Programs. Over the time, we have made partnership with Social Welfare Department under Ministry of Social Welfare and providing services to Senior Citizen, Widow, Disabled & other beneficiaries.

Services covered under this program

- Old aged allowances
- Widow, deserted & destitute women allowances
- Bedye allownaces
- Stipend for Bedye Community
- Lifestyle development of Unprivileged Community
- Stipend for unprivileged Community
- Disable allowances
- Stipend for disable allowances
- Hijra allowances
- Stipend for Hijra Community
- Lifestyle development of Tea Worker Community
- Rohingya Caregiver
- Maternity & Lactating Mother allowances
- Vulnerable Group Development (VGD) Program
- National Payment Service Program
- RLP 3rd Phase, BRDB

At a Glance Report of Bank Asia Social Payment is given below

Particulars	Social Safety net	Women's Affairs Programs	National Service	Others
District	17	55	09	56
Upazilas	65	341	09	186
UDC	655	2,550	91	1,372
Beneficiaries	1,736,876	1,245,597	4,311	212,901
Deposit (Tk. in Million)	1,374.34	1,428.09	106.19	98.08
Male Beneficiaries	713,160	-	1,881	107,721
Male Deposit (Tk. in Million)	594.26	-	46.83	52.78
Female Beneficiaries	1,023,716	1,245,597	2,430	105,180
Female Deposit (Tk. in Million)	780	1,428	59.36	45.30

a2i, in collaboration with the Ministries of Social Welfare, Finance, and Bangladesh Bank, developed the 'Citizen's Choice Architecture' for digital payments of SSN Programs – such as elderly allowance, allowance for widowed, deserted, and destitute women, allowance for financially-insolvent disabled people. Guided by the 'AIM Principle' (Account + Identity = Mobility), it allows for the disbursement of allowances at accessible cash-out points at the union level (the lowest administrative tier comprising 9 villages), or even at the homes of the elderly or persons with disability.



Social Safety Net beneficiaries payment from Agent outlet



An elderly woman is receiving old age allowance from Bank Asia staff at UDC



SSN payment from agent outlet



SSN payment from agent outlet.



Social Safety Net beneficiary payment from Agent outlet

Disclosure on Product portfolio

Incorporation of Environment Risk in Core Risk Management

We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess a prospective borrower. This includes integrating environmental risks in the checklists, audit guidelines and reporting formats. All of this help mainstream environmental risk that covers possible sources of environmental risk such as land use, climate change related events (cyclone, drought), animal diseases/pathogens such as avian influenza, solid waste including waste feed, animal waste, carcasses, sediments, wastewater discharges, hazardous materials, etc will be reviewed under environmental due diligence (EDD) checklists.

All the branches/ SME centers are obligated to incorporate environment risk management (ERM) component in their credit proposals as per guideline.

Introducing Green Finance

Preferences are given in financing eco-friendly business activities and energy efficient industries. We encourage investment in establishing environmental infrastructure such as renewable energy project, clean water supply project, waste water treatment plant, solid & hazardous waste disposal plant, bio-gas plant, etc.

As Bank Asia has a participation agreement with Bangladesh Bank under the refinancing scheme for lending in solar energy, bio-gas, Effluent Treatment Plant (ETP) and Hybrid Hoffman Kiln (HHK); we periodically determine business ventures under these sectors where we can provide lending facilities.

Our corporate clients should have ETP set up in their respective factories and if they do not have it then we may provide financing for setting up ETP. Consumer loan programs may be applied for promoting environmental practices among clients. Bank Asia is continuously working for awareness building regarding environmental and social risks and opportunities for its borrowers as well as stakeholders. In 2023, we have disbursed an amount of Tk. 1,074 million in Renewable Energy under Green Finance.

In 2023, Bank Asia has disbursed an amount of Tk. 680 million in Liquid Waste Management and as of December the outstanding was Tk. 544.62 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP etc., which will highly reduce operating cost of the business without any adverse effect on the environment. In 2023, we also financed various projects under Establishment/Green Building amounting to Tk. 672 million where outstanding amount was Tk. 1,589.62 million. We have saved Tk. 10.49 million by using E-Statement, SMS Banking SMS Alert, Net Banking, E- Fund Transfer, Digital Attendance, E –Mail correspondence etc.



Echotex ETP financed by Bank Asia PLC.

Assessing and Screening Environmental and Social Risks

Bangladesh Bank through its SFD Circular No. 02 dated 08.02.2017 and SFD Circular No. 03 dated 16.03.2017 introduced “Guidelines for Environmental & Social Risk Management (ESRM)” for Banks and Financial Institution of Bangladesh.

Exclusion List	A number of sectors/activities where the Bank will not finance
ESDD Checklist	To measure risk whether LOW, Moderate or HIGH risk based on the perspective of environment, health and safety and social issues
3 rd Party EISA	Information to be verified by 3 rd party

For assessing environment risk EDD checklists, 1 general and 10 sector specific (additional), are provided along with a guidance matrix for using as minimum standard to process credit proposals. Ten specific sectors are agriculture, cement, chemicals, engineering & basic metal, housing, pulp & paper, sugar & distilleries, tannery, textile & apparels, and ship breaking.

EDD checklist Guideline Matrix:

General	Sector Specific	Overall
low	low	low
moderate/low	moderate/low	moderate
If any one or both the general & sector specific is 'high'		high

If environment risk is rated “high” the proposals are approved by the executive committee/ board and additional environmental and social covenants are incorporated.

Sl. NO	Transaction Type	Exclusion List	ESDD checklist	3rd party ESIA
1	Agriculture activities involving farming, crop production	√	√	
2	Other agricultural activities	√		
3	Retail, Trade (of regular goods), Microfinance	√		
4	Trade of hazardous substance	√	√	
5	Small sector falling in one of the categories listed above from sl, no a to h and / or exposure greater than Tk. 10.00 lac	√	√	
6	Small sector NOT falling in one of the categories above from sl, no a to h and exposure below Tk. 10.00 lac	√		
7	Medium sector	√	√	
8	Corporate Finance	√	√	
9	Project Finance	√	√	√

Improving Staff Competency for Environmental and Social Responsibility

To achieve the business at the optimum level and to sustain with the changing nature of business environment, Bank Asia always puts enormous emphasis to improving staff competency even for environmental and social responsibility.

For saving money & time and to lessen the emission of CO2, Bank Asia implemented Video Conferencing System between Head Office and branches in order to attend meetings. BAITD (Bank Asia Institute of Training & Development) also provided virtual training to the employees using ZOOM, Cisco Webex & True Conf. platforms throughout the year.

Moreover, our credit risk management (CRM) department has introduced e-sanction advice for the all approved credit facilities. And this archive system has been developed for 6 departments namely: CRM, CMSE, Islamic Window, SAMD, CFC & Agricultural wing.

Expansion of Technology Driven Platform for Quick Disposal of Credit Proposals:

Technology driven loan processing (OCAS-Diganta) helps to reach highest scale every day. Performance of the system is given below:

Portfolio	2022		2023	
	Proposal (no.)	Loan amount	Proposal (no.)	Loan amount
SME	8,819	7,569.84	6,591	7,669.15
Retail	2,841	1,859.68	2,985	6,130.95
Agri	17,332	1,063.31	13,926	1,005.03
Total	28,992	10,492.83	23,502	14,805.13

Transport

As part of environmental responsibility 13 vehicles used for pick & drop facility and majority of the pool vehicles have been converted into CNG driven. Moreover, executives of the Bank are provided with car facility and they are encouraged to convert their cars into CNG driven (dual fuel). More than 80% of those cars have already been converted into CNG driven.

Monitoring Clients' Environmental and Social Compliances

Bank Asia has introduced sector specific environmental policies in addition to environmental risk management policies and green banking policies for cement, brick manufacturing, ship breaking, sugar, leather/ tannery, food processing, hospital & clinic, pulp & paper, rubber & plastic light engineering, agriculture. We conduct monitoring through obtaining site and environmental clearance certificate and site visit to check compliance of environmental and social covenants. Our environmental due diligence process identifies potential risks, determines their impact and severity and suggests way to mitigate them.

Region Wise portfolio

Million Taka

Division	Urban	Rural	Total	%
Dhaka	233,633	9,204	242,837	83.36
Chittagong	27,313	4,015	31,328	10.75
Khulna	4,171	266	4,437	1.52
Rajshahi	4,585	1,025	5,610	1.93
Barisal	1,095	14	1,109	0.38
Sylhet	2,938	148	3,086	1.06
Rangpur	2,168	134	2,302	0.79
Mymensingh	594	23	617	0.21
Total	276,497	14,828	291,325	100

Economic Environmental and Social Value Generated through Various Products

Cottage, Micro finance, Small and Medium Enterprise (CMSME)

CMSMEs have historically made significant contribution in economic advancement of different countries. Due to its manifold significance in economic development, Bank Asia has taken CMSME financing very seriously with a view to contribute to the poverty eradication and employment generation. At the end of year 2023, the CMSME portfolio stood at Tk. 38,502 million.

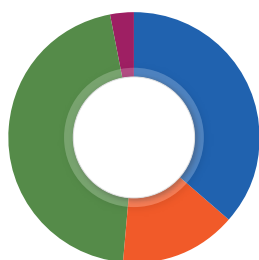
Financing Effluent Treatment Plant (ETP)

As part of our commitment for our green economy we have signed a participation agreement with Bangladesh Bank under refinance scheme in 2011 for lending in solar energy, bio- gas, and Effluent Treatment Plant (ETP) & Hybrid Hoffman Kiln (HHK).

In 2023, Bank Asia has disbursed an amount of Tk. 680 million in Liquid Waste Management and as of December the outstanding was Tk. 545 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP etc.

Financing Environment Friendly project

The Bank have financed for different environment friendly project which helps to reduce environment effect. During the year, the Bank have disbursed Tk. 53,171 million to 96,579 borrowers where for Green Finance, Tk. 2,634 million to 182 borrowers and for Sustainable Linked Finance, Tk. 50,537 million to 96,397 borrowers disbursed in 2023.



CMSME Portfolio in 2023 (Million Taka)

- Manufacturing **14,052**
- Service **5,775**
- Trading **17,540**
- WE **1,135**

Online Payment Gateway Services

Bank Asia is the first Bank to set-up arrangement with OPGSPs in Bangladesh like 'Payza' and 'Payoneer' to bring hard earned money which is earned by exporting services in nonphysical form e.g. data processing, off-shore IT service, software development, business process outsourcing (BPO) etc. In 2023, we have done 336,482 transactions of Tk. 124.50 million.

Audit of Environmental and Social Compliances

The internal audit team under internal control and compliance department (ICCD) carries out audit & inspection of all branches and credit risk management (CRM) department at least once in a year and examine compliances of environmental covenants in the credit sanction memos along with other general reviews. Implementation of environmental and social policies and risk assessment procedures were also audited by external as well as Bangladesh Bank audit team every year. External auditors must cover 80% of total loan portfolio.

As per approved Risk-based Audit Plan, the Audit & Inspection Department completed the audit and inspection tasks of 135 Branches, 05 Islamic Banking Windows, and 22 Corporate Office Divisions/ Departments including subsidiaries and 768 Agent Point Outlets and related 11 different Units/Departments of Agent Banking Division in 2023. Besides, ICT/IS Audits on 22 Branches & Corporate Office Divisions/ Departments, Shariah Audit on 87 Branches and special Audit/Inspection on Anti-money Laundering issues of 14 Branches were also conducted.

Policies for the Fair Design and Sale of Financial Products and Services

Our intentions to address the needs of our customers first require us to provide products and services in the way our customers want them delivered with exemplary service and convenience and at competitive pricing. Our customers also expect us to be accessible, to respond to their queries in efficient way, to be open and transparent about our products and services, and to provide knowledgeable, objective and professional advice. These expectations go beyond the need to comply with consumer protection and financial regulation; they come down to earning our customers trust by delivering suitable products and services via the right distribution channels and at fair pricing or returns.



Bank Asia PLC in association with Bangladesh Bank have organized a **certificate awarding ceremony** for 26 SME entrepreneurs in Cox's Bazar

Business Portfolio

(As on December 31, 2023)

Corporate & Large Loan

Loans & Advance portfolio of Bank Asia has always remained focused on Corporate and Large Loan Financing.



Export Finance

Specialized division established for more focus on export finance.



Off-Shore Banking Unit (OBU)

OBU acts as a unique solution for the banks around the globe to carry out international banking business in foreign currency denominated assets and liabilities, taking the advantages of low or non-existent taxes/levies and thereby higher return on investment.



Agriculture

Through agriculture loan, Bank Asia finances marginalized farmers and contributes to rural development where Tk. 5,713 million was disbursed among 77,553 beneficiaries in 2023 under agriculture and rural wing.



Islamic

For serving a major segment of business under religious framework, Bank Asia now operates five Islamic Banking Windows. In addition to that Salamah Online Banking Service is available to all branches of the Bank.



CMSME

Bank Asia has been sincerely putting its efforts to amplify its CMSME related activities



Retail

Bank Asia is trying hard to create a balanced portfolio through its retail business unit. Consumer finance and Credit cards are two important segments of Retail business. Consumer segment is expanding on continuous basis with House Loan, Auto Loan, Consumer Loan, Personal Loan, Professional and Freelancer Loan.



Others



SECTORAL DISTRIBUTION OF CREDIT

The Bank's loans and advances to Tk. **291,155.42** million achieving a growth of **4.9%**.

Sectorwise distribution of loans and advances is as follows:

SL. No	Sectors/Sub-Sectors	2023		2022	
		Million Taka	% of Loan	Million Taka	% of Loan
1	Agriculture	8,684.70	2.98%	7,409.10	2.67%
2	Industries				
	Food Manufacturing	20,412.40	7.01%	14,167.5	5.10%
	Beverage industry	625.90	0.21%	244.6	0.09%
	RMG industry	25,663.00	8.81%	33,951.9	12.23%
	Textile industry	21,211.00	7.29%	24,298.9	8.751%
	Wood cork and allied products	77.10	0.03%	46.6	0.02%
	Furniture and Fixture	260.10	0.09%	313.4	0.11%
	Paper and paper products	5,235.20	1.80%	5,024.4	1.81%
	Leather and leather products	2,510.80	0.86%	3,157.3	1.14%
	Rubber products	6,708.00	2.30%	4,577.7	1.65%
	Chemical and chemical products	1,645.80	0.57%	916.2	0.33%
	Basic metal products	18,826.30	6.47%	11,429.8	4.12%
	Electrical machinery and apparatus	3,307.60	1.14%	3,499.3	1.26%
	Other manufacturing industries	28,749.22	9.87%	23,046.0	8.30%
	Ship building	116.00	0.04%	4,468.7	1.61%
	Ship breaking	1,831.30	0.63%	1,435.1	0.52%
	Pharmaceutical	8,419.70	2.89%	7,899.8	2.84%
	Subtotal	145,599.42	50.01%	138,477.18	49.87%
3	Constructions	6,283.20	2.16%	8,404	3.03%
4	Power, Gas, Water and Sanitary Services	17,912.10	6.15%	13,914.80	5.01%
5	Transport, Storage and Communication	4,877.20	1.68%	2,532.9	0.91%
6	Trade Services	51,511.60	17.69%	51,879.2	18.68%
7	Housing Services	19,587.00	6.73%	18,448.60	6.64%
8	Banking and Insurance	7,056.60	2.42%	4,857.40	1.75%
9	Professional and Misc. services	29,643.60	10.18%	31,760.5	11.44%
	Total	291,155.42	100%	277,683.68	100%

Products & Services



RETAIL BANKING PRODUCTS

Deposits

Low Cost/No Cost Deposit Accounts

Current Deposit Account	Star Savings Account	Foreign Currency Account
Savings Bank Account	Short Notice Deposit Account	Account for Under-privileged Section (10 Taka, Street Urchin, Beneficiaries of National Service program, Cleaners, Garment Workers, Technicians of Small Industries, etc.)

