

ESG Report 2024



making
sense of
money

BANK ON SOLIDITY BANKING ON SUSTAINABILITY

Bank on

SOLIDITY



Banking On

SUSTAINABILITY

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Our reporting suite

Our reporting suite for the year 2024 comprises our Integrated Annual Report and the ESG Report. This report should be read in conjunction with our Integrated Annual Report 2024 that is available on the bank's website: <https://www.citybankplc.com/report/annualreports>



City Bank

An Emerging Leader in ESG!

The three pillars of Environment, Social and Governance (ESG) are integral to City Bank’s multifaceted performance, which includes financial and commercial dimensions.



As an emerging leader in ESG with a sizeable financial and non-financial impact and influence across Bangladesh, we aim to accelerate the rollout of practical and pragmatic solutions, while stimulating innovation to cater to the major trends of digitisation, decarbonisation and financial democratisation.

Why is ESG so important?

Everything we do at City Bank is designed to help deliver ecological transformation and improve the quality of life for communities, whilst protecting the natural environment from the effects of climate change. This is underpinned by our multifaceted performance model, which makes ESG criteria central to our operations.

This model is more than just a reporting method or communication plan: it is a genuine tool that steers all our activities, bringing together our operations across all business areas

City Bank’s Versatile ESG Toolkit

OUR STAKEHOLDERS	OUR FOCUS AREAS	OUR COMMITMENTS	OUR GOALS	SDG IMPACT
 PLANET	OUR ENVIRONMENTAL PERFORMANCE	Combat pollution and accelerate the ecological transformation	<ul style="list-style-type: none">• Scope 1 & 2 reduction• Financed emission decarbonization• Water savings and resource optimisation	
 CLIENTS	OUR COMMERCIAL PERFORMANCE	Deliver long-term results through diverse offerings	<ul style="list-style-type: none">• Digital excellence• Customer fulfillment• New products and innovation	
 SHAREHOLDERS	OUR FINANCIAL PERFORMANCE	Ensure consistent performance and value creation	<ul style="list-style-type: none">• Profitability• Dividend and Total Shareholder Return (TSR)• Compliance and ethics	
 EMPLOYEES	OUR HUMAN RESOURCES PERFORMANCE	Facilitate career development and enrichment for our employees	<ul style="list-style-type: none">• Diversity and inclusion• Health and wellbeing• Employee engagement	
 SOCIETY	OUR SOCIAL PERFORMANCE	Support societal development through impact initiatives	<ul style="list-style-type: none">• Local community support• Emergency aid and provisions• Sponsorships and partnerships	

Letter From the Chairman

Dear Valued Stakeholders,

I extend a warm welcome to you to the first edition of City Bank PLC's ESG Report 2024, following two consecutive years of our Sustainability Report. This subtle, yet strategic shift follows a broader alignment with global best practices and growing expectations from regulators, investors and stakeholders for clearer, more structured disclosures on material non-financial risks and opportunities. This shift could not have come at a more opportune time, with City Bank securing the top position in the Sustainability Rating 2024 of Bangladesh Bank. This marks the 5th consecutive year that the bank has been recognized as one of the Top-10 sustainable banks in Bangladesh. However, for the first time, the central bank has officially announced the ranking, placing City Bank at the very top in its rating as among the 10 leading sustainable banks of the country in 2024.

As a pioneering commercial bank in Bangladesh with a track record of over 40 years, we believe we have a responsibility to be a good corporate citizen while pivoting towards a resilient and more sustainable future. We are redefining our ESG and responsible banking approach by setting clear aspirations and adopting concrete processes to achieve them.

We recognise that sustainability and ESG must facilitate value and beneficial growth for all stakeholders and we are committed to our part in unlocking the opportunities and managing the risks involved in the transition to a sustainable economy.

We contribute regularly to our local and regional communities for a variety of causes, including education, health, culture and alleviating poverty. Upholding the

tradition of our Founding Members, we donate regularly to charitable causes to make a positive difference in the welfare of local communities. We strive to help local and marginalized communities overcome disadvantages by supporting initiatives through targeted funding as well as with employee commitment and volunteering.

Environment: Investing in a sustainable tomorrow

In alignment with Bangladesh's commitment to a low-carbon development trajectory, City Bank has set its aspiration to achieve Net-Zero emissions by 2050. City Bank became the first bank in Bangladesh to join the United Nations Environment Programme Finance Initiative's (UNEP FI) Net-Zero Banking Alliance, committing to achieve Net-Zero emissions from both its internal operations and financed activities by 2050. Through our products, services and advisory offerings we will support our clients in their sustainability transition and assist them to navigate the climate change challenges and opportunities. The central aim of ours is to enhance value on the journey to be an environmentally-responsible and sustainability-conscious business.

Social: Advancing social cohesion

Our social pillar promotes inclusive growth and financial inclusion by expanding and supporting communities through targeted products, services, and initiatives. We foster a culture of diversity, wellbeing and continuous growth for our talented employees who are the bedrock of our bank. We further remain steadfast in our commitment to enhance societal value through our operations and social upliftment activities.



Bank on Solidity Banking on Sustainability!

At City Bank, we recognise that sustainability requires doing business with responsibility, and a conscientious enterprise is designed to cultivate economic growth, social prosperity and environmental integrity.

Hossain Khaled
Chairman



Governance: The fountain of a thriving bank

We aim to deliver responsible business by ensuring regulatory compliance in ESG-related risks and opportunities. Our ESG policy underpins the bank's objective to integrate sustainability principles into our organisation's operations and decision-making with a 360-degree approach involving all internal and external stakeholders, including customers, employees, investors, regulators, business partners and the communities where we operate.

I wish to note the following that outlines City Bank's prioritised responsible banking and sustainability/ESG impact areas, guiding our bank's everyday decision-making and incorporating how we conduct business with our stakeholders.

Partnering in the transition to a low-carbon future

Financial institutions have an important role in financing the decarbonisation of Bangladesh's economy and we are therefore aiming to decarbonise our lending, investing and facilitation activities in reaching Net-Zero by 2050. Our clients too will have a key role in our shift to Net-Zero and we will engage with them more closely to support their transition journey while also encouraging technological and equipment upgrades to reflect improved environmental management. Looking ahead, reducing financed emissions will be central to our decarbonisation pathway.

Ramping up sustainable and transition finance

Building our financial expertise and driven by our ambition to support our clients towards a low-carbon future, we will work to offer innovative financing and advisory services to support environmental and socially-responsible business activities. Working alongside our clients, our broader objective is to finance productive economic sectors and support the scale-up of sustainable businesses. We will lay a special focus on MSMEs, the backbone of Bangladesh's industry that will set forth a ripple effect on the economy.

Embracing diversity and inclusion

We are committed to a diverse and inclusive place of work, promoting genuine equality of opportunity in employment, skill development and career enhancement for all employees at all levels of the bank, irrespective of ethnicity, age, gender, disability and socioeconomic status. We have performance recognition programs across the bank that celebrate employee achievements and create a platform for a work ethic rooted in values and execution. During the year 2024, almost 1,115 employees – about 20% of the workforce were promoted to their respective next level, a testament to advancing deserving talent and ensuring a career boost.

To our customers, we are committed to providing equitable and easy access to our products and services, including underbanked and vulnerable groups. We have also extended this responsibility to the relationships we share with our stakeholders that are anchored on respect, transparency and accountability. Our customer charter lays down the expected behaviours of our staff in dealing with our customers in the day-to-day operations.

Prioritising health, safety and wellbeing

We are strong proponents of employee wellbeing and health through our policies and practices. We are committed to workplace safety for our employees and all stakeholders interacting with the bank. We implement these commitments through policies, audits, certifications, trainings and alignment with regulations.

We strive towards work-life integration that is important in preventing burnouts. Our resourcing and staffing policy ensures proper work appropriation. We also organise off-sites and other activities to inject a fun element into work and to help the workforce unwind and de-stress.

Upholding human rights

Human rights are fundamental principles that guide our business practices across our operations and

in the communities we serve. This also includes eliminating any kind of modern slavery from our operations and supply chain. We employ the required checks and measures to prevent these scenarios.

Intergenerational poverty is the main cause behind underage employment and we are playing our part in eradicating it not only through our CSR backing of education projects but also through our products such as student accounts, zero-balance accounts, etc. We also discourage underage employment down our value chain.

It is important to us that our corporate values are upheld and that our ethics are not compromised at any point in our business operations.

Demonstrating corporate social responsibility

We remain steadfast in empowering youth, women and senior citizens, promoting the culture of giving back to the Bangladeshi community. In line with the national vision and agenda, we aim to create lasting value for our environment and the community through our purpose-led initiatives and volunteering activities focused on segments we can best impact. These include youth and women empowerment, environmental activities, civic beautification, promotion of arts and culture, community development, sports and education and so on.

Fostering transparency and accountability

We are committed to transparency towards our shareholders and the broader investment community about our ESG initiatives, achievements and targets. Our sustainability report provides updates regarding our ESG strategy and progress made on implementation. We place importance on maintaining regular and frequent engagement with our stakeholders on ESG matters.

As a public-facing bank, we recognise the importance of disclosure and transparent communication. The bank is thereby committed to publicly reporting on its sustainability performance in a

timely manner and in compliance with applicable capital market regulations. We further adopt sustainability reporting frameworks such as the GRI (Global Reporting Initiative) that is a globally used standard for sustainability reporting.

We prioritise maintaining high standards of data quality while leveraging it to drive continuous improvements in our ESG metrics.

Striving for best-in-class governance and compliance

We recognise the need to stay abreast of the latest ESG developments. We thus follow a proactive approach in monitoring changes or updates in industry trends and aligning with global best practices.

We strive to implement best-in-class governance through our organisation by instituting multiple

ESG committees (Sustainable Finance Committee, Emission Reduction Steering Committee and Board Risk Management Committee). These consist of our bank's senior executives who review emerging ESG compliance requirements as well as endorse implementation plans.

We integrate environmental and social (E&S) risk management within our three lines of defence framework along with responsibilities shared across the organisation.

Being conscious of our sustainability risks and responsibilities

We work to identify, manage and mitigate climate-related risks. We acknowledge the potential implications of climate risk to our own operations, the assets we finance and the wider society, given our exposure to traditional risks such as credit, market, operational, legal and liability, etc. As such, we

abide by a comprehensive climate risk management framework while being fully committed to managing climate-related risks.

City Bank has been rated as amongst the top sustainable banks in Bangladesh for 5 consecutive years. While this is an honor, it also pushes us to extend the boundaries and become a pace-setter in responsible stewardship. We aspire to pioneer sustainability and climate action initiatives that drive Bangladesh's growth and help build a sustainable financial future.

With this, I humbly present the bank's first ESG Report for your assessment.

Thank you.



Hossain Khaled
Chairman

From the Desk of Our Managing Director & CEO

Esteemed Members and Stakeholders,

I am pleased to present City Bank's journey towards ESG in the 1st edition of the bank's ESG Report 2024, with information disclosure in alignment with the internationally-acclaimed Global Reporting Initiative (GRI) standards.

This report demonstrates our commitment to furthering the Sustainable Development Goals (SDGs) through the adoption of Environmental, Social and Governance (ESG) principles to constantly achieve more as a responsible financial services group rooted in sustainable value creation.

As we advance on this journey, we take cognizance that business growth must be evaluated on the principles of the triple bottom-line – that economic profits shall not come at the cost of the planet, the well-being of its communities, or the welfare of our employees. Sustainability and business growth must progress together – and it is our responsibility to ensure the balance.

The BFSI (banking, financial services and insurance) sector, particularly banks, play a crucial role of a torchbearer in promoting and furthering the cause of sustainability through its core operations. We at City Bank recognize this role and embrace it in letter and spirit.

As a bank catering to all segments of the society, we offer a wide range of inclusive financial services to our diverse customer base, particularly focused on the unserved and underserved populations. We believe that sustainability extends beyond business—it encompasses nurturing the environment, driving positive social change, and maintaining robust governance standards.

Our strategic focus will continue to pivot around promoting financial inclusion, empowering communities, conserving the environment and implementing compliance for sustainable growth. Our goal is to strengthen profits, reinvest in reserves, and channel surplus into lending and customer-focused innovation – creating a cycle of sustainable growth and value.

In an ever-evolving financial landscape, City Bank stands tall as a symbol of solidity, resilience and forward-thought.

As one of Bangladesh's most trusted financial institutions, City Bank continues to strengthen its foundations while embracing a sustainable future. Guided by robust governance, prudent risk management and a strong capital base, the bank delivers consistent value to its stakeholders. We firmly believe that it is not just about financial performance but also about building lasting relationships and trust in every transaction.

At the same time, City Bank is embedding sustainability at the core of its strategy to ensure we remain future-ready. From financing green energy and inclusive businesses to adopting responsible lending practices and supporting financial literacy, the bank is aligning its operations to global ESG benchmarks. We recognize that sustainable growth is not only good business but also a vital necessity for the planet and people.

Engaging with our stakeholders is crucial to our holistic approach to ESG integration. We actively collaborate with clients, employees, investors, regulators and local communities to gauge their expectations, preferences and concerns. We undertake materiality assessment to understand key topics of material concerns within our business divisions. These insights guide in driving our strategy, shape our products and services and



Catalysing Bangladesh's transition to a low-carbon, climate-resilient economy.

City Bank has embarked on a journey towards sustainability that mirrors its commitment to Environmental, Social and Governance (ESG) principles. This ESG Report highlights not only our sustainability initiatives but also our roadmap for responsible, innovation-led and impact-driven growth.

Mashrur Arefin
Managing Director & CEO



expand the scope of our philanthropical initiatives.