Term Deposit (s)

Fixed Deposit Regular

Scheme Deposit (s)

Monthly Benefit Plus	Bhromon(Travellers)	Bank Asia Sanchay Plus
Anchol(Women)	Double Benefit Plus	Deposit Pension Scheme Plus
Nirvabona(Senior Citizens)	Triple Benefit Plus	Shonchoy E KotiPoti

School Banking Account

Duranta



Consumer Finance

House Finance <ul style="list-style-type: none"> Shapner Abash Griha Shaj Shapner Kuthir Shapner Nirman Nijer Bari 	Unsecured Personal Loan <ul style="list-style-type: none"> Proyjon RMG-Proyjon Chuti (Travel Loan) Sheba Loan for Landlords (Hospitalization Loan) 	<ul style="list-style-type: none"> Student Support Loan Wage Earner's Support Purnata Senior Citizen Support) 	Consumer Durable Loan <ul style="list-style-type: none"> Green Energy Loan Shabolombi (Loan for Professionals) Loan for Landlords
			Auto Loan <ul style="list-style-type: none"> Shapner Bahan Motorcycle loan Bicycle loan



Credit Card

VISA Visa Signature Credit Card (with Priority Pass) VISA Platinum Credit Card (with Priority Pass) VISA Gold Credit Card VISA Classic Credit Card Virtual Card VISA Prepaid Hajj Card Gift Card	MASTER Mastercard World Elite (with Lounge Key) Master Titanium Credit Card (with Lounge Key) Master Gold Card Master Silver Card Shadhin Card Prepaid Travel Card	Islamic Credit Card : Salamah Platinum Card (with Priority Pass) OTHERS LankaBangla Card Cheque
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Islamic Banking Products

Deposits

Al Wadiah Current Account (AWCA)	Smart Junior Saver (School Banking) Account	Mudaraba Term Deposit Account (MTDA) for different tenure
Mudaraba Savings Account (MSA)	Mudaraba Savings Account (MSA) - Smart	Corporate Term Deposit Account (CTDA) for different tenure
Mudaraba Corporate Privilege Savings Account (MCPSA)	Mudaraba Special Notice Deposit Account (MSNDA)	Mudaraba Hajj Savings Scheme (MHSS)
Mudaraba Deposit Pension Scheme (MDPS) (3 to 12 Years tenure)	Mudaraba Monthly Profit Paying Deposit Scheme (MMPDPS)	Cash Waqf

Investment Products

Bai Murabaha Muajjal (both Local and Post Import)	Hire Purchase Shirkatul Melk (HPSM)	Musharaka	Istisna'a – Export
Murabaha Import Bills	EDF/EFPP	GTF/TDF	Quard against MTDR & Schemes
Continuous Musharaka (Overhead Financing)	Post Export Finance -Foreign (PEF-f)	Musharakah Export Finance – Inland (MEF-i)	

Islamic Retail Financing Products

HPSM Real State Housing	HPSM AUTO	HPSM/BMM Consumer
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Islamic SME Financing Products

SALAMAH Srishti	SALAMAH Somriddhi	SALAMAH Bahon
SALAMAH Subidha	SALAMAH Sondhi	SALAMAH Suborno
SALAMAH Sofol	SALAMAH Seba	Uttaran–Islamic For MSE Finance

Islamic Agri Financing Products

Islamic-Cropping Support	Islamic-Dairy & Fattening Support	Islamic-Poultry Support
Islamic-Fishery Support	Islamic-Equipment Support	



MICRO , SMALL , MEDIUM & AGRICULTURE BANKING PRODUCTS

Deposits

All conventional deposit products except savings bank deposit, scheme deposits and other deposits for only individual customers.

Micro & Small Enterprise Finance

Asset Product

Shomadhan –Over draft for Trading, Manufacturing, Service & Women Entrepreneur	Bahon –Commercial Vehicle Finance Surakkha - no/insufficient collateral under Credit Guarantee Scheme (CGS)	Sristi –Collateral free Term loan for Manufacturing
Shubidha –Collateral free Term loan for Trading	Uttaran –For existing excellent CMSE loan borrowers.	Shombridhi –Term loan for Manufacturing
Shondhi –Term loan for Trading	Shofol –Collateral free Term loan for Service	Goti –Revolving Demand Loan
Subarno –Term loan for Women Entrepreneur	Sheba –Term loan for Service	Nirontor –SOD for Entrepreneurs
Utshob –Collateral free Seasonal loan	Shombhabona –Term loan for New Entrepreneur	Start-Up Loan - Term loan for IT based innovative business or service entrepreneurs.

Liability Product

Astha-SME Current Account



Medium Enterprise Finance

Funded Products

Secured Over Draft (SOD)	Demand Loan (Workorder)	Lease Finance
Over Draft A/C	Forced Demand Loan against L/C	Over Draft-SP
SOD (Earnest Money)	House Building Loan – Commercial	Term Loan Industrial
Payment against Document (PAD) Cash	Term Loan Others	Documentary Bills Purchased – LCY
House Building Loan - General		

Non Funded Products

Letter of Guarantee	Back to back Letter of Credit (Local & Foreign)
Letter of Credit (Sight/Deferred/UPAS/EDF)	Letter of Commitment

Agricultural Finance

SOD (10 Taka Savings)	Dairy and Fattening Demand Loan	Equipment Term Loan
Poultry Demand Loan	Short Term against 10 Taka Savings	Fishery Demand Loan
Fishery Term Loan	Agriculture Term Loan against NGO	Demand Loan against NGO
Demand Loan against 10 Taka Savings	Dairy and Fattening Term Loan	Cropping Demand Loan
Poultry Term Loan		



CORPORATE BANKING

Cash Management Products

Bank Asia provides corporate customers a full range of cash management products and services. A wide range of solutions are offered to help them plan, monitor and manage their liquidity and meet payments, receivables, accounts and information requirements. Specific products and services are as follows:

Day-to-day cash control	Payments and items in the course of being paid	Short-term foreign exchange positions
Account Packages – Current, SND and Fixed Deposits	Cash Pick Up & Delivery	Electronic payments
Monitoring money at the bank, both active and non-active cash	Short-term investments	Booths
Receipts and items in the course of collection	Short-term borrowings	

Funded Products

Secured Over Draft (SOD)	Loan against Imported Merchandize	Loan General
Cash Credit Hypo	Loan against Cash Incentive	Transport Loan
Over Draft	Payment against Document (PAD) Cash	Loan against Packing Credit
SOD (Earnest Money)	Loan against Documentary Foreign Bill	Loan against Trust Receipt
Exporter's Cash Credit	FCY	House Building Loan - General
Documentary Bills Purchased – FCY	Forced Demand Loan against L/C	Lease Finance
Documentary Bills Purchased – LCY	Term Loan Industrial	PAD (Export Development Fund)
Demand Loan (Work order)	Term Loan Others	Export Development Fund (EDF) Loan (FCY)
Time Loan	Demand Loan (Work order)	

Non-Funded Products

Letter of Guarantee	Letter of Credit (Sight/Deferred/UPAS/EDF)	Back to back Letter of Credit (Local & Foreign)
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Structured Financing

LCY syndication arrangement	Advisory services	Customized financial solutions
FCY term Loan and syndication	Trustee and agency services	Special arrangements (IPFF/ Special fund of BB/ Agribusiness Loan etc)
Multilateral financing	Arranging Debt (Bonds/Commercial Paper)	



OFF-SHORE BANKING UNIT (OBU) PRODUCTS

Import & Export Bill Discounting facilities for On-Shore Customers

UPAS Loan	Bill Purchase
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Import & Export Bill Discounting facilities for Other Banks

UPAS Loan	Bill Purchase
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Long-term Finance facilities for On-Shore Customers

Term loan	ECA loan	Syndication loan
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Working Capital Finance for “A” Type (100 % Foreign own) Customers

LTR	Packing Credit	Demand Loan	Overdraft
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Trade Finance (non-funded) facilities for “A” Type (100 % Foreign own) Customers

Import	Export
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Deposit products

Nonresident Foreign Currency Deposit	Foreign Company/ Institutional Deposit
Current Deposit	Current Deposit
Savings Account	-
Term Deposit	Term Deposit

AGENT BANKING

Products

Current Deposit Account	Term Deposit Scheme (TDS)	SME Loan
Savings Bank Account	Remote Banking	Retail Loan
Short Notice Deposit Account	10 Tk. Account	Islamic Loan
School Banking Solution <ul style="list-style-type: none"> Smart Junior Saver School Banking Account School Fee Collection Payroll Banking for Teachers 	Current Account (Astha)	Debit Card
Deposit Pension Scheme (DPS)	Agri Loan	Near Field Communicator Card

Services

Account Opening	Passport Fee Collection	E-Commerce Service
Deposit and Withdrawal from Account	SME Loan Processing	E-Ticketing Service
Fund Transfer within Bank and to any Bank in Bangladesh	Agricultural Loan Processing	Digital Health Care Service
Inward Foreign Remittance Payment	Retail Loan Processing	Insurance Product Service in life and health category
Utility Bill Payment	Repayment of Loan Installment	Micro-Merchant Digital Payment Apps
Balance Inquiry	Disbursement and Payment of Social Safety Net	Cheque Book
Account Statement (Mini)	Salary Disbursement Solution	Bank POS
Insurance Premium Collection	A-Card for Farmers	RMG POS Service
Fund Transfer to MFS (bkash)	Fish Card for Farmers	

TREASURY PRODUCTS

Money Market, Fixed Income & Capital Market

Call Money	LCY/FCY Swap	Repo/ALS (Assured Liquidity Support)
Notice money	Fixed Income & Capital Market investment	Reverse Repo
LCY/FCY Term	Investment (GSEC) service for customers	Interest Rate Swaps

Foreign Exchange

Spot Foreign Exchange	Foreign Exchange Option	Cross Currency Swaps
Forward Foreign Exchange	Forex Swaps	

CAPITAL MARKET SERVICES

Money Market, Fixed Income & Capital Market

Brokerage Services	Daily Market Update and News Summary	Margin Loan
Research services	Online Trading	CDBL Services
Agent Banking	Wide Branch Network	Panel Broking
Attractive Commission Offering	Institutional Trade	Government Securities

Banking for a **Sustainable** Tomorrow

Financed country's **major solar plants**
with the vision for a **Sustainable Bangladesh**



AGRICULTURAL / RURAL CREDIT



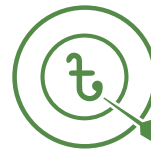
Total Disbursed Amount

Tk. **5,713** Million



Beneficiaries

77,553 farmers



Bangladesh Bank
Target Achievement

127%

Bank Asia has a wide range of agricultural credit products designed to meet the diverse need of farmers. Farmers can also avail loans through our digital platform. We also support them by providing A-card facility.

Like previous years, Bank Asia has remarkable achievement in loan disbursement against the target set by Bangladesh bank in FY 2022-2023. We disbursed Tk. 5,713 million to 77,553 rural farmers and achieved 127% against total target of Tk. 4,490.00 million.

Bank Asia emphasizes to extend credit facilities directly to the farmers. Viewing this, we have been focusing on the following ways of financing.



**Loan through
Agent Outlets**

Disbursed Amount
Tk. **792** million

Distributed among
11,547 farmers



**Loan under
Stimulus packages**

Disbursed Amount
Tk. **465** million

No. of borrower **4,968**



**Financing for import
substitute crops**

Disbursed Amount
Tk. **13** million

265 farmers

4% interest rate
To reduce import dependency



**Financial support to
10 tk. accountholders**

Disbursed Tk. **66** million

No. of beneficiaries **1,428**

*To improve livelihood of the small
and marginal farmers*

Status of Agricultural/rural Credit

as on 31.12.2023

Million Taka

Particulars	Direct Network	Indirect Network	Total
Disbursement (01.01.2023-31.12.2023)	928	3,730	4,658
Outstanding (As on 31.12.2023)	1,367	4,364	5,731
No. of Beneficiary	12,256	52,239	64,495

Carbon offsets activities: We have been approving credit facilities upto certain amount through Online Credit approval System (OCAS) which greatly helps in Carbon sequestration of the planet. In the year 2023, around 12,000 plus agri credit proposals were approved through OCAS.

Penetrate to social outreach as financial partner: For sustainable growth and development of Agricultural & Rural sector and facilitate the same through easy and timely flow of credit by institutional sources in sustainable manners.



Open loan disbursement program arranged by Bank Asia in Panchagar

We are also committed to enhancing consumer financial capability and invest in ways to help our customers improve their financial decision-making. All our financial products are delivered by using various methods like direct selling, cross selling by branches as well as corporate office employees'. There are divisions among corporate clients based on the loan portfolio just to ensure timely and effective services to our clients. In a way to keep pace with our objectives in mind, we have developed loan products policy. The policies are designed in a way that every rules can be well understood by the delivering channels i.e. branch as well as corporate office employees' to communicate to the customers in the most convenient way. Moreover, there are flexibility in the policies in a way so that our customers can get customized services according to their need as well as that can protect the interest of the bank.

There are loan product policies on commodity finance, export finance, work order finance, lease finance, earnest money finance etc. A few more loan product policies are under way to be developed based on our customers' expectations. Credit policy, sectoral allocation of the bank etc. are also reviewed periodically.

Initiatives to Enhance Financial Literacy by Type of Beneficiary

In addition to integrating better customer suitability in our product and service offerings, we are also committed to enhance the financial capability of our customers. We do this by providing insights, tools, and advices to improve consumers' financial decision-making. By participating in various financial information fairs and formal/informal gathering with corporate customers, we try to support our customers in understanding the advantages and risks associated with financial products and services, as this can enable them to take decisions that are better adapted to their personal circumstances. Our financial experts are also taking part in various related seminars around the country where they are sharing their insights and recommendations.

We aim to offer our financial products and services to all segments of the society. Our branches have barrier-free access, ATMs are located at convenient and with easily usable interface. As a result, our customer retention rate is comparatively higher than competitors.