Considering recent developments that highlight the need for sustainable business practices, we actively review and integrate UN SDGs and ESG principles into our business operations to drive positive environmental and social change in society. As one of Bangladesh's longstanding players in the banking sector, the bank has, since inception, integrated 'Responsible Banking' as one of its sustainability pillars and key differentiators. Together with the other sustainability pillars, we have attained considerable traction in the space of financial inclusion and economic empowerment, especially among marginal and marginalised communities.

While much of the bank's core business operation, that is lending, is tilted towards meeting and enhancing social, developmental and progress-related goals, it is imperative that we also make our humble contribution in the areas of environmental management and climate change adaptation and mitigation.

Through their financing activities that span a broad swath of industries and sectors, banks are at a unique vantage point to not only assess environmental-related challenges but also offer durable and impact-driven solutions. While routine lending can create specific impacts, more specialised avenues available to the bank include green and sustainable finance, concessionary and ESG-linked credit, etc. Sustainable finance is emerging as a powerful tool to promote green growth in Bangladesh and enjoys the backing of regulators such as Bangladesh Bank.

To this effect, City Bank welcomes Bangladesh's commitment to climate

action, especially with the country being a signatory of the Paris Accord and also adopts the mantra of stimulating everyday operational initiatives for the environment to combat climate change.

We have analysed climate change and its associated risks on our portfolio performance and business operations and are working hard to reduce our carbon footprint, as well as ensuring responsible and efficient resource utilisation and management. This includes adopting renewable energy solutions at high-energy consumption points such as our branches, driving energy-efficient operations, ensuring responsible water use and facilitating proper waste management by adopting circularity principles of reusing waste.

Our sustainability framework is structured around five major pillars, each with ambitious goals that will guide our efforts over the next decade. These pillars encompass 'Responsible Banking', 'Sustainable Financing for a Greener Future', 'Responsible Business Practices', 'Creating Social Impact', and 'Carbon Neutrality and Climate Resilience'.

These pillars collectively reflect our commitment to responsible banking practices that contribute to a more resilient financial system and support the transition to a sustainable, climate-adaptable and inclusive economy.

In our ongoing commitment to community development and CSR, we are expanding our efforts to make an even greater impact on the communities we serve. Alongside our public projects executed through our various community development programs, we are focusing on livelihood enhancement, disaster relief, enhancing the quality of education, and ensuring accessible healthcare solutions. We

are also working towards providing safe drinking water and sanitation, which is a pressing need in Bangladesh.

We are proud to have positively impacted the lives of over 538,325 beneficiaries till date from vulnerable and marginalized groups, and we will continue to strive for even more significant contributions as we move forward. This report serves as a means to motivate us to do more in the future and continuously improve our practices.

In conclusion, sustainability is not just a goal for us; it is rather an ongoing journey that we are fully committed to. While we acknowledge being at a nascent stage, we emphasize that this will be a constant and continued effort that the bank is well-equipped for and eagerly anticipates. By integrating ESG principles into our operations, we aim to contribute in our humble and small way in furthering the global efforts on meeting the UN SDGs, while also creating long-term value for our business.

In the new era as Bangladesh strides ahead with ambition and innovation, City Bank is proud to be a key enabler of this journey, steadfast in its commitment and dynamic in its vision. Together with our stakeholders, City Bank stands determined to lead Bangladesh's financial sector into a future that is sustainable, inclusive, and resilient – where every step we take today builds lasting value for tomorrow.

Thank you for your continued support and trust in City Bank.

Sincerely,



Mashrur Arefin

Managing Director & CEO

Chief Risk Officer's Statement



Advancing sustainability in the best interests of our stakeholders.

Mohammad Firoz Alam
Chief Risk Officer

Respected Stakeholders and Readers,

There can be no denying that the world is continuing to be hit by multiple shocks, be it the climate emergency, geopolitical disequilibrium, supply chain and energy volatility, or persistent inflation. What does make the situation a 'permacrisis', or an extended period of instability and insecurity, is the fact that we have never had a time wherein all these events happened simultaneously and without a clear solution in sight.

Add to this the opportunities and challenges because of the technological revolution, especially the breathtaking advances in artificial intelligence (AI), and what we have is a massive potential reset in existing global operating models. The future of work, future of learning, future of medicine and, in some ways, future of economic growth itself will need to be reset. Therefore, as we end one financial cycle and begin the next, it is important to step back and assess the global economic situation and Bangladesh's position as a part of this landscape.

Bangladesh is a beacon of hope. While economic cycles are getting increasingly hard to forecast, there is little doubt that the nation is positioned well for fairly high economic growth due to its inherent advantages including a burgeoning and under-penetrated population.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of society at a record pace over the upcoming decades. Bangladesh's population is estimated at 170 million people, with a clear demographic advantage visible in about 66% falling in the 15-64 years age bracket. Current population urbanisation is estimated at about 37%, which represents under-development and scope for greater urbanisation.

While there are many challenges facing the country, one must reflect on these incredible statistics to rekindle hope. Bangladesh's story of balancing economic growth and a democratic society is unique and highly promising.

Profitability is the cornerstone of our sustainability ethos. Without performance and profit it is hard to imagine sustainability. In this regard, our impressive financial track record over the decades stands as evidence of the sustainable growth of our enterprise and continued value creation for stakeholders. In the reporting period, we achieved remarkable milestones, with our interest income of BDT 45,008 million, operating income of BDT 39,536 million and profit after tax (PAT) of BDT 10,851 million.

Our financial accomplishments exemplify our dedication to driving both prosperity and sustainability.

We have adopted an integrated approach that seamlessly blends

Environmental, Social and Governance (ESG) principles to consistently deliver value to our esteemed stakeholders. We aspire to be an industry leader through the implementation of robust systems, processes and policies that underpin our continuous pursuit of a sustainable future. The charter of our Corporate Social Responsibility (CSR) Committee has been augmented to oversee, deliberate and provide guidance on sustainability-oriented initiatives to the bank.

Environmental stewardship is a fundamental principle that guides City Bank's business operations. We have established specific targets to drive sustainable growth and minimise our environmental footprint. Our climate initiatives, attuned to our lending operations, focus on impact in key areas such as carbon offsetting, resource conservation, industrial modernisation and waste management.

As part of the service sector, our own carbon footprint is low. Yet, to reduce it further, we are investing in branch solarisation initiatives that seek to replace some portion of traditional energy consumption with renewable energy. As of end 2024, 38 of our branches benefitted from solarisation, up from 21 such premises in 2023. Though we have achieved progress, we are still far from content and seek to increase this further in the future. We plan to install solar system across 15 ATM booths and 20 Branches/Sub-Branches in 2025.

In environmental stewardship, we are focussing on responsible consumption to minimise our environmental and carbon footprint. Our initiatives focus on resource conservation, waste management and energy efficiency. Sustainability begins with us and we

City Bank solarisation journey

Solar system installation sites (solar-powered branches, ATM booths and agent outlets)

In 2022

26 sites

In 2023

47 sites

Up to year 2024

90 sites

take many initiatives – both big and small – to drive home this point. We have achieved progress in digitalising our operations that has lowered the consumption of paper and ink. We work out of a modern headquarters in Dhaka that has a LEED “Gold” certification. We lay stress on optimum cooling across our office and branch premises that contributes to reducing the load on the national grid.