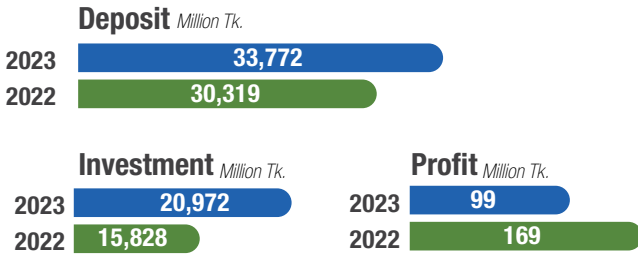
Islamic Banking Services

Islamic Banking of Bank Asia PLC. has been passing the 12th year of its operations starting from the Islamic Window concept. Now, Islamic banking is following virtual Window model. For Islamic deposit and investment business, the Bank is simultaneously using all of its distribution Channels, i.e. Conventional Branches, SME Centers, and Agent Banking outlets through online services beside the dedicated Islamic Banking Windows.

We provide this services by separate Islamic Banking software i-Hikmah and real time online Islamic Banking services from our entire network under the brand 'Salamah'. Income sharing ratio (ISR) based unique profit distribution system on Mudaraba deposit has given our Islamic banking services much acclaim and wide acceptance.

Launched with a commitment to maintain purity in Shariah compliance, Bank Asia's Islamic banking services are available from all distribution channels of the Bank, i.e. all Branches, SME Centers, SME/Agri Branches through online services. Besides, the Islamic agent banking services has been expanded to all districts across the country under the agent banking framework from 2017. Islamic investment facilities has been started this year through the agent outlets for unbanked people to achieve the country's goal of financial inclusion. All of these Islamic services and businesses are operated using completely separate software and accounting, investment and fund management systems.

During the year the bank approved new products for Export Finance Business and adopted new financing products for Agri and Poultry Sector under Islamic banking services. The bank also implemented separate Islamic banking ledger where Islamic Banking Operation can be done from all branches.



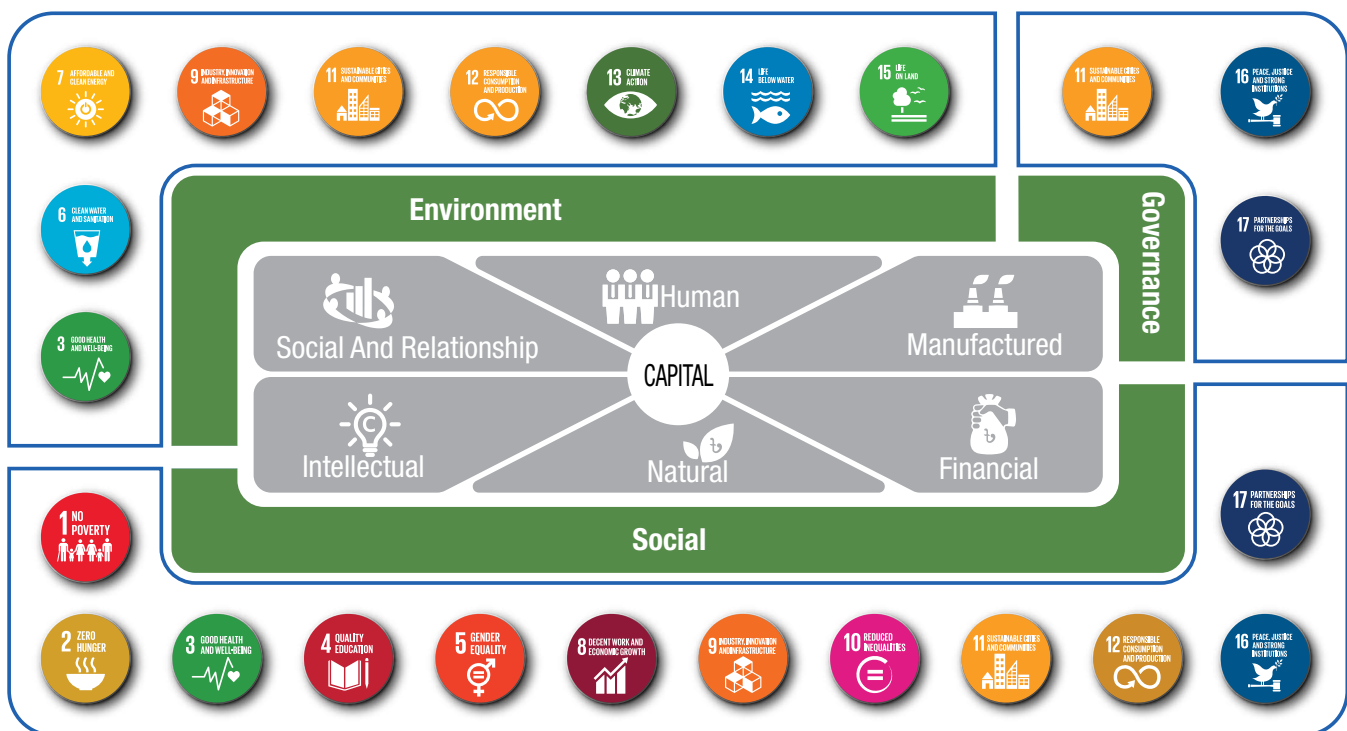
ESG Approach and our priorities

As an organization rooted in responsibility, we are committed to sound Environmental, Social and Governance (“ESG”) practices. Since its inception, the organization has been contributing to the banking industry in its sustainable development journey.

Having a strong ESG structure in place helps us to identify and manage sustainability-related risks, comply with regulations, and meet the expectations of customers, investors, and other stakeholders.

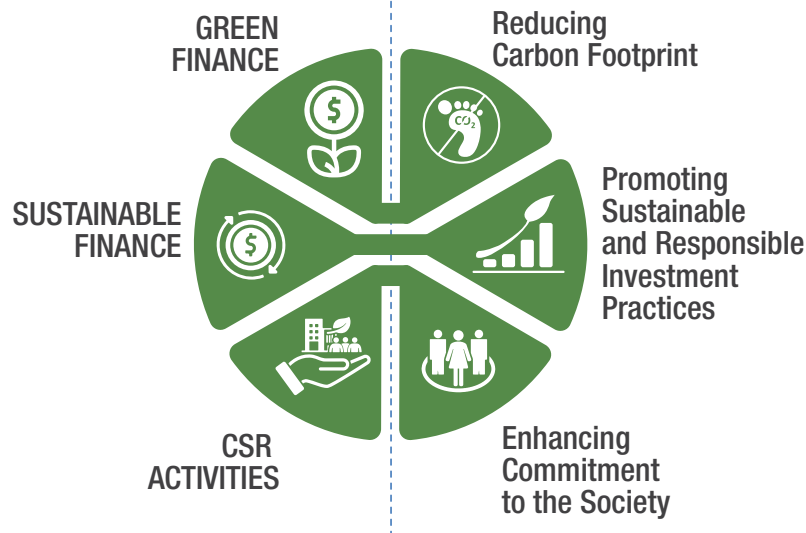
Our focus is on creating impact on the Sustainable Development Goals (SDGs), our Environment, Social, and Governance (ESG) programs supports for developing a better society.

This year, we further focused on green & sustainable financing, community and society, employment practices, customers’ feedback, ESG risks in lending, procurement practices, governance, transparency and accountability.



We endeavor to drive a paradigm change in how ESG (Environmental, Social and Governance) and its parameters are perceived in the banking sector. We are building in ESG parameters into our own business through our products and services by screening opportunities and managing risks in an attempt to drive such change.

OUR INITIATIVES to reduce ESG risk



ESG Risk

Environment risk

This risk arises due to from climate change, natural disasters, and other environmental factors can affect the economic performance of borrowers, the value of assets, and the sustainability of operations. Therefore, managing environmental risks is essential for the long-term success of the banking sector.

- Replace disposal items with reusable items.
- The use of paper should be avoided.
- Conserve water and electricity.
- Support environmental friendly practices.
- Recycle waste to conserve natural resources.

Social Risk

We diligently examine the social risks related to our operations as a private commercial bank. Recognizing the profound impact of Environmental, Social, and Governance (ESG) factors on our stakeholders and society as a whole, we have integrated a rigorous approach to managing social risks into our corporate strategy. Our commitment to responsible banking extends beyond financial performance, encompassing ethical considerations and societal welfare. Social Issues such as workplace ethics, discrimination, unfair practices while engaging with stakeholders may result in this risk. Through robust risk assessment frameworks and proactive engagement with stakeholders, we identify and address potential social risks, including those related to community development, customer privacy, and employee well-being. We strive to cultivate trust and enhance the social fabric within the communities we serve by following steps:

- Impact Assessment
- Due Diligence
- Community Engagement
- Employee training and awareness
- Continuous Monitoring
- Collaboration and partnership

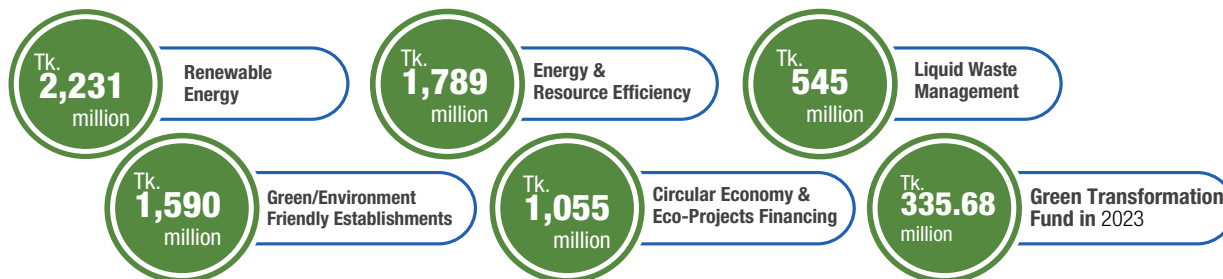
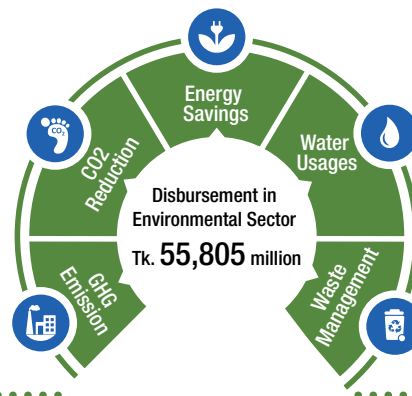
Governance Risk

As a private commercial bank, we place utmost importance on maintaining robust governance structures and practices to ensure transparency, accountability, and ethical conduct throughout our operations. Through diligent oversight by our board of directors and adherence to regulatory standards, we mitigate risks associated with governance lapses, conflicts of interest, and compliance failures. Upholding principles of transparency and accountability, we have followed the below mentioned practices:

- Establish transparent government policies across the organization
- Board Oversight
- Independent Directors
- Compliance culture
- Transparency and Disclosure
- Stakeholder Engagement

Environmental Performance

Bank Asia is very much aware regarding environmental protection, by minimizing environmental damages and by developing, promoting and utilizing environment friendly technology. Through adoption of various green banking practices such as online loan processing, virtual company meetings, reducing paper and water wastage, etc.



ENERGY

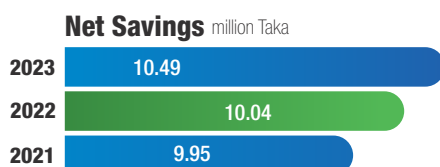
Energy Savings

To achieve long-term sustainable development, Bank Asia plays an active role for making 'low carbon economy'. Since 2011, Bank Asia has worked toward more energy efficient operations throughout its network of banking centers, reducing costs by millions of dollars and drastically reducing its emissions, consumption, and waste in the process.

- More than 30% electricity is saved every year using the day light inside corporate office and Energy savings bulbs being used in the office
- E-mail has been focused of both internal and external communications with an aim to reduce the paper consumption thereby reducing deforestation
- Loan sanctions have been uploaded in the MISDB in pdf format instead of hard copies
- For branding & marketing communication purpose, Bank is more focusing on Face book, Websites & other online platforms.

Carbon offset projects

- We have disbursed Tk. 5,712.62 million to 64,496 rural farmers where approving Tk. 1005.03 million to 13,926 farmers through Online Credit Approval System (OCAS).



Reducing Energy & Resource Consumption

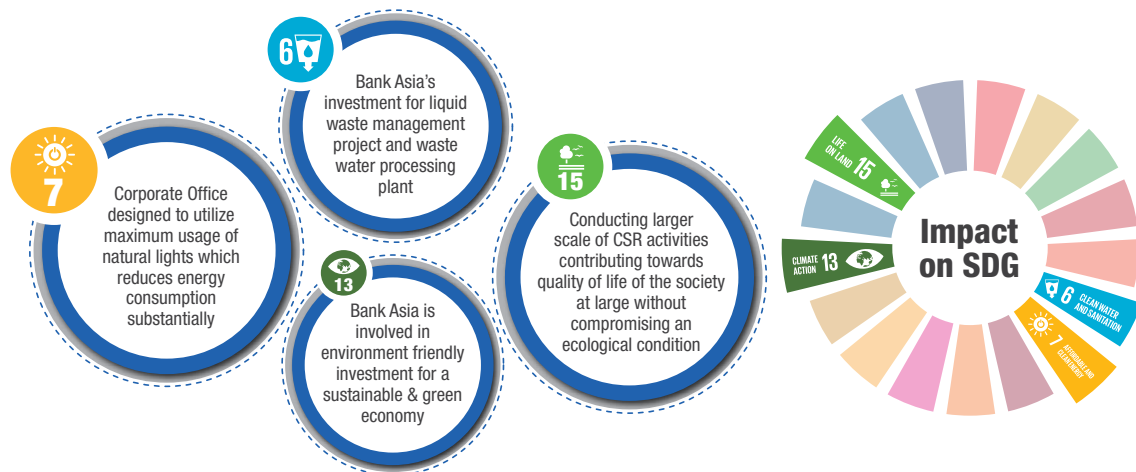
- New Issuing, Replacement, Activation and PIN request are automated which reduced Debit Card issuance time to 2-3 days from 7-9 days as well as saved 490,000 pages and 100,000 courier service delivery cost.
- The Green Banking initiatives taken by Cards Division includes E-Statement, SMS Banking, E Mail corresponding etc during 2023 amounted towards net savings worth Tk. 10.49 million

Financing Renewable Energy and Energy & Resource Efficiency

- In 2023, we have disbursed an amount of Tk. 1,074.05 million in **Renewable Energy** and **Energy & Resource Efficiency** under Green Finance. This will enable the business entities to improve their Energy & Resource Efficiency and will reduce their operating cost to a great extent through using renewable energy without any adverse effect on the environment.
- Apart from financing to Renewable Energy, Bank Asia is also cautious about its own use of renewable energy. Solar panels are already installed in 11 branches located at Patherhat, Madhobdi, Dohajari, Hajigonj, Faridpur, Elephant Road, Lalmatia, Sonaimuri, Bashabo SME Service Centre, Bank Asia Bhaban & Nimtola Branch.

Direct Energy consumption by Bank Asia

Source	Consumption	Megajoules
Electricity	11,397,055 kwh	41,029,398
Diesel	27,985 ltrs	1,007,453
Octane	6,996 ltrs	223,878
CNG	101,055 m3	3,233,760
Total		45,494,489



WATER USAGES

Bank Asia is very much conscious about efficient use of water. As a financial institution its use of water is already very much restricted. Major consumption of water is for drinking purpose. Our bank is also non-compromising about ensuring pure and safe drinking water for its employees and visitors. But normal supply water in Bangladesh is not safe for drinking. Therefore, to overcome the situation every branch and corporate office are supplied with specially procured filtered mineral water. The management of the bank takes special care so that wastage of water is minimum. Total consumption is controlled by monitoring per employee drinking water cost per month which was Tk. 324 per employee in 2023.

Waste Management

The process involved in dealing with the waste generated by day to day banking activities, food consumption, physical wear & tear of computer and office equipment, obsolete furniture & fixture and newspapers. Being a financial institution Bank Asia does not deal with any hazardous waste.



Echotex ETP financed by Bank Asia PLC.

GreenHouse GAS EMISSION

Saving CO2 emission

- For saving money & time and to lessen the emission of CO₂, Bank Asia implemented Video Conferencing System between Head Office and branches in order to attend meetings. BAITD (Bank Asia Institute of Training & Development) also provided virtual training to the employees using ZOOM, Cisco Webex & True Conf. platforms throughout the year.

- Both sides of papers are used and wasted papers are collected using bins after shredding
- Donate old equipment and furniture for charity or sold
- Food wastes are collected by community cleaners on daily basis
- Toner, cartridges and newspapers disposed of through community cleaners.

Financing Liquid Waste Management

- In 2023, Bank Asia has disbursed an amount of Tk.679.84 million in Liquid Waste Management and as of December the outstanding was Tk.544.62 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP, Waste Water Treatment Plant etc.
- In 2023, we also financed various projects under Green/ Environment Friendly Establishment amounting to Tk.672.29 million and at the end of the year, the outstanding amount was Tk.1,589.62 million. These finances help the industries to reduce environmental effect.

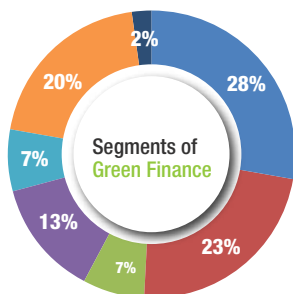
Green House Gas Emission Table

Source	Consumption	Co ₂ Emission
Electricity	11,397,055 kwh	8,775.73 tons
Diesel	27,985 ltrs	40.99 tons
Octane	6,996 ltrs	10.74 tons
Air Travel	1,819,202 km	268.00 tons
Road Travel	2,728,802 km	298.63 tons
Paper	80,661 Reams	682.27 tons

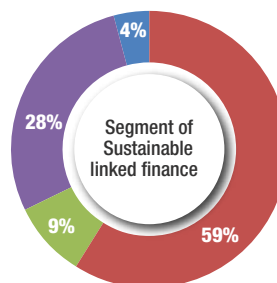
Source: www.carbonneutral.com.au

Reducing Carbon Footprint

- As part of our commitment for our green economy Bank Asia have signed a participation agreement with Bangladesh Bank under refinance scheme in 2011 for lending in solar energy, bio- gas, and effluent treatment plant(ETP) & hybrid hoffman kiln (HHK).



- Renewable Energy
- Liquid Waste Management
- Environment Friendly Brick Production
- Green CMSME
- Energy & Resource Efficiency
- Circular Economy & Eco-Projects Financing
- Green/Environment Friendly Establishment



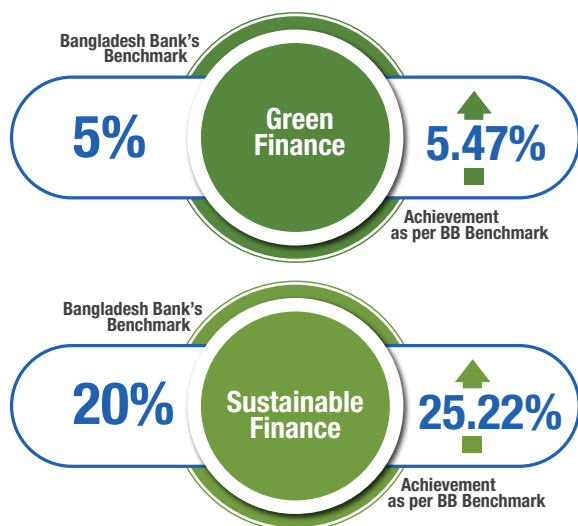
- Sustainable Agriculture
- Sustainable MSME
- Socially Responsible Financing
- Other Sustainable Linked Finance

Refinance Scheme

- Bank Asia has participated an agreement with Regulatory Bank as a participant in the refinance scheme for Green Products/Projects/ Initiatives. Apart from that, we also participated in agreement with Bangladesh Bank for availing Green Transformation Fund (GTF) and Technology Development/Up-gradation Fund (TDF). The outstanding amount of our GTF Fund as of 31.12.2023 was EURO 3.395 million & USD 0.087 million.

Initiative to Reduce the Bank's Adverse Impact on Environment

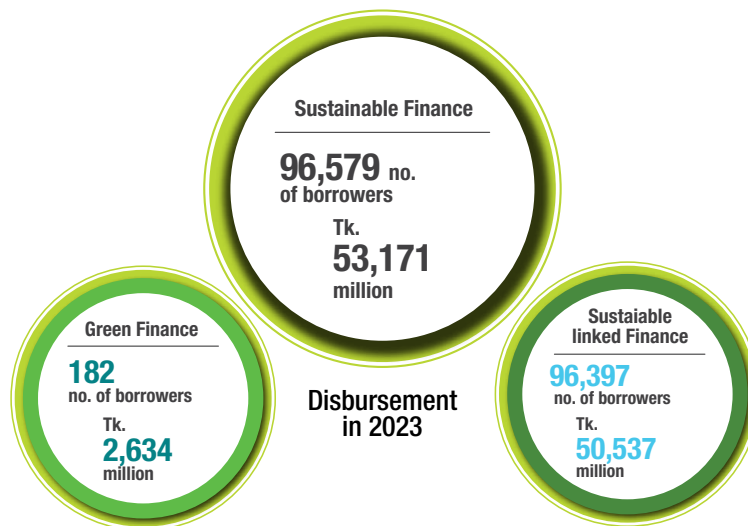
- Bank Asia does not finance any tobacco related business, weapons & munitions, Gambling, casinos, pornography (goods/stores/ web-based), alcoholic beverage and all offices of the bank are declared smoking free zone. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental & Social Due Diligence (ESDD) checklists.



Tofiza Auto Rice Mill-Improved Rice Parboiling System financed by Bank Asia PLC

Financing Auto Rice Mill Industries

- In 2023, Bank Asia has disbursed an amount of Tk. 69 million for **Improved Rice Parboiling System** of Auto Rice Mill Industries as term loans under green finance and at the end of the year, the outstanding amount was Tk. 335 million.
- For the working capital requirements of Auto Rice Mill business, an amount of Tk.8543.99 million was disbursed during the year 2023 under sustainable linked finance and at the end of 2023, the outstanding was Tk.1690.12 million.



Initiatives for Green Banking

Sustainable Finance Unit and its initiatives

On view of making Bank Asia more green, Sustainable Finance Unit has been restructured and included more members to promote sustainable initiatives of the bank.

Reinforcing and Strengthening ESRM guideline

Bank Asia has been taking initiative to strengthen and fortify the current ESRM guideline and implement the proposed ESRM guideline of Bangladesh Bank.

The organizational roles and responsibility defined in the ESRM Guidelines are built upon the principles of integration of E&S risks into the bank or FI's overall credit policy. It clearly delineates the responsibility of different functions of the bank in terms of E&S risk assessment and the decision-making process based upon E&S risk rating.

Since 2011, Bank Asia has started Environmental & Social Due Diligence (ESDD) through ESDD Checklist in its investment proposals by following ESRM Guidelines. In 2023, total 4,807 number of finances were rated where disbursement of Tk.95,406.40 million was made to 4,434 number of finances.

Sustainability Report & Rating

- Since 2012, Bank Asia has published Sustainability Report and achieved 'Silver Rank' in Asia Sustainability Reporting Rating (ASRRAT) 2023 by NCCR and ICSP for Sustainability Report 2022.

Online Banking

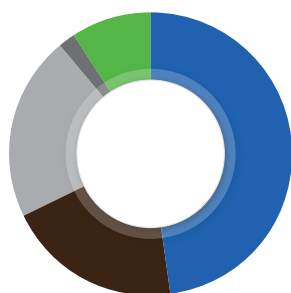
- Online banking system is a great way to reduce wastage of paper.
- For ensuring digitalization of service, Automated Challan System (A-Challan System) has been introduced for online submission of various government service fees.
- In our banking system 'e-Commerce' has incorporated for its valued customer where Bank plays as payment partner & account holders can shop online through internet banking such as e-ticket purchasing of bus, train, airways, cinemas & movies, mobile flexiload, hotel booking; bill payment such as hospital bill, advertisement bill, passport fees, WASA, DESA, qubee bill, computer accessories & service related payment, e-shopping etc. by the debit/ credit card of Bank Asia with less expense & in faster time from any time anywhere.
- We have also integrated Internet banking system to NPSB on first phase and through this connectivity our customers can transfer fund from their Account to Inter-Bank Accounts and Debit & Credit Cards real time and vice versa.
- Our banking system provides services through a unique banking app "Bank Asia SMART APP" both for branch & Agent Banking customers, also secures all kinds of transactions and information about customers.

Compliance

During 2023, Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.

Economic Performance

Value Added Statement shows the wealth created by an organization & how is that wealth distributed among different stakeholders. In the year 2023 bank's net value addition was Tk.10,952 million; 48% was distributed to employees as salaries, 20% to shareholders as dividend & reserve, 21% to government as income tax and rest of the amount used for business expansion and growth.

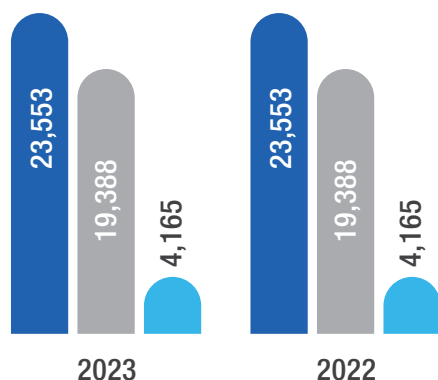


Value Added Statement 2023

To employees as salaries **48%**
 To providers of capital **20%**
 To Government as Income Tax **21%**
 Retained profit **2%**
 Depreciation **9%**

Market Value Added

■ Market Value of Equity
 ■ Book Value of Equity
 ■ Market Value Added



Million Taka

Items	2023	2022
Income from banking services	38,028	35,149
Less: Cost of services & supplies	20,241	18,434
Value added by banking service	17,787	16,715
Non-banking income		
Provision for loans & Off-balance sheet exposure & others	6,835	(4,149)
Total	10,952	12,566

Million Taka

Distribution of value addition	2023		2022	
	Amount	%	Amount	%
To employees as salaries	5,257	48%	5,064	40%
To providers of capital as dividend & reserve	2,139	20%	2,798	22%
To Government as income tax	2,300	21%	3,500	28%
To expansion & growth				
Retained profit	257	2%	247	2%
Depreciation	999	9%	956	8%
Deferred Taxation			-	-
	1,256		1,203	
Total Value Addition	10,952	100%	12,566	100%

Market Value Added Statement

Market value added statement shows the difference between the market value of the bank and the capital contributed by shareholders. During the year 2023, total market value of the bank was Tk. 23,553 million & total book value of equity is Tk. 19,388 million i.e. addition of market value was Tk. 4,165 million.

Particulars	No. of shares (in million)	Share price (in taka)	Taka (in million)
Market Value	1,166	20.2	23,553
Book Value	881.26	22	19,388
Market Value Added			4,165



Economic Value Addition During The Year

Economic Value Added (EVA) indicates the true economic profit of the company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risks. As a commercial banking company we are deeply concerned about delivery of value to all of our shareholders/equity providers.

Particulars	2023	2022	2021
Invested fund by shareholders			
Shareholders equity	29,520	28,640	27,357
Add: Cumulative Provision for loans/ investment/ off-balance sheet items, off-shore banking units & others	25,000	21,859	18,312
Total invested fund by shareholders	54,519	50,499	45,669
Average invested fund by the shareholders [A]	52,509	48,084	43,170
Earnings for the year			
Profit after taxation	2,396	3,046	2,707
Add: Provision for loans/ investment, off-balance sheet items and Offshore banking units	6,835	4,149	4,786
Earnings for the year [B]	9,231	7,195	7,493
Average cost of equity (based on Shanchay Patra rate issued by the Government of Bangladesh) plus 2% risk premium[C]	13%	13%	13%
Cost of average equity [D= A x C]	6,826	6,251	5,612
Economic Value Added [B-D]	2,405	944	1,881

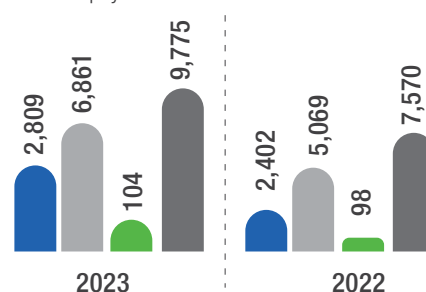
Contribution to National Exchequer

As a corporate entity, Bank Asia pays tax and VAT on its own income according to prevailing laws of the country. Besides, the bank deducts income tax, VAT and excise duty at source from customers and suppliers and deposits the same to the national exchequer. During the year 2022, the Bank contributed Tk. 7,570 million to national exchequer.

Particulars	2023	2022
Income tax payment on bank's earnings	2,809	2,403
Income tax, VAT, and Excise duty deducted at source from various payment and services by the bank	6,861	5,069
Income tax payment by the employees	104	98
Total Payment	9,775	7,570

Contribution to National Exchequer

- Income tax payment on bank's earnings
- Income tax, Vat, Excise duty deducted at source from various payment & services by the bank
- Income tax payment by the employees
- Total payment



Supporting Activities Through CMSE

Bank Asia SME has stepped into the territories where no Bank or FIs of Bangladesh have reached so far. In 2023, with 4 SME Service Centers & 131 branches in urban & rural areas. Bank Asia strongly focused on cottage & micro enterprise financing, cluster financing, grooming-up new entrepreneurship development, promoting women entrepreneurship, creating business network for CMSE entrepreneurs and financing in untapped areas to underserved people. 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.