By implementing sustainable practices, we aim to lead by example and inspire positive change in the banking sector. Our vision is to use renewable energy

in our operations, promote green and sustainable finance that target specific areas such as carbon offsetting, and actively engage with stakeholders to raise awareness about environmental protection.

Through these initiatives, we are determined to create a lasting impact on the ecology, contributing to national climate objectives and ensuring a sustainable future for all.

The backbone of our transformative journey lies in our talented workforce. Within our sustainability framework, the well-being and safety of our employees occupy a paramount position. We are unequivocal in upholding human rights, cultivating an inclusive work environment that offers equal opportunity to all. Our talent management focus is embodied by our pursuit of ‘zero harm’ operations, ensuring that our actions positively impact our people and the communities.

At the heart of our sustainability narrative lies our social responsibility and citizenship activities devoted to uplifting society and fostering sustainable opportunities. Our community development projects encompass a wide spectrum, from promoting sustainable livelihoods and enhancing health and nutrition, to empowering women, advancing education and spearheading local infrastructure development.

Transparent governance is fundamental to our ESG strategy. We uphold ethical business practices, adhere to all applicable laws and regulations, and regularly assess and improve our environmental and social performance. We maintain clear communication with investors, stakeholders and the public about our ESG efforts, progress and challenges.

The Bangladesh in which we live today is an exciting land of opportunity with a blossoming entrepreneurial spirit. We are committed to nurture this spirit and have always believed in our philosophy of stewarding responsible and sustainable growth. Our track record speaks for itself.

Going forward, we will continue to consolidate our sustainability efforts, while also looking at expanding our horizons to develop pertinent solutions against new challenges. On behalf of City Bank, I reaffirm and assure that we are committed to the highest levels of ESG practices and compliance.

Thank you.



Mohammad Firoz Alam
Chief Risk Officer

“

**WE MAKE A LIVING
BY WHAT WE GET,
BUT WE MAKE A LIFE
BY WHAT WE GIVE.**



Winston Churchill

Sustainable Finance Committee



Mohammad Mahbubur Rahman
AMD & Chief Financial Officer and President
of Sustainable Finance Committee



Mahia Juned
AMD, Chief Operating Officer & CAMLCO



Kazi Azizur Rahman
AMD & Chief Information Officer



Faruk Ahmed
DMD & Head of Trade Services



Mesbaul Asif Siddiqui
DMD & Head of Wholesale Banking



A.K.M Saif Ullah Kowchar
DMD & Head of Internal Control &
Compliance



Md. Arup Haider
DMD & Head of Retail Banking



Md. Nurul Azam Mozumder
DMD & Head of Medium Business



Mohammad Mahmud Gony
DMD & Head of Corporate Banking



Kamrul Mehedi
DMD & Head of Small, Microfinance and
Agent Banking Business



Mohammad Firoz Alam
Chief Risk Officer



Md. Safiul Amin
Head of Retail Distribution



Nishat Anwar
Head of Human Resources



Shahriar Jamil Khan
Head of Brand & Marketing



Md. Shafiul Alam
Head of CAD



Mohammed Minhazur Rahman
Head of Credit Risk Management



Farhad Aziz
Head of General Admin



Md. Tauhidul Alam
Head of Cards



Md. Musarrat Hossain
Head of Special Asset Management



Molla Karimul Islam
Operational Head of Sustainable
Finance, Focal Member of SFC

CENTRAL BANK RANKS
CITY BANK AS THE

NO.1 SUSTAINABLE BANK

For the fifth consecutive year, City Bank has been named among the country's Top 10 Sustainable Banks. In 2024, we proudly secured the No. 1 position, as recognized by Bangladesh Bank. The Governor, Dr. Ahsan H. Mansur, recently presented the award to City Bank at a ceremony.

The Sustainability Rating reflects both 'financial sustainability'—measured by capital adequacy, liquidity, asset quality, profitability, cost efficiency, customer reach and governance; and 'environmental sustainability'—our initiatives in green finance, sustainable finance and CSR.

In a sector where financial stability matters most, this recognition from none other than the central bank reaffirms City Bank's strength and credibility.

City Bank—building trust today, shaping a sustainable tomorrow.



Sustainability Rating Recognition Ceremony

Sustainability Rating 2024

Dr. Ahsan H. Mansur, Governor, Bangladesh Bank



The background of the slide is a lush green field of leaves, likely from a plant like basil, with a single white flower in bloom. A white rectangular box with rounded corners is positioned on the right side of the slide, containing the text.

ESG – Front and Centre

As among Bangladesh's Largest Banks with over 2.6 Million Customers, We Have an Important Role in Creating a more Sustainable and Inclusive Future for People and Businesses by Shaping Finance as a Force for Good.

Our ESG Purpose

Helping Bangladesh Prosper

The following pages demonstrate how we are meeting our purpose.

ESG in motion

Fuelling a Clean Future!

Customer:

US-DK Green Energy (BD) Ltd

Credit Line Provided by City Bank:

BDT 1,753 million

Carbon emissions avoided by USDK:

77.66 ktCO₂e

In the windy coastal belt of Khurushkul in Cox's Bazar, wind once blew untapped and unutilised. Today, thanks to City Bank's green financing initiative, it is powering hundreds of homes!

By supporting Bangladesh's largest commercial wind energy project with a power generation capacity of 60 MW, City Bank did not just fund turbines, it fuelled a future of clean energy, new jobs and resilient communities.

This is a classic case of ESG in action:

Investing in the environment, empowering society and leading with responsibility!



Agents of Change!

City Bank Agent
Banking outlets:

480



City Bank Agent
Banking deposits:

BDT **8,902** million



In the remote village of Char Islampur, Brahmanbaria, Saberi Mumtaz ran a small grocery store, until City Bank trained her as an agent banker. Today, her shop is more than a store; it is a lifeline!

Through her, farmers safely deposit their money, women save confidently and elders receive remittance sent to them on time, without having to step out of the village.

In just one year, Mumtaz has brought over 200 people into the formal banking system. City Bank empowered her, and she empowered her community!

This is how banking meets belonging, and how City Bank reaches every corner of Bangladesh.



Empowered to Lead!

Women customers
under City Alo:

544,967



Loan portfolio
under City Alo:

BDT **16,980** million



Salma Begum from Narayanganj always dreamed of owning a boutique tailoring shop but lacked the funds and guidance. Through City Alo, City Bank's exclusive women banking program, she attended a women's entrepreneurship workshop held in her locality and received a small business loan. With two sewing machines and new skills, Salma launched her own tailoring business, now employing two other women.

City Alo helped Salma believe in herself. Today, she is not just a business owner; she is in fact a changemaker in her community!

Loan provided:
BDT 15 million

The Skate Limited of Bangladesh is transforming the way the nation thinks about waste through its pioneering Integrated Landfill and Resource Recovery Facility (IL&RRF).

The company, a social enterprise based in Jashore, transforms municipal solid waste into valuable resources, such as compost, biogas, electricity and fresh water through its 100-ton daily processing capacity. This not only reduces pollution and landfill burden but also generates jobs and empowers communities.

Recognising early the transformative and far-sighted impact of this initiative, City Bank's SME Banking, through its Green Finance initiative, provided a BDT 15 million loan, supporting the company in operational sustenance and scale-up.

What was once seen as garbage is now fuelling a movement towards a greener and cleaner Bangladesh, proving that with innovation and commitment, even the most daunting challenges can be turned into opportunities for a sustainable future.

ESG in motion

From Waste to Worth!



Bank on Solidity

Strength is What we Strive for!

With a deep sense of national responsibility and a commitment to sustainable development, we have built a bank that grows alongside Bangladesh and contributes meaningfully and purposefully to its progress.

We have redefined our industry approach through innovative products, rapid execution, digital excellence and governance integrity that has enabled us to create a mark of national pride and prestige.

We ensure that our offerings remain responsible, sustainable and inclusive, benefiting not just our stakeholders but the nation as a whole.

National

Value Creation

- | | |
|--|---|
| ➤ BDT 444,978 million
Loans and advances | ➤ BDT 514,204 million
Deposits |
| ➤ 2,147,737
Total deposit customers | ➤ 108,972
Total retail loan customers |



Banking on Sustainability

Resilience is what defines us!

Our spirit of enterprise and an entrepreneurial culture gives us a deep groundswell of strength and capacity to navigate challenges with tenacity, purpose and adaptability.

It allows us to continuously learn, grow and turn obstacles into opportunities, as we constantly strive to do better every day.

With each challenge, we are emerging stronger and more adaptable in our commitment to serve our stakeholders and contributing to a better tomorrow for all.




- | | | |
|---|--|--|
| ➤ BDT 385,590 million
Total exports | ➤ BDT 131,978 million
Total remittances | ➤ 5,321
Total permanent employees |
| ➤ BDT 433,001 million
Total imports | ➤ BDT 13,957 million
Public value creation | ➤ BDT 8,935 million
Value distributed to employees |

ESG Dataset



“At City Bank, we view our future as one where prosperity and responsibility go hand-in-hand. We believe that success is not merely measured by profits, but equally by the positive impact we leave on our planet and its inhabitants. To this extent, our Environmental, Social and Governance (ESG) principles are not just ideals, but imperatives. As stewards of responsible growth, we are committed to creating long-term value for our stakeholders, while advancing a sustainable future for Bangladesh.”

MASHRUR AREFIN, MANAGING DIRECTOR & CEO, CITY BANK

		
ENVIRONMENT	SOCIAL	GOVERNANCE
<p>4% Reduction in Scope 1 emissions</p> <p>BDT 2,130 million Allocated to renewable energy-based projects</p> <p>BDT 8,212 million Disbursed towards Energy Efficient Machineries</p> <p>BDT 6,130 million Disbursed towards Green/Environment Friendly Establishment</p> <p>Supported 132 MW Solar projects</p> <p>Supported 60 MW Wind projects</p> <p>153% Growth in disbursement towards waste management projects</p> <p>3,500 Trees planted against Green Savings Account</p>	<p>20% Women in senior management</p> <p>18.9% Women in the workforce</p> <p>27 Avg. training hours per employee</p> <p>14.1% Avg. increase in employee salary and benefits</p> <p>BDT 57 million Dedicated to promoting sustainable small businesses</p> <p>BDT 79.9 million Spent on CSR</p> <p>BDT 1,238 mn Invested for climate-related agri practices</p> <p>BDT 14.52 bn Digital nano loans disbursed in 2024</p> <p>26% Women SME customers in total SME account</p> <p>5 Recruits from specially-abled and underrepresented groups</p>	<p>2 Independent Directors on the Board</p> <p>3 Women Directors on the Board</p> <p>Zero Complaints on ethics and integrity</p> <p>Zero Instances of corruption, bribery or anti-competitive behaviour</p> <p>1 Committee chaired by Independent Director</p>

About Our Report

This is City Bank PLC's First ESG Report!

This ESG Report, the first such publication from City Bank, and the 4th such consecutive report detailing sustainability initiatives of the bank, covers the enterprise-wide economic, sustainability and ESG approach, initiatives and impacts of City Bank, outlining material issues specific to the banking sector. It explains the bank's approach to national contribution through financial inclusion, empowering millions of customers and businesses with right-fit solutions that enable them to meet their aspirations and objectives.

The disclosures in this ESG Report pertain to the reporting period from 1 January 2024 to 31 December 2024.

A dedicated team comprising sustainability specialists both from within and outside the bank were roped in to ensure transparency, quality, accuracy and information sufficiency. This attests to bank's commitment to sustainability, stakeholder-centricity and transparent information disclosure.



Reporting frameworks

This report has been developed in accordance with the GRI Standards 2021 and includes information aligned to various frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD), International Sustainability Standards Board's (ISSB's) IFRS S1 and S2 disclosure standards, the World Economic Forum International Business Council's (IBC's) ESG framework (WEF-ESG) core metrics, and the United Nations' Sustainable Development Goals (SDGs).



Reporting scope and boundary

The report focuses on the sustainability and ESG-related performance of the bank that has operations in Bangladesh. The report also highlights briefly on the bank's subsidiaries, some of which have operations outside Bangladesh. The baseline however, including the reporting boundary, remains unchanged from the previous year.



Board's responsibility statement

City Bank's Board of Directors and Executive Management have reviewed the report. They undersign that the content of this report has been presented in a fair, transparent, accurate and balanced manner.



Safe-harbour statements

This report contains forward-looking statements about the bank's plans and expectations based on assumptions and past performances. These assumptions are contingent on developments in the industry, regional markets and government regulations and laws, among other incidental factors. These statements must not be used as an assurance of the bank's performance in the future, as the underlying conditions may change over time.



Disclosure assurance

The data and information presented in this report has been prepared in due consultation with our Executive Management and sustainability specialists. Care has been taken to ensure data and analysis accuracy at every stage of preparation of this report.



More information can be accessed through:

Molla Karimul Islam
Operational Head,
Sustainable Finance Dept.
osfu@citybankplc.com



This report and also past archives can be downloaded from our website
<https://www.citybankplc.com>

Meeting our Purpose

Helping Bangladesh Prosper

City Bank – Bank on Solidity, Banking on Sustainability

We are committed to help every household in Bangladesh have access to a wide range of deposit and credit products. Access to quality bank products is a fundamental need, giving people a foundation on which they can thrive.

City Bank is one of the largest banks in Bangladesh and supports the broader economy through democratising access to finance and capital. We serve a wide range of entities and organisations in the SME, mid corporate and large corporation segments, meeting their specific needs and requirements. We have an impact on the trends of asset formation, employment development, climate transition and tax contribution.