- The Cottage, Micro and Small Enterprise portfolio stood at Tk. 14,751.73 million compared to previous year's Tk. 13,419.01 million with a growth of 9.03%
- Medium Enterprises portfolio stood at Tk. 25,510 million compared to previous year's Tk. 25,490 million with a YOY growth of 0.08%

Initiatives in the year of 2023

- Workshop on Environmental and Social Safeguard (ESS) Screening System of SPCSCEP organized by Bangladesh Bank at Asia hotel and Resort Dhaka.
- "SME Entrepreneur- Banker exchange of views and lending connection" under 'Divisional SME Product Fair, Sylhet-2023' organized by SME Foundation at Sylhet.
- Discussion on Development of SME sector and availing Loan facility under Rangpur Division - "Divisional SME Product Fair, Dinajpur-2023" organized by SME Foundation at Dinajpur.
- Fourth Awareness Program of "Supporting Post COVID-19 Small Scale Employment Creation Project" organized by Bangladesh Bank at Cox's Bazar.
- Training Program on 'Readiness of Women Entrepreneurs for Access to Finance' Organized by SME Foundation at Sylhet.
- Training Program on 'Development of Women Entrepreneurs for Financial Inclusion' Organized by Bank Asia PLC. at Narayanganj.
- Participated at "Youth Entrepreneurship & Startups for Students (YESS) program organized by SME Foundation at Rajshahi University.
- Training on "Business Management for Women Entrepreneurs" jointly organized by Bank Asia PLC. & SME Foundation at Chandpur and Nawabgonj.
- Agreement Signing between Bank Asia PLC. & MSE Global Consulting PTE. Ltd. for "To Support and Empower Women Entrepreneurs" held at Bank Asia PLC. Corporate Office.
- Training Workshop on "Entrepreneurship Development and CMSME financing" organized by BIBM Dhaka.
- "Mymensingh Divisional SME Entrepreneur's-Bankers Conference & Loan Matchmaking Program" organized by SME Foundation.
- Participated on "MSME Development Fair 2023" Organized by Uttaran MSME Platform.

INVESTMENT FOR SOCIAL EMPOWERING

Empowering communities through AGRI/Rural credit

In our drive to bring the low income group under our ever expanding financial inclusion umbrella, Bank Asia has always tried to focus on disbursing Agricultural/Rural credit which is one of the most influential macroeconomic driving sectors of our economy. In 2023, Bank Asia managed to distribute Tk. 5,712.62 million to 77,553 Farmers as part of our agriculture/rural credit scheme.

FINANCIAL INCLUSION

Agent Banking

Bank Asia is the pioneer in Agent Banking in Bangladesh. The bank launched its Agent Banking service in 2014, which was the first of its kind in the country. Currently its serving more than 6.38 million customers in Bangladesh as a market leader through 5,051 Outlets all over the country, 92% of which are Rural and 64% are Female. The bank has been expanding its Agent Banking network aggressively over the years, which has helped it to reach out to a large number of customers nationwide. With the help of Agent Banking, Bank Asia has been able to offer affordable and convenient banking services to millions of unbanked and underbanked people in the country. Bank Asia's Agent Banking has been playing a significant role in promoting financial inclusion and contributing to the country's economic growth and development.

Post Office Banking

With a vision to expand network and ensure service reach to grass root level bank has built up a strategic relationship with the Posts and Telecommunications Division of Bangladesh Government. From now on people will get Bank Asia service from Digital Post e-Centre across the country. The Post Office Banking division currently has 1,097 outlets to render these post office banking services.

Micro Merchant

Micro Merchant is most effective channel for Financial Inclusion & Literacy. Bank Asia is the pioneer in Micro Merchant. 58,136 Micro Merchant all over the country is actively participated to distribute Social Safety net allowance through banking channel & secured way. Total number of transactions through Micro Merchant channel stood at 11.90 million worth Tk. 20,347 million.

In 2023, we were more focused on "Strengthening women empowerment through digital financial inclusion & literacy for better financial health".



SME Women Entrepreneurship development program - Discussion meeting & Certificate distribution program jointly organized by Bank Asia & SME Foundation

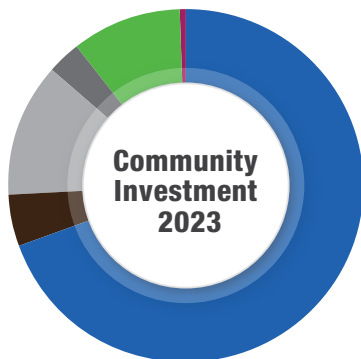


Financial Inclusion Program for the development of Women Entrepreneur at Kishoreganj

Bank Asia have onboard a total of 596 Women Micro Merchant this year, supported by Bill & Melinda Gates Foundation project. Smart mobile sets, Bio-Matric devices and branding materials were distributed among all of these Women Micro Merchants.

Community Supportive Investment

Bank Asia is always conscious of its Corporate Social Responsibility (CSR) contributing towards quality of life of the society at large without compromising an ecological condition. In 2023, Bank Asia spent an amount of Tk. 326.29 million for the overall betterment of the nation. The Bank's stakeholders were immensely benefitted by way of its community based multifarious social programs.



Health **69.50%**

Education **4.87%**

Environment & Climate Change Mitigation and Adaptation **12.26%**

Sports & Culture **3.06%**

Disaster Management **9.93%**

Others **0.38%**

Foreign Remittance

In 2023, the wage remittance inflow for the year ended at Tk. 88,277 million. By contrast, migration flows are at record levels in recent history but remittance flow did not follow the same trend due to widespread use of "Hundi" that leads by the exchange rate gap between the formal & informal channel. In 2023 country has received \$ 21.92 billion and registered only 3% growth.

Bank Asia has tied up with 14 new exchange houses in 2023 in the corridor like KSA, UAE, Bahrain, Jordan, Japan, Canada & UK for connecting Bangladeshi wage earners' through worldwide partner exchange houses. These collaboration will helps the bank to bring more remittances in the coming days and contribute more in bank's as well as country's foreign trade business and foreign currency reserve.

Online Payment Gateway Services (OPGS)

Bank Asia is the first Bank to set-up arrangement with OPGSPs in Bangladesh like 'Payza' and 'Payoneer' to bring hard earned money which is earned by exporting services in nonphysical form e.g. data processing, off-shore IT service, software development, business process outsourcing (BPO) etc. In 2023, we have done 336,482 transactions of Tk. 124.50 million.

Financial Assistance from Government

Bank Asia does not receive any financial assistance from the government and also does not contribute to any political organization. But we support all the public policy developed for the betterment of nation and we never lobby for making any policy in favor of us.

Compliance

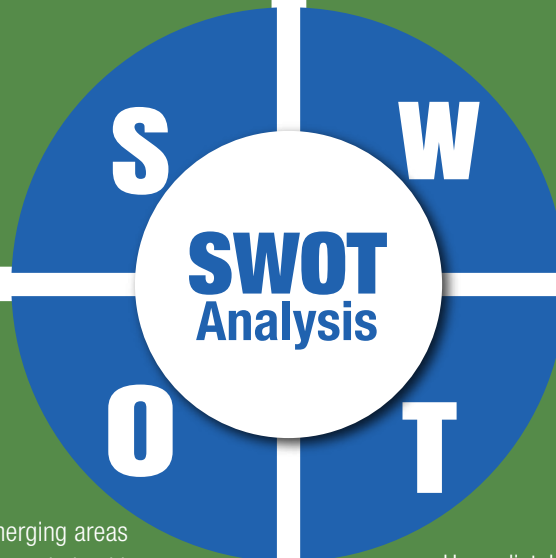
Bank Asia is very much conscious about legal and regulatory compliances. The bank reports regularly to the central bank, the Bangladesh Securities and Exchange Commission, tax & VAT authorities on required compliance issues. During 2023, the bank has not faced any significant penalties for non-compliance with applicable laws and regulations for running its economic activities in Bangladesh.

STRENGTHS

- Strong Capital Base
- Superior Asset quality with stable Credit Rating
- One of the top 8 strong banks in the industry (as per BB Report)
- Efficient Human Resource led by an expert Management
- Reached nationwide banking services through expansive network
- Cost to Income ratio is in minimal position
- Focused on new tech services, products and new areas of business
- Established regulatory compliance
- Built up Cyber security awareness and protection
- Recognized Brand Value nationally and internationally
- Effective Low and No cost (%) deposit mixing
- Prioritizing customer retention by providing better customer service
- Adaptability with changing environment

WEAKNESSES

- Dependency on industry culture
- Need to sufficient customers training toward new services
- Concentrated on large industrial sector
- Slower growth of foreign trade business



OPPORTUNITIES


- Business expansion in emerging areas
- Unveil the insurance products in banking services
- Market driven Interest Rate Corridor by regulators
- Digital Banking : new dimension to develop new products
- Scope to increase Retail and CMSME loan

THREATS

- Unpredictable changes in World economy affected our economy miserably
- Rising numbers of habitual defaulters and economic disruption increases NPL
- Unprecedented depreciation of Taka Value
- Higher inflation
- Frequent Policy/ regulation change
- Limitations of Trade Finance
- Number of bank is higher in Bangladesh compared to the same size GDP of other country in the world
- Countries Credit rating downgraded for the first time

Regulatory compliance Certificate

Credit Rating

CREDIT RATING AGENCY OF BANGLADESH LIMITED 

Ref: AGL/RCM/230623/2023 - 5317 14 June, 2023

Mr. Areef Billah Adil Chowdhury
President & Managing Director
Bank Asia Limited
Bank Asia Tower, 32 & 34,
Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka

Dear Sir,

Subject: Credit Rating (9th Surveillance) - Bank Asia Limited.


We are pleased to inform that the Credit Rating Agency of Bangladesh Ltd. (CRAB) has assigned the following ratings to Bank Asia Limited:

Particulars	Ratings
Long Term	AA1
Short Term	ST-1
Outlook	Stable


This rating is valid up to 30 June 2024. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or financials of Bank Asia Limited.

We hope this rating, which will be followed by a detailed report, will serve the intended purpose of your organization.

Yours Sincerely,



Mohammed Zubair Wafa
Managing Director



Head Office: Level-16, Plot-06, Panthapath, Tejgaon, Dhaka-1215; E-mail: info@crab.com.bd, Web: www.crab.com.bd, www.crating.com
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Corporate Governance

 **Suraiya Parveen & Associates**
(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

**Report to the Shareholders of
Bank Asia PLC. on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Bank Asia PLC. for the year ended on 31st December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof, as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory.

Dhaka, Dated
May 23, 2024

For Suraiya Parveen & Associates
Chartered Secretaries


Suraiya Parveen, FCS
Chief Executive Officer



Office Address: Razzak Plaza (10th Floor) Suite-10G, 383 Tangi Diversion Road (old), 2 Shahid Tajuddin Ahmed Sarani (New), Moghbazar, Dhaka-1217, Mobile: 01911-421998, 01713-110408, E-mail: suraiyaparveenfcs@gmail.com, musfiquefcs@gmail.com

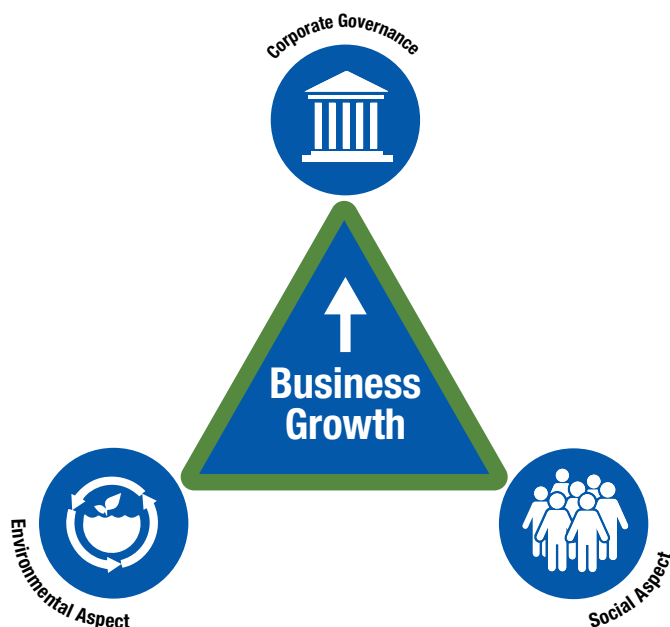
Credit Rating

Rating	2023	2022
Long term	AA1	AA1
Short term	ST-1	ST-1

Rated by Credit Rating Agency of Bangladesh Ltd. (CRAB) on June 14,2023 and valid upto June 30,2024

GRI-201, 202, 203, 204, 205, 206, GRI-302, 305, 307, GRI-401, 402, 403, GRI-405, 406, 407, 408, 409, 410, 411, 412, 413, GRI-417, 418, 419

Approach to Sustainability



Bank Asia's vision is to have a "poverty free Bangladesh" by ensuring inclusive growth to every segment of people; every sector of the economy. Bank Asia is the pioneer of Agent Banking in Bangladesh. By providing technology based financial services to the marginalized people with a strong digital coverage and infrastructure facilities, Bank Asia has become a role model of financial inclusion in the country's banking industry. We think beyond profit and believe in building an inclusive community, hence we have undertaken many initiatives towards achieving Sustainable Development Goals. And through the combined endeavor of all stakeholders, we will gradually move towards a sustainable world and a sustainable future without leaving no one behind. We have already established 5,051 agent outlets in 64 districts. Bank Asia has also catered to the needs of the thrust industries: cottage, micro and small enterprises- to help them grow and flourish. As we are the first financial institution in the country to introduce TAB/PC based digital SME & Agri proposal processing. Through OCAS (Online Credit Approval System) Diganta software 23,502 number of proposals amounting Tk. 14,805 million have been approved in 2023. Bank Asia implemented a full-fledged digitized cluster-based approach for financing cottage, micro, small enterprises. Currently the bank is actively working on developing and financing in the clusters like Electric & Electronic cluster, Hosiery Cluster, Bamboo & Cane Cluster, Shitol Pati Cluster, RMG Cluster etc. The Cottage, Micro and Small Enterprise portfolio stood at Tk. 14,752 million in 2023 compared to previous year's Tk. 13,419 million with a growth

of 9.3%.

Bank Asia, in principle, always averts financing in environmental hazardous business. The bank has decided not to finance any tobacco related business, weapons & munitions, gambling, casinos, pornography (goods/stores/web-based), alcoholic beverage and all offices of the bank are declared smoking free zone. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental & Social Due Diligence (ESDD) checklists.

During 2023, Bank Asia has disbursed Tk. 5,713 million for short and long-term credit in agricultural/rural sectors. This financing helped to create enormous employment opportunities in farms, especially in the fields of crops & fisheries. For safeguarding biodiversity, our Bank is very much concerned and financed to different liquid waste management project for financing Biological & Chemical Technology Combined ETP, Biological ETP, Chemical ETP and Waste Water Processing Plant. In 2023, Bank Asia has disbursed an amount of Tk. 680 million in Liquid Waste Management and as of December the outstanding was Tk. 544.62 million. Besides this, we also financed various projects under Green/Environment Friendly Establishment amounting to Tk.672.29 million and at the end of the year, the outstanding amount was Tk.1,589.62 million. These finances help the industries to reduce environmental effect.