With a proven track record, we are uniquely placed to enact change and create more sustainable and inclusive growth in Bangladesh, especially at a juncture when economic recovery is key to Bangladesh's development journey.

Corporate profile

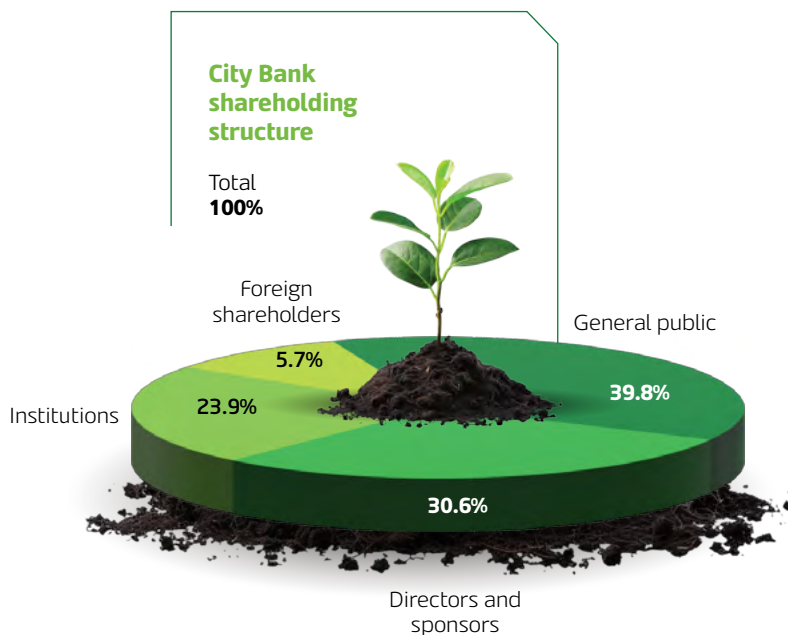
City Bank is one of the largest financial services groups in Bangladesh. The bank provides a full range of services to retail customers, small and medium-sized companies and large enterprises, corporations and public sector institutions. The

bank has one of the largest networks of branches and ATM touchpoints in Bangladesh, in addition to providing services through electronic access channels, including digital and internet banking.

The activities of City Bank are concentrated in Bangladesh, but we also have subsidiary operations in Malaysia and Hong Kong through which we serve the Bangladeshi expat and other populations. The head office of City Bank is located in Dhaka, the capital of Bangladesh.

City Bank is well-represented in terms of its major shareholder categories, with these constituents being directors and sponsors, institutions, foreign shareholders and the general public. In addition to marque institutional and foreign shareholding, the bank also has retail investors comprising the Bangladeshi public.

An analysis of retail shareholding in City Bank shows that there are maximum shareholders in the 1-500 and 501-5000 share ownership categories, demonstrating active participation of small retail shareholders. The bank remains cognisant of their expectations and strives to create value for them and all the other shareholders of the bank. Further, the general category of shareholders are the largest shareholder group in the bank, with a considerable holding of 39.76% in the bank.



City Bank is listed on the Dhaka and Chittagong stock exchanges and exited the year 2024 with a market capitalisation of BDT 30,174.6 million, making it among the largest private sector banks of Bangladesh.



BDT 697,349 million

Total balance sheet, 2024



BDT 10,851 million

Profit after tax, 2024

Integration of sustainability objectives into our strategy

Topics related to the sustainability areas are included in the bank's strategy, in particular in the strategic direction of taking total responsibility for its operations, activities and impacts. This direction defines a number of our ambitions for specific ESG areas, as discussed below:

- Environmental, in which the bank is a role model for sustainability and transformation and supports customers in making the green transition
- Social, in which the bank supports society through education,

tackling financial and digital exclusion and making social investments, and through promoting inclusiveness and diversity among employees

- Governance, through which the bank meets its commitments to all stakeholders and operates in compliance with regulatory requirements, ensuring security and stability and strengthening customer confidence. We also maintain a dialogue with regulators and industry organisations about new legislative developments and sustain a culture of risk management

All three strategic directions included in our strategy are complementary and reinforce each other.

Contributing to national prosperity

Access to finance is one of the core conditions in the creation of a sustainable and inclusive society, providing security while supporting economic productivity and strong communities.

Through our reach, expertise and the banking and insurance products (through bancassurance) and services we offer, we touch many corners of Bangladesh. Our approach is core to our strategy and supports the delivery of inclusive and sustainability growth opportunities in both our retail and commercial banking operations.

We are uniquely placed to drive change and as access to secure and quality credit is becoming increasingly challenging for a large number of people, we want to explore the opportunities to increase access to the benefits of financial access in the true spirit of financial inclusion and empowerment.

Corporate Philosophy



VISION

We are driven by our Vision of emerging as a financial supermarket with a winning culture, while offering enjoyable experiences to our stakeholders.

City Bank is dedicated to achieving its strategic objectives across short, mid, and long-term timelines, aiming to deliver value to shareholders and stakeholders. In 2024, our primary goal was to advance our transformation plan to become the most innovative, customer-focused, technology-driven, and people-centric bank in Bangladesh.



SHARED GROWTH

We are committed to Shared Growth, which for us means partnering the Government in achieving nationalistic goals, having a positive lasting impact on the society and delivering shareholder value over the long-term. We possess a holistic approach to deliver commercial returns, while proactively responding to stakeholder needs.



MISSION

We are focused on our Mission of becoming the financial services group of choice in Bangladesh. Towards this extent, we intend to:

- Offer a wide array of products and services that differentiate and excite all customer segments.
- Be the 'Employer of Choice' by offering an environment where people excel and leadership is created.
- Continuously challenge processes and platforms to enhance effectiveness and efficiency.
- Promote innovation and automation with a view to guaranteeing and enhancing excellence in service.
- Ensure respect for the community, good governance and compliance in everything we do.



VALUES

Our Values define the way we think, work and act. We believe that we can realize our Vision and Mission when the expected behaviour from our employees is clearly defined. Our core values reflect the following:



We are 'results-driven'



We are 'engaged' and 'inspired'



We are 'accountable' and 'transparent'



We are 'courageous' and 'respectful'



We are focused on 'customer delight'



For City Bank's Code of Conduct and Ethical Guidelines, please refer to the Integrated Annual Report 2024

Products, Services and Financial Activities

Progress towards holistic bank-led financial impact

In recent years, market trends and client behaviour have changed to focus on more sustainable practices. Individuals and organizations increasingly look to recycle, minimize waste and make choices on sustainable products and to reward businesses that act responsibly.

In sustainable finance, those goals also influence decisions on investment choices, whereby both individual and institutional investors who consider ESG issues wish to make investments to support organizations that align with their own values on environmental sustainability and social responsibility.

This balances traditional investment priorities, focused on financial returns, within the consideration of ESG insights. It seeks to deliver value by attempting to move beyond purely financial considerations towards a more holistic perception of value, incorporating risks associated with ESG factors.