Bank Asia embedded the value of Corporate Social Responsibility (CSR) in its business philosophy. Since inception, the Bank has been contributing to the under privileged segment of the society so that they will be included in the mainstream. Bank Asia foundation established with the aim of strengthening CSR program and streamlining the activities in a more systematic, structured and sustainable manner. During the year 2023, Bank Asia spent an amount of Tk. 326 million on CSR which covers a vast area of education, health and other under privileged sectors for the overall betterment of the nation.

Bank Asia strongly believes safe & healthy work place is a precondition for sound mentality of employees to deliver desired services to valued customers. To improve our employees' work life balance, Bank Asia has established a combined day care center named "Pushpita" in collaboration with other private commercial banks by renting 5,666 square feet at Motijheel, Dhaka. To provide a greater peace of mind to working parents especially mothers and to encourage the inclusion of women in the job market, the child care center has established. For making the employees more effective and efficient, trainings provided to 2,170 participants of 24,822 MH in the year 2023.

Release of Mercury

Mercury, can pose serious health threat when it is released into the environment



**Coal
Combustion**



**Mining and
Industrial
Processes**



**Waste
Incineration**

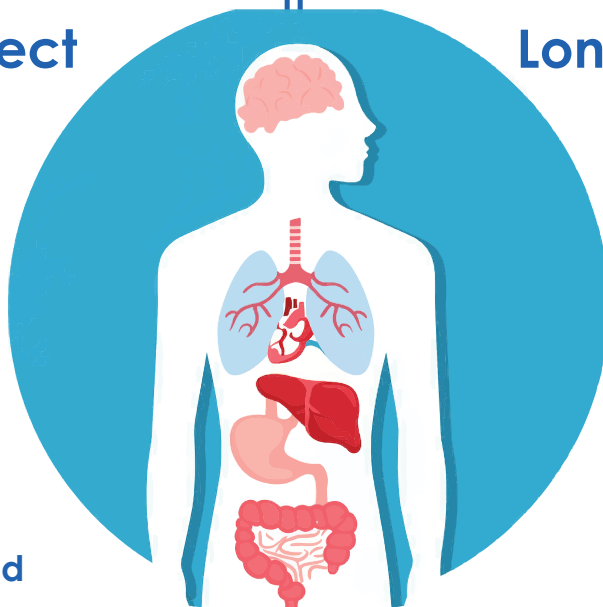


**Improper
Disposal of
Products**

Health Effect

Short Term Effect

- Severe respiratory irritation
- Digestive disturbances
- Marked renal damage
- Fever, chills, cough
- Chest pain, impaired lung function



Long Term Effect

- Weakness
- Fatigue
- Anorexia
- Weight loss
- Disturbance of gastrointestinal function

PRIORITIES WE FOLLOWED IN 2023

Think big to ensure long-term financial stability by fostering and maintaining strong relationships with stakeholders



Capital Planning and Management

Ensure adequacy of capital as per Basel III Capital Accord to support healthy growth of business

- Total Capital Tk. 40,659 million | CRAR 16.45%
- LCR 199.88% | NSFR 110.19 % | Leverage ratio 5.77 %



Operating efficiency through Core Business

To maintain consistency and focus on asset quality

- Cluster wise branch segments for faster loan processing
- NAV per share increased to Tk. 25.32
- Operating Profit increased : +8% +7% Deposit + 5% Advance



Financial Inclusion

To reduce poverty by promoting financial inclusion

Agent Banking

- 64 districts
- 5,051 Outlets
- 6+ Million Customers

Micro-merchant

- On-Boarded 58,136

Post office Banking

- Outlets: 1,097



Technological Innovation

Reducing lead time by technological advances

- **OCAS-Diganta project:**
 - Number of proposals: 23,502
 - Loans processed : Tk. 14,805 Million
- **Maintained top three international standard:**
 - ISO 270a01-2 (ISMS),
 - PCI DSS v4.0,
 - ISO 22301 (BCMS)
- **Developed rule based alert monitoring systems for risk, fraud and transactions monitoring**



Liquidity Risk Management

To ensure smooth banking operation

- AD Ratio: 72.48%
- ROA: 0.51%
- ROE: 8.24%



Human Capital

Improvement of employee productivity

- 24,822 man hours of training to 2,170 participants
- Implemented a brand new Human Resource Information System (HRIS): PeopleHub, one-stop location for all the various human resource needs of the employees



Paying back

Expanding the horizon of community services

- **CSR activities: Tk. 326 million**
- Health Tk.227 million
- Education Tk.16 million
- Disaster Management Tk.32 million
- Env. & Climate Change Mitigation & Adaptation Tk.40 million



Recovery of Classified Loan

Recovery of Classified Loan through proper monitoring & relationship management

- Non-performing loans stood at 6.7%
- Maintained provision amount is Tk.15,620 million
- Cash Recovery from CL and Written of Loan: Tk. 317.31 million



Environment friendly investment

Developing, promoting and utilizing environment friendly investment

- **Sustainable Finance: TK. 53,171 million**
- Green Finance: Tk. 2,634 million
- Sustainable Linked Finance: Tk. 50,537 million
- Implemented Document Management Solution (DMS) for paperless office environment

Sustainable HR Development

EMPLOYEE PROFILE

We strive to make Bank Asia a great workplace by creating a performance driven culture that rewards success and encourages employees to take control of their personal development. Through the process of learning and rewarding we intent to enable individuals to think, behave, take actions and make decision independently.



SALARY POLICY

We target a fair human resources management by using a performance based system. Our salary policy is same in all branches and service points for the beginner level. In addition, to drive further development of individual skill, increment is given based on performance yardstick. There is no incident of discrimination in terms of remuneration provided to male and female employees.

BENEFITS TO EMPLOYEES

Every employee is paid salary on monthly basis, which is a combination of basic salary, fringe benefits and other benefits disbursed on 25th of each month or previous working day if 25th is holiday. Bank Asia's benefit schemes are as follows:

Fringe Benefits	Other Benefits	End Service Benefit	Minimum Notice Period
<ul style="list-style-type: none"> House rent allowance Conveyance allowance Medical allowance Entertainment allowance House maintenance allowance Utilities allowance Car maintenance allowance Risk allowance 	<ul style="list-style-type: none"> Group Health Insurance Benevolent Leave fare assistance Furniture allowance House Building Loan (HBL) Car loan Provident fund loan Mobile phone allowance (talk time) Mobile handset allowance Ex-gratia payment 	<p>Bank Asia provides the following benefit plans to its employees on retirement according to individuals' entitlement</p> <ul style="list-style-type: none"> Provident fund Gratuity Superannuation Leave encashment 	<p>Minimum notice period before switching job is 3 months for regular employees and 1 month for contractual employees. Minimum notice period before changing department is 1-30 days as per situation or demand of concerned branch/ department.</p>



New Employee

48 new employees were recruited during 2023 where 53.90% for branches & 46.09% for Corporate Office to ensure effective and timely support.



Employees by Diversity

Bank Asia ensures equal opportunity as an employer irrespective of locality, gender or ethnicity. Local employees 2,747 dominated in diversity composition and 4 indigenous.



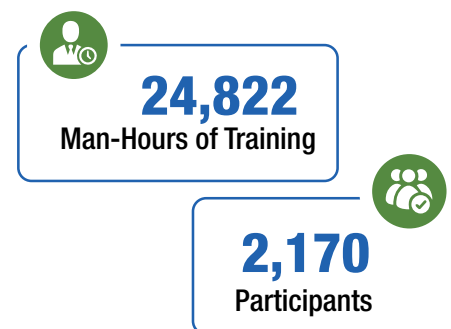
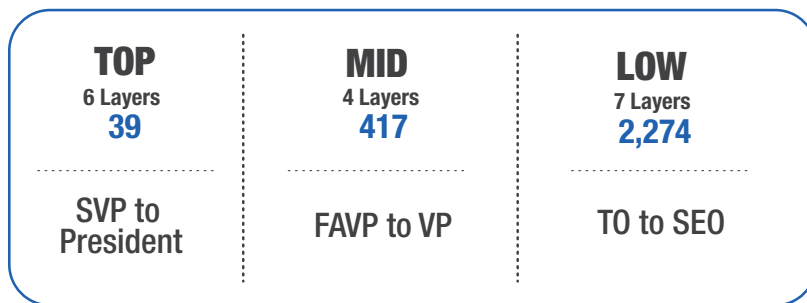
Employees by Region

Bank's employees are mainly spread over Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 78% in 2023 for corporate office and branches in Dhaka city. We follow fair hiring process which demonstrates no discrimination in locality, religion of employees in this process.

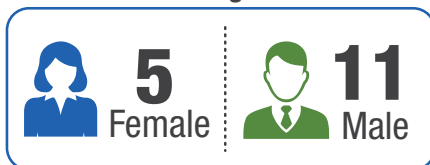


Gender Positioning of Employees

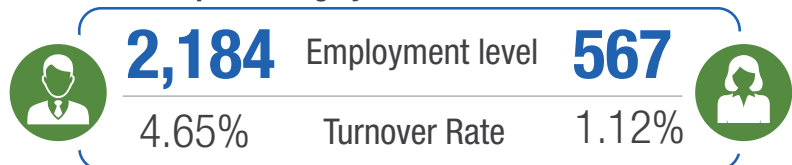
Bank Asia has been maintaining a very balanced male and female ratio, which was not only reflected in the board of directors but also in the bank management at different levels.



Gender Positioning of Directors



Gender positioning by



LEARNING & DEVELOPMENT

As "Efficiency" is our strength Bank Asia continuously provide training to maintain the highest level of operational efficiency, customer focus, and people orientation to employees.

Training by gender



Training by position



Bank Asia and Green Banking

- Bank has organized different In house & External training courses under Bangladesh bank, BIBM, Foreign Training, Training by other institutes. Training Institute of Bank Asia has provided trainings on Green Banking under Foundation training course & other training related to Green banking to the employees of the Bank.
- A number of training and workshop was organized related to Green Banking & Environmental Risk Management, Reporting format of Green Banking activities, financial inclusion, CSR and Green Banking
- Through OCAS (Online Credit Approval System) Diganta software 23,502 no. of proposals amounting Tk. 14,805 million have been approved in 2023.
- Electronic sanction archive system has been developed for 6 departments; namely: CRM, CMSE, I.B.D., SAMD, CFC & Agricultural wing.
- Implemented Artificial Intelligence Workforce (AIW) bot for verifying NID of customers.

Training by Different Institutes

Particulars	2023	
	Nos.	Hours
In House Training	1,867	20,136
Bangladesh Bank	125	1,497
BIBM	35	450
Overseas/Foreign Training	2	36
Training by other institutes	141	2,706
Total No. of Participants & Man Hour	2,170	24,822

Anti-Money Laundering Training

Bank Asia aims to complying Central Bank’s comprehensive guidelines on Trade based Money laundering in each trade transaction & working on awareness & expertise of all concerned officers/ executives and relationship officer/Relationship manager as to identify & manage money laundering risk. Bank Asia is committed to preventing money laundering and terrorist financing. Anti-Money Laundering Department (AMLD), Corporate Office always arranges and conducts AML workshops to train all the employees of our Bank and about 100% of total employees (Branch/Corporate Office) obtained AML & CFT related training



Training on AML & CFT

OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT

All the branches, SME service centers and SME/agriculture branches and every department of corporate office are well decorated having sufficient breathing spaces and adequately equipped with fire-fighting equipment and fire drills. A team of logistics and support services department of the bank is specially entrusted to visit regularly to monitor cleanliness, safety measures and other amenities remains ensured in all outlets. If found any deviation, take prompt steps and thus ensuring modern, healthy and safe workplace for its employees.



Maternity Leave

As per bank’s policy, every female employee is entitled to get 6 months’ maternity leave with regular salary and allowances. During 2023, 43 female employees availed 180 days each with a total of 7,740 days. An employee can avail this leave not more than two occasions during the entire period of service.



Paternal Leave

As per bank’s policy, any employee who has been in the continuous service of the bank is entitled to get 5 working days’ paternal leave from the date of joining. An employee can avail this leave not more than two occasions during the entire period of service. During 2023, 132 male employees availed this paternal leave.



Child Care Center Facilities

Bank Asia, in collaboration with 20 other private commercial banks, has established a child day care center named “Pushpita” with a total space area of 5,666 sq. ft. There are 9 nannies, 7 teachers, 1 supervisor, 1 child care co coordinator and 1 cleaner for overall maintenance of the center. Parents have the opportunity to watch their babies through their device from anywhere, any time through Live CCTV footage.

EMPLOYEE PERFORMANCE EVALUATION

Bank Asia established a real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/ or qualitative performance vis-à-vis set target of a given year. To evaluate the performance of Bank Asia's employees KPI is used in the following manner: We have infused 80/20 strategy in performance measurement system; as such 80% Objective and 20% Organizational & Personnel behavior factors are introduced. The benefits of using KPI are the followings:

- Reduce the number of decisions and make decisions based on objectivity and facts.
- Quantify the achievement of goals.
- Focus on facts and see where individual improvement is needed.
- As individual initiative grows, it becomes more difficult to remain as close to the operational details as it is, in such case, KPI results can bring back to reality.
- Employees are clear about his/her obligations to deliver during the year and accordingly would be able to plan to meet the expectation. Last but not the least, unbiased performance evaluation at the end of the year

Team Building Program

Bank Asia PLC in collaboration with Quazi Consultants organized a two-day long High Performance Team Building Program for its officials at CCDB HOPE Foundation at Savar, Dhaka. A total of 30 officials from branches and divisions participated in the program. Various sessions and activities on leadership development were conducted during the program.



High Performance Team Development Program

CULTURAL EVENTS AND AMUSEMENT

Celebration of Pohela Falgun 1429

Bank Asia has celebrated the first day of Spring of Bengali calendar 1429 in a festive manner. Bank Asia PLC celebrated the first day of Spring of Bengali calendar 1429 on Tuesday in a festive manner. Employees enjoyed different varieties of traditional foods followed by a colorful cultural program, organized at the bank's corporate & branch offices simultaneously.

Transport Facilities

At present 13 vehicles used for pick and drop facility specially for female employees of Bank Asia in Dhaka and Chittagong region where majority of the pool vehicles have been converted into CNG driven.

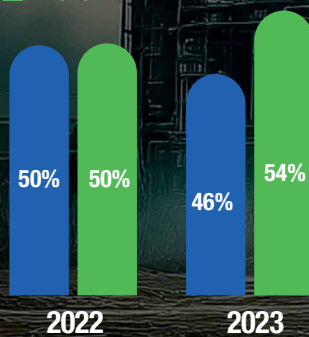
Human Rights, Child Labor and Other Issues

Bank Asia does not tolerate child, forced or compulsory labor. In 2023 no incident of discrimination and violation involving rights of indigenous people and forced and child labor has been recorded.

HUMAN CAPITAL DISTRIBUTION

Branch vs
Corporate Office
Manpower Allocation

■ Corporate Office
■ Branch



No. of
Female
Employees



Employees by
Employment Hierarchy

SVP to
President

TOP
6 Layers
39

FAVP to VP

MID
4 Layers
417

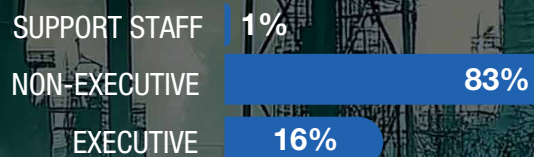
SVP to
President

LOW
7 Layers
2,295

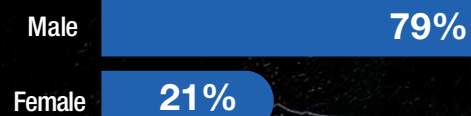
Tk. **28.08** million
received as
Insurance Claim
in **2023**

In 2023
24,822 man hours training
for human capital
development

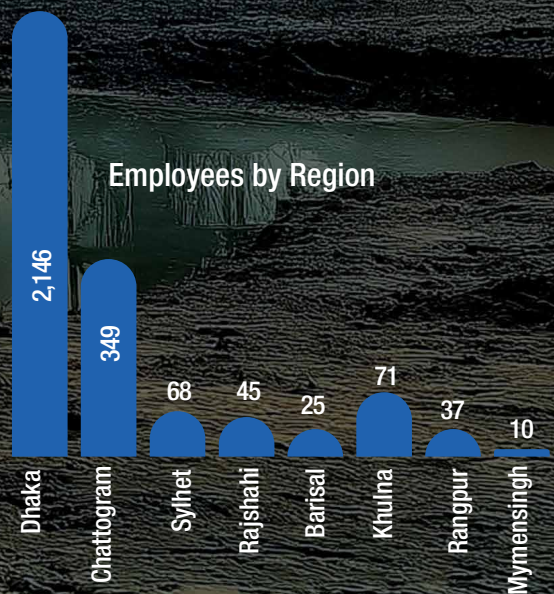
Employee by Position



Gender Positioning



Employees by Region





Celebration of the first day of Spring of Bengali calendar 1429

Grievance Redressal Policy

For building awareness regarding human rights among the employees in the bank, Bank Asia formulates

- Female anti-harassment policy
- Grievance handling policy

POLICY, PRACTICES, AND PROPORTION OF SPENDING ON
SUPPLIERS

Bank Asia works with a wide range of suppliers and maintains good relationship with them. Our chain of suppliers consists of the parties:

- Construction contractor
- Graphics and interior designers
- Advertisement agency
- Newspaper
- Printing maintenance
- Stationary suppliers
- Mineral water suppliers
- Transport facilitator

Statement on Compliance

In the year 2023, Bank Asia has been able to comply with all the regulations of Bangladesh government regarding use of product and services, information about product and services, marketing, communications, advertising, promotion. No incidents of fines/ penalties have been recorded this year concerning the above mentioned issues.

Our bank always maintained the fundamental principle of business regarding protecting customer privacy. Customer's information/ data is not available to anyone other than the client himself and the Banks concerned personnel who is responsible for maintaining the data. We haven't received any complaints relating to breach of customer privacy and loss of data.

Brief Economic, Environmental and Social
Performance

Economic responsibility	Nos. of loans	65,295
	Nos. of deposit accounts	7,907,276
	Nos. of savings accounts	7,139,232
Shareholders responsibility	Profit after Tax	Tk. 2,396 million
	Shareholders' fund	Tk. 29,520 million
	Share Price	Tk. 20.20
Environmental responsibility	Electricity consumed	11,397,055 kwh
	Oil	34,981 ltrs
	CNG	101,055 m3
	Local business travel	4,548,004 km
Social responsibility	Paper used	80,661 reams
	Staff strength	2,751
	Benefits and emoluments	4%

Sustainable Development Goals & Impacts

Bank Asia is committed to aligning its operational decisions with the Sustainable Development Goals (SDGs) to create a better future for all. The bank aims to support the underprivileged communities, provide exceptional value to its stakeholders, and ensure sustainable growth while working towards the SDGs. Through its initiatives, strategies, and targets, Bank Asia is determined to play its part in building a more sustainable and equitable world.



Customer Satisfaction Survey

Customers being the lifeline of our business operations, it is imperative that we pay close attention to how well we are able to serve them and how satisfied they are with the service.

For this purpose, a follow up to a 2021 study on customer satisfaction was conducted to see the areas we have been able to develop and where we still have room to improve.

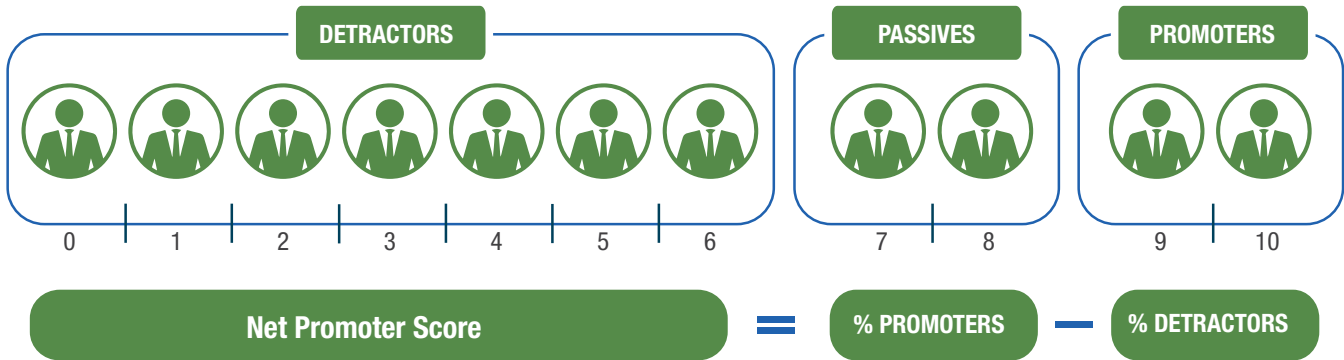
Research Objective

- Measure Customer Service Quality (CSQ)
- Identify strength, weaknesses & discomfort of CSQ
- Suggest action points to improve CSQ



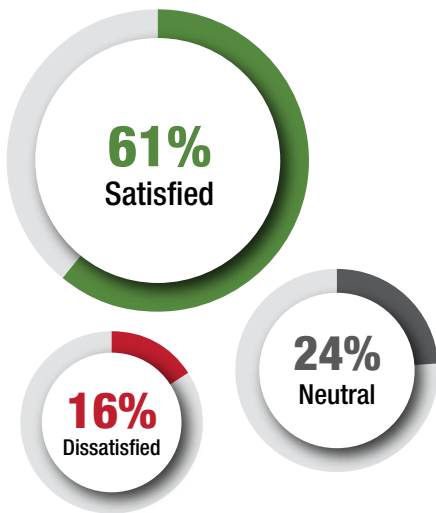
Net Promoter Score & Its Utilities

How likely/willing are you to recommend to a friend, colleague or relative?



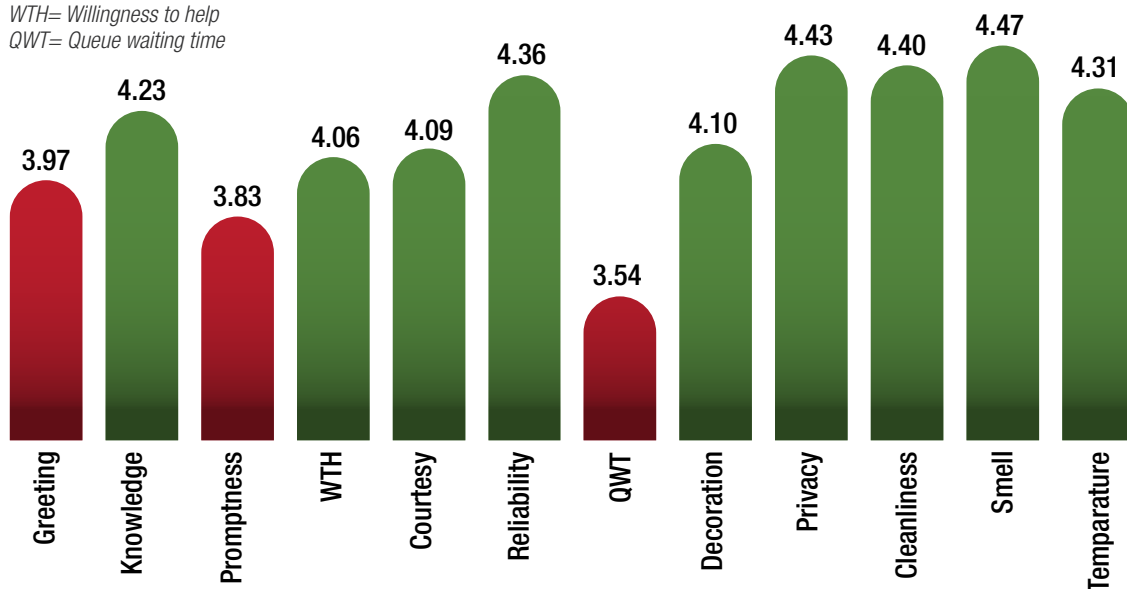
NPS rating method: NPS ≥ 50 = excellent, 25 ≥ NPS < 50 = Very Good, 10 ≥ NPS < 25 = Moderate, 0 ≥ NPS < 10 = Poor, NPS < 0 = very poor

Overall Satisfaction



Factor Wise Strength and Weakness

WTH= Willingness to help
QWT= Queue waiting time

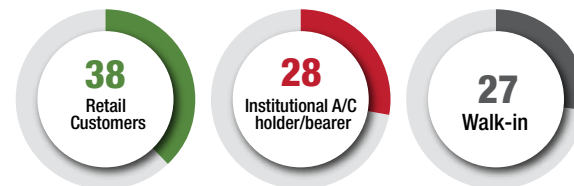


Net Promoter Score: Very Good



NPS rating method: NPS ≥ 50 = excellent, 26 ≥ NPS ≤ 49.99 = Very Good, 10 ≥ NPS ≤ 24.99 = Moderate, 0 ≥ NPS ≤ 9.99 = Poor, NPS < 0 = very poor

Segment Wise NPS



Summary

The customer satisfaction data reveals that majority (61%) of customers are satisfied. The Net Promoter Score (NPS) stands at 32, with an attractor of 50% and a detractor of 18%. NPS 32 refers that our service is very good. Segment-wise NPS indicates higher satisfaction among retail customers (38), followed by institutional account holders (28) and walk-in customers (27). Our service demonstrates notable strengths, including highly rated staff knowledge (4.23), reliability (4.36), courtesy (4.09), and WTH (4.06). Other factors like decorations (4.10), privacy (4.43), cleanliness (4.40), smell (4.47), and temperature (4.31) also contributed positively. However, there's room for improvement in certain areas e.g., promptness (3.83), and QWT (3.54) have received lower ratings. Addressing these weaknesses will be essential to enhance our overall service experience.

Two years comparison

Million taka unless otherwise specified

1%

Total Asset

2022	2023
474,229	468,401

Deposit

2022	2023
337,695	361,617

7%

5%

Loan and Advances

2022	2023
277,870	291,325

Import

2022	2023
210,588	205,373

-2%

8%

Operating Profit

2022	2023
10,695	11,531

Export

2022	2023
171,275	150,524

-12%

3%

Shareholders's Equity

2022	2023
28,640	29,520

Classified Loan Ratio

2022	2023
4.87%	6.70%

2%

-34%

Earning Per Share (Tk.)

2022	2023
2.61	1.72

Net Asset Value Per Share (Tk.)

2022	2023
24.56	25.32

0.76%

Building The Community

Bank Asia Foundation

In pursuance to the financial sector Corporate Social Responsibility (CSR) engagements: Indicative Guidelines for expenditure allocation and end use oversight as enunciated in GBCSRD Circular No. 07 dated 22/12/2014 of green Banking and CSR Department of Bangladesh Bank, Bank Asia Foundation (BAF) was established under the societies Registration Act, XXI of 1860 dated 2nd February, 2014 to undertake large scale sustainable programs on behalf of Bank Asia PLC.

BAF started its journey in 2017 with the aim of performing high impact sustainable CSR programs like establishing Medical college & Hospital, Clinics, Diagnostic Centers, Educational Institutes, Vocational Training Centers, Scholarship for Higher Studies etc. Bank Asia Foundation currently emphasis investment in the health sector. With that goal, a 50 Bedded hospital was set up furnished with modular Operation Theater (OT), NICU, Post-Operative Unit, Labour Room with modern equipment and well-designed diagnostic center including Pathology, X-Ray, ECG and Ultrasonogram department as well as 24/7 Emergency service with highly equipped ambulance. Both the Indoor (from December, 2023) and Outdoor (since September, 2019) unit and a Model Pharmacy named Bank Asia-Ma Amiran Model Pharmacy was operational (from September, 2019). The Foundation has been established in 727.47 decimals Land and One Old Three-storied building donated by Honorable Chairman Mr. A. Rouf Chowdhury and his family members.

As a part of the “Bank Asia Higher Studies Scholarship Program”, BAF disburse Scholarship for the year of 2017 & 2018 programs which is more than 400 students.

The foundation is currently working in major three areas

1

Bank Asia-Ma Amiran Hospital & Diagnostic Centre at Malkhanagar, Sirajdikhan, Munshiganj.

2

Bank Asia Higher Studies Scholarship Program 2017 & 2018.

3

Other CSR Activities like donation for treatment, donation of computers etc.