City Bank's products, services and financial activities generate positive impacts, aligning with the principles of sustainable development and responsible investing.

More specifically, ESG investments prioritize organizations with sustainable practices, leading to reduced greenhouse gas (GHG) emissions, conservation of natural resources and support for initiatives aimed at mitigating climate change. They also prioritize organizations that uphold human rights, diversity and fair labour practices and pay attention to the health and safety of their employees and communities. Such products encourage enhanced transparency, accountability and mitigation of ESG-related risks.

At City Bank, our ESG products, services and financial activities and investments have the potential to generate sustainable long-term returns for our shareholders. This is made possible by us identifying credit-worthy organizations with demonstrable and maintainable ESG performance who, in turn, may gain access to capital easier and at more favourable terms.

While initial ESG considerations are currently embedded in our lending and investment practices, we aim to better understand the stakeholder impacts of our trade finance, credit activities and financial investments in order to formulate a more viable concept for sustainable, ESG-centric practices. We have already taken the first steps in this direction.

Herein below we provide examples of a few of our business segments that contribute to meeting customer needs, keeping in mind ESG relevance and applicability.

Green and sustainable finance

Our green and sustainable business operations aim to support our clients' sustainability-related priorities by driving innovation across the financial services industry.

In 2024, almost 51% of City Bank's funded exposure was allocated to sustainable and green finance sectors, including renewable energy, energy-efficiency projects and climate-resilient infrastructure.

The bank has expanded its green portfolio with specialized financing solutions, such as green building loans, renewable energy finance and working capital for energy-efficient machinery. Notably, the bank has financed over 192MW of renewable energy capacity and supported over 30 SMEs in adopting cleaner production technologies, thus facilitating the green transition while also enabling them to augment their ESG credentials.

In addition to offering concessional rates under refinancing schemes from Bangladesh Bank, City Bank also integrates climate risk screening into large project lending, particularly in high-impact sectors such as RMG, textiles, agriculture and pharmaceuticals, contributing to both mitigation and adaptation outcomes.

City Bank adheres to the Green Bond Principles (GBP) and Sustainability Reporting Guidelines to ensure transparent disclosure of its environmental finance impact. Particularly, GBP aims to guide the issuance of green bonds that are debt instruments specifically for financing environmentally-friendly projects. The bank tracks key performance indicators (KPIs) such as CO₂ emissions avoided (measured in tCO₂e), energy saved (kWh) and water use efficiency across funded projects. Notably, a total of 178.67 ktCO₂e of emissions were avoided through green and sustainability-linked loans in 2024.

During the year under report, BDT 402,340 million was disbursed under sustainable finance and a further BDT 33,360 million under green finance for sectors/products such as compost production, small/cottage businesses, IT solutions, jute manufacturing, etc., owned by both male and female entrepreneurs. This facilitated in depollution and decarbonization and contributed towards the avoidance of carbon emissions.

City Bank, demonstrating a strong commitment to sustainable banking, accomplished 34% Green Finance and 88% Sustainable Finance disbursements during the year, much ahead of Bangladesh bank targets in both the cases.

Green and sustainable finance framework

LOW-CARBON, ENERGY TRANSITION AND GREEN SOLUTIONS



Clean energy

Eligible activities

- Renewables
- Green hydrogen
- Biofuels
- Battery storage
- Carbon capture, utilization and storage technology
- Waste-to-energy projects



Clean mobility

Eligible activities

- Electric vehicles (EVs)
- Low-carbon transportation
- Mass transit systems



Energy and operational efficiency

Eligible activities

- Green buildings
- Energy-efficient infrastructure and retrofits
- Low-carbon materials
- Operational process efficiency



Carbon reduction and removal

Eligible activities

- Carbon sequestration and offsets
- Carbon removal technologies and solutions
- Other projects with direct GHG emissions reduction



Climate adaptation

Eligible activities

- Development and maintenance of infrastructure that responds to climate change impacts



Other environmental solutions

Eligible activities

- Sustainable food and farming
- Water and wastewater management
- Circular economy
- Pollution prevention and control

SOCIAL



Basic infrastructure

Eligible activities

- Water, sewage and sanitation
- Affordable, clean energy
- Public spaces
- Humanitarian and disaster response



Financial and economic inclusion

Eligible activities

- Access to financial services (individuals and small businesses)
- Jobs creation



Health and wellness

Eligible activities

- Access to preventive health care solutions
- Access to basic food and nutrition

Islamic banking




We conduct our Islamic banking operations by providing Shari'ah-compliant financial services to customers across Bangladesh.

We market our Islamic products and services under the City Islamic brand. Through this, we provide a path to customers to access our wide range of Shari'ah-compliant Islamic banking solutions from our banking branches and other touchpoints. The bank has one branch exclusively providing Islamic banking services, while 60 other branches in the network provide this service, indicating effective reach across Bangladesh.

The bank had 166,385 City Islamic customers at the close of 2024, with a significant BDT 63.5 bn deposit portfolio, and 34%

year-on-year (YoY) growth achieved in Funds under Management (FUM). Further, the service enrolled as many as 16,381 new-to-bank female customers, indicating financial inclusion, women empowerment and democratisation of financial access.

To us, City Islamic signifies a path to success and expresses our view of being a trusted partner to our clients who are devoted to Islamic beliefs and principles. We are committed to ensure that our Islamic banking business fully complies with Shari'ah law. Our Shari'ah Supervisory Committee (SSC) supervises the business and strategy of our Islamic banking operations, while oversight of specific issues related to Shari'ah compliance are handled by our local team specialists.

Islamic banking principles		ESG relevance
	Environmental protection and resource conservation	This is a key concept in Islamic banking, emphasizing intergenerational equity and the responsibility of current generations as custodians of the planet. The avoidance of harm, a core principle, promotes environmentally-friendly practices and sustainable investments.
	Equality, social justice and economic prosperity in society and in bank's operations	<p>These are fundamental aspects of Islamic banking, focusing on tangible assets and real economic activity to foster financial stability and discourage speculative gains.</p> <p>This aligns with the sustainability goal of prioritizing long-term well-being over short-term profits. There is also an emphasis on Zakat (obligatory charity) and economic equity preventing wealth concentration.</p> <p>These principles echo the social aspects of ESG, advocating for financial inclusion, community development and providing a helping hand to the disadvantaged and underprivileged communities.</p>
	Accountability, transparency, and legal protection for all parties	Transparency and accountability are ingrained in Islamic finance, with the prohibition of excessive uncertainty. This promotes clear terms and conditions, discouraging hidden clauses and deceitful practices, anticipating the demand for clear reporting and high accountability.

Community impact of our credit activities

We place a strong emphasis on offering our clients personalised solutions, with the clear vision of being the most respected financial institution based on trust, service and commitment.

A significant portion of our clients are family-owned and managed small and medium-sized businesses and the families who own them. These traditionally mercantile communities are known for their entrepreneurial drive and business acumen, but are nonetheless often underserved by conventional financial institutions.