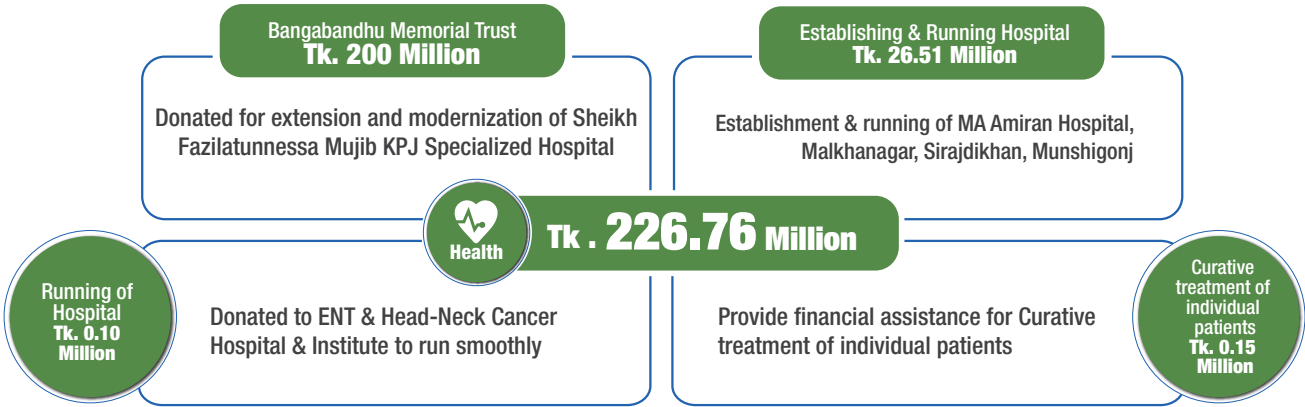
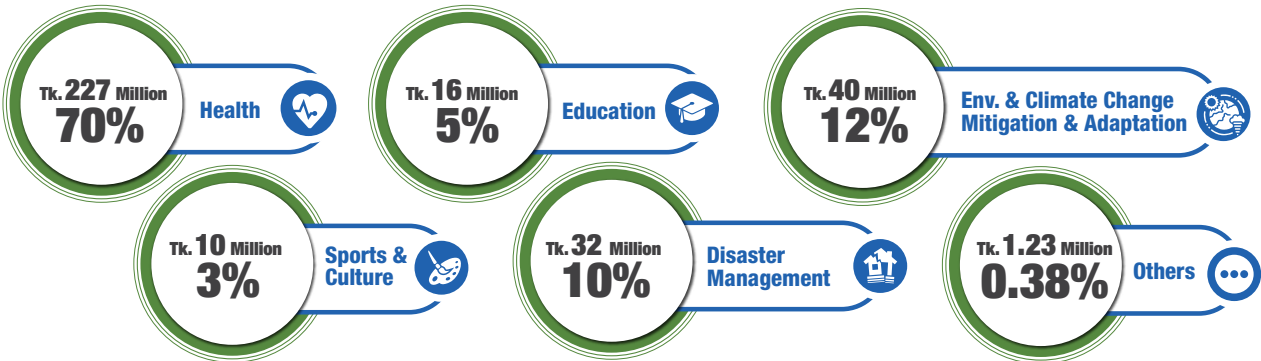
Services provided by Diagnostic Centre (2019 - 2023)

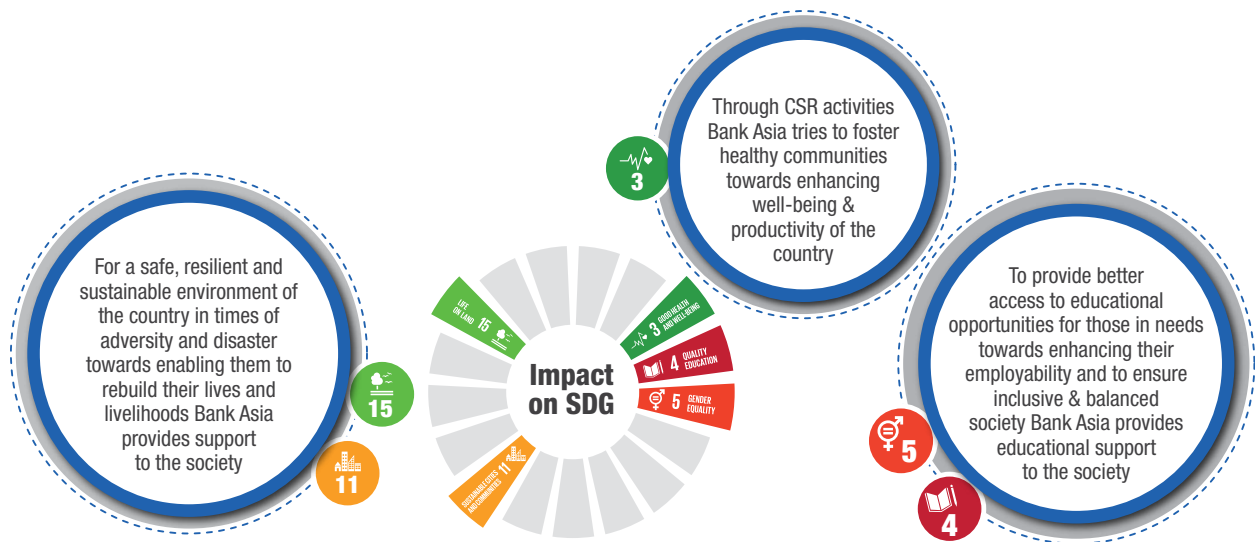


Medical equipment of Bank Asia-Ma Amiran Hospital and Medical College

Corporate Social Responsibility (CSR)

Bank Asia is always aware of its Corporate Social Responsibility (CSR) with an aim to ensure the Bank as a socially responsible corporate entity contributing towards quality of life of the society at large without compromising an ecological condition. CSR is not only philanthropy but also does it address the key sustainable development challenges through actionable programs and community investments to a considerable extent. CSR is to reduce all forms of poverty, inequality, social exclusion, improve the quality of livelihood through healthcare availability and living standards of vulnerable groups of the society for sustainable and equitable development of the country.





Financed by Bank Asia PLC for establishment of MA Amiran Hospital, Malkhanagar, Sirajdikhan, Munshigonj

**Higher Studies Scholarship
Tk. 1.88 Million**

Provided direct scholarship to 56 students for higher studies in different educational institutions under BA Higher Studies Scholarship Program

**PM's Education Assistance Trust
Tk. 10.75 Million**

Donated to Prime Minister's Education Assistance Trust (PMEAT) for expansion of the trust's regular activities



Tk. 15.89 Million

**Different educational institutions
Tk. 2.86 Million**

Donated to Bangladesh Disabled Development Trust (BDDT); PROYASH school, District & Session Judges' Court, Chattogram; & Unnayan Shammanay for educational purposes & financial literacy programs

Sponsored to Dean Faculty of Law Moot-Court, DU for sponsoring students from Dhaka University who participated and became Champion in the Asia Cup International Law Moot Court Competition 2023 held in Tokyo, Japan

**Asia Cup International Law Moot Court Competition 2023
Tk. 0.40 Million**

Corporate Social Responsibility (CSR)



Sponsored by Bank Asia for Asia Cup Moot Court Competition 2023



Tk . **32.41** Million

As a part of Corporate Social Responsibility (CSR), Bank Asia donated 75,000 pcs blankets to Prime Minister’s Relief Fund for the underprivileged people of the country.
Apart from that, Bank Asia donated more than 30,000 blankets among cold-hit people in different parts of the country through Branch network during severe cold spell of winter to carry out its humanitarian activities.



Bank Asia PLC donated blanket to the 1,000 cold affected people in Sitakunda, Chattogram



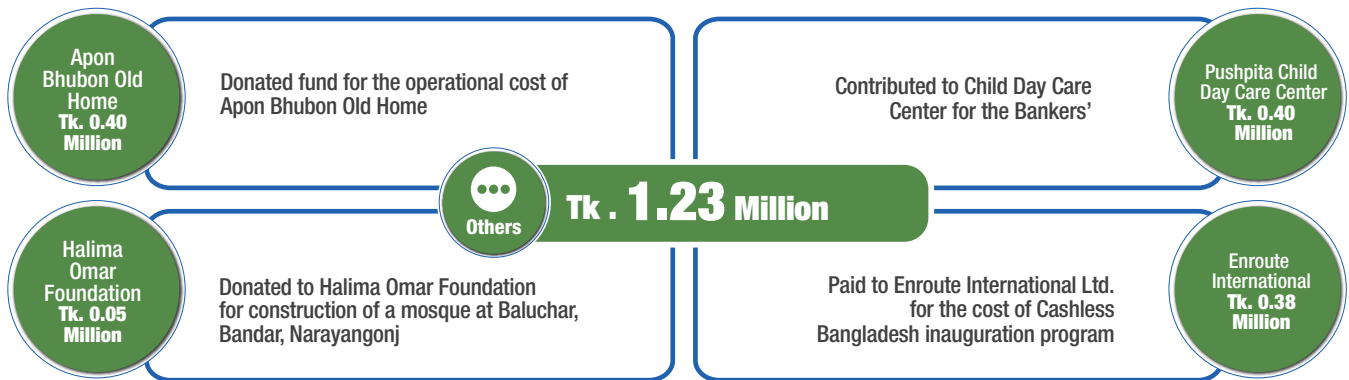
Tk . **10** Million

Tk.10 million provided to Sheikh Russel Jatiyo Shishu Kishore Parishad for organizing Under 16 Football Tournament where a number of poor and deprived players were participated



Tk. **40** Million

Bank Asia donated Tk.40.00 million to Home Construction Fund by Private Finance, Ashrayan Project-2, PMO, Dhaka for the project of providing land with home for the homeless as declared by the Honorable Prime Minister. This project brings smiles to millions of marginal and ultra-poor people of the country.



Special CSR



Bank Asia PLC. donated to combined harvesters to three CIG Farmers' Groups of the haor area in Kishorgonj District and 211 units of water tanks of 5,000 liter capacity each to selective cashewnut growing farmers of Ruma & Thanchi Upazilla in the Bandarban Hill Tracts for the agricultural sector as part of Special CSR Activity of the Bank.

Bank Asia PLC signed an agreement with Khulna University for contribution of Tk.12.80 million for a research project titled Introducing novel crop residue management approach for improving soil structure and crop productivity in the coastal saline soils of Bangladesh to be conducted by the Soil, Water and Environment Discipline of Khulna University



GRI Content Index

Bank Asia PLC. has reported in accordance with the GRI Standards for the period January 1, 2023 to December 31, 2023.

GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure No.	Disclosure Title	Page Number/Direct Answers
General Disclosure			
GRI 2: General Disclosures 2021	2-1	Organisational details	18
	2-2	Entities included in the organisation's sustainability reporting	18-19
	2-3	Reporting period, frequency and contact point	6
	2-4	Restatements of information	6
	2-5	External assurance	In Bangladesh, this service is not yet started
	2-6	Activities, value chain and other business relationships	76
	2-7	Employees	70-76
	2-8	Workers who are not employees	70-76
	2-9	Governance structure and composition	27-32
	2-10	Nomination and selection of the highest governance body	27
	2-11	Chair of the highest governance body	32, Annual Report 2023 (Page 250)
	2-12	Role of the highest governance body in overseeing the management of impacts.	Annual Report 2023 (page 248-250)
	2-13	Delegation of responsibility for managing impacts	Annual Report 2023 (page 246)
	2-14	Role of the highest governance body in sustainability reporting	10-14
	2-15	Conflicts of interest	32, Annual Report 2023 (Page 250, 261)
	2-16	Communication of critical concerns	24-25
	2-17	Collective knowledge of the highest governance body	Annual Report 2023 (page 20-31, 253)
	2-18	Evaluation of the performance of the highest governance body	Annual Report 2023 (page 250)
	2-19	Remuneration policies	32, 70, Annual Report 2023 (page 262)
	2-20	Process to determine remuneration	Annual Report 2023 (page 262)
	2-21	Annual total compensation ratio	Bank Asia practices competitive salary package in all level in line with industry best practices
	2-22	Statement on sustainable development strategy	7,10-14,77

Annual Report 2023 Link: <https://www.bankasia-bd.com/about/annualreport>

GRI Content Index

GRI Standard	Disclosure No.	Disclosure Title	Page Number/Direct Answers
GRI 2: General Disclosures 2021	2-23	Policy commitments	44, 55
	2-24	Embedding policy commitments	44, 55
	2-25	Processes to remediate negative impacts	24-25, 59
	2-26	Mechanisms for seeking advice and raising concerns	32, Annual Report 2023 (page 261-262)
	2-27	Compliance with laws and regulations	59, 63
	2-28	Membership associations	19
	2-29	Approach to stakeholder engagement	20-23, 66
	2-30	Collective bargaining agreements	No private commercial Banks in Bangladesh has trade union.

Material Topics

GRI 3: Material Topics 2021	3-1	Process to determine material topics	17, 26
GRI 3: Material Topics 2021	3-2	List of Material Topics	17

We have mentioned our material topics on page number 17. The following table demonstrates the material topics in line with GRI topic standards. The material topic disclosures mentioned in GRI content index are structured according to the GRI topic index below.

GRI Topic Standards		Material Topics of Bank Asia
201	Economic Performance	CSR activities for fostering healthy communities towards enhancement of wellbeing and productivity of the country
203	Indirect Economic Impacts	Investment in Social empowerment through community investment and financial inclusion. Sectoral development in women segment, SME, agri and micro credit.
204	Procurement Practices	Encouraging local suppliers for the procurement of logistics support and services
205	Anti-Corruption	Relevant training to employees for working efficiently and ethically
302	Energy	Energy consumption within the organization and initiatives taken for reduction of energy consumption.
305	Emissions	Environmental impact assessment and mitigating factors.
401	Employment	Talent management, increasing productivity and employment generation.
403	Occupational Health and Safety	Ensuring congenial environment for our employees and maintain safety and security of workforce.
404	Training and Education	Career development and increase productivity
405	Diversity and Equal Opportunity	Employee opportunity irrespective of gender, locality and ethnicity.
406	Non-Discrimination	Equitable consideration for the local as well as indigenous people.
413	Local Communities	Community development through CSR activities
418	Customer Privacy	Privacy of financial information, business transactions and consultancy reports.

GRI Content Index

GRI Standard	Disclosure No.	Disclosure Title	Page Number/Direct Answers
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	17
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	60-63
Indirect Economic Impacts			
GRI 3: Material Topics 2021	3-3	Management of material topics	17
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	60-63
	203-2	Significant indirect economic impacts	63
Procurement Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	<i>Remarks: All our suppliers are local</i>
Anti-Corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 205: Anticorruption 2016	205-2	Communication and training about anti-corruption policies and procedures	72
Energy			
GRI 3: Material Topics 2021	3-3	Management of material topics	17, 26
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	56
	302-4	Reduction of energy consumption	56-57

GRI Content Index

GRI Standard	Disclosure No.	Disclosure Title	Page Number/Direct Answers
Emissions			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	56-57
	305-2	Energy indirect (Scope 2) GHG emissions	56-57
	305-3	Other indirect (Scope 3) GHG emissions	56-57
	305-4	GHG emissions intensity	56-57
	305-5	Reduction of GHG emissions	56-57
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	17, 26
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	70-71
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	17, 26
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	72
	403-3	Occupational health services	72
	403-7	Percentage of employees receiving regular performance and career development reviews	72-73
Training and Education			
GRI 3: Material Topics 2021	3-3	Management of material topics	26

GRI Standard	Disclosure No.	Disclosure Title	Page Number/Direct Answers
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	72, 75
	404-2	"Programs for upgrading employee skills and transition assistance programs"	70-73, 76
	404-3	"Percentage of employees receiving regular performance and career development reviews"	72
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	70-71, 74-75
Non-Discrimination			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	24-25, 73
Local Communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	38-41, 66, 81-85
Customer Privacy			
GRI 3: Material Topics 2021	3-3	Management of material topics	26
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	25, 76, 78-79



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 **Bank Asia**