Trade finance is one of the core strengths of the bank. Many of our clients engage in cross-border trade which contributes to the movement of essential cargo in and out of the country. While imports serve domestic needs, exports enable the country to earn precious foreign currency. Further, we facilitate remittances into the country too, which constitutes a large part of the national economy.

At the bank, we provide our customer-owned businesses with access to credit facilities they need in order to thrive, including working capital financing and trade finance (such as import and export LCs, as well as facilitating project-related finance). Given our longstanding experience of operating in Bangladesh with knowledge of global capital and financial markets, we, unlike many other banks in the country, have specific experience in facilitating trade flows.

Through our trade finance offering, we play a central role in enabling our customers to sell across borders, while facilitating access to critical goods and resources to various countries of exports. A good example is the export of "Made in Bangladesh" textiles and RMG to developed countries for which the country is particularly distinguished for.

Overall, such trade stimulates economic growth, leading to higher income levels, greater infrastructure investments and a better standard of living. This is particularly important in the current scenario where economic recovery and restoration is key to Bangladesh's long-term growth trajectory.



Awards and Accolades 2024

As one of the most awarded bank of the nation, City Bank believes that credible external endorsements are always a motivating factor in the journey of accomplishing excellence. Continuing with its trailblazing path, the bank was bestowed with a number of awards and accolades in 2024.



No. 1 Sustainable Bank
as per the Bangladesh Bank
Sustainability Rating 2024

Featured in the
Bloomberg ESG Rating 2024

Top Sustainable Bank
for 5 years in a row

Best Bank
FinanceAsia
Country
Awards

**Best Bank
for SMEs**
Euromoney
Awards for
Excellence

**Best Financier
for Women
Entrepreneurs – Asia**
Global SME Finance
Awards

**Best Islamic
Retail Bank**
Global Islamic
Finance
Awards

**Top 10
Sustainable
Banks**
Sustainability
Magazine, UK

**Best Retailer
Bank**
Bangladesh
Retail Awards

**Honorable
Mention
in Women
Empowerment**
SDG Brand
Champion
Awards

**Honorable
Mention in
Climate &
Environment**
SDG Brand
Champion
Awards

**ICAB
National Award**
ICAB
Bangladesh

**Transformation
Excellence (Gold)**
Infosys Innovation
Awards

ESG at City Bank

Our ESG Toolkit

City Bank's mission is to serve as a trusted partner to our customers and clients by responsibly providing financial services that enable growth and economic progress. Our ESG purpose is to help Bangladesh prosper.

As a national financial institution, City Bank connects millions of people across the country. For over four decades, we have been helping our clients to meet some of the country's toughest challenges and embrace its biggest opportunities.

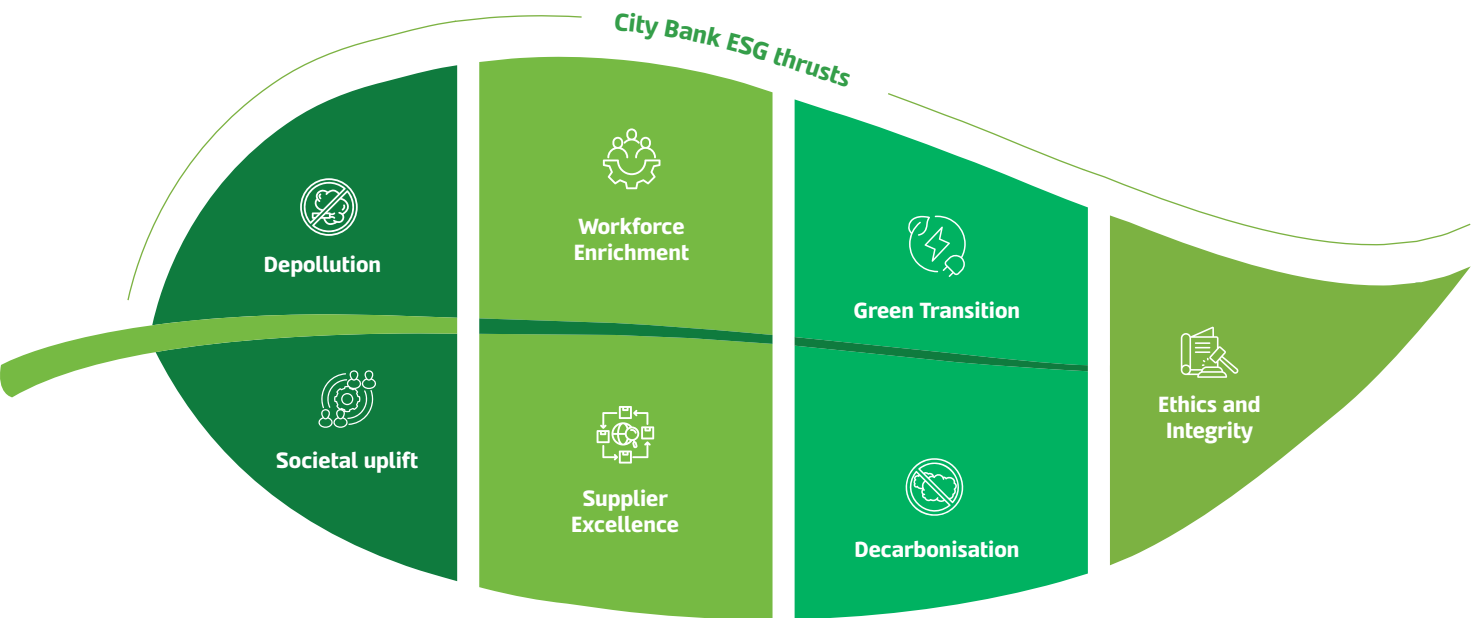
Our commitments, considerations and priorities around ESG issues are part of our business operations and central to our mission and purpose. While initially developed by the investment community, the term ESG has different connotations today, reflecting the rapidly changing nature of the global society.

At City Bank, we have identified our ESG strategy in line with our business priorities. We engage on environmental and social issues

from a business risk and opportunity perspective. Our governance fundamentals contribute to the strength and performance of the bank, acting as the foundation and springboard for growth.

We believe that effective management of our ESG priorities helps to improve our business resiliency, risk mitigation and value generation. The same is true for our clients too, with whom we partner to support and finance their key ESG objectives. With this approach, we have identified ESG priorities related to: Climate change; financial inclusion; diversity, equity and inclusion (DEI); governance and conduct; health and wellbeing of colleagues; human rights; technology and artificial intelligence (AI); and community upliftment and resilience. These are discussed throughout the report.

We remain committed to sharing our progress and learning along this journey, as transparency and accountability are key to our success.



At City Bank, our ability to deliver integrated solutions to our customers in different industries and sectors allows us to capture new opportunities that aim to bring positive long-term results, not only to them and our shareholders but to the environment and society at large. In order to do this, we ensure that relevant ESG topics are incorporated into our corporate policies, business activities and operations.

Throughout 2024, we engaged our clients and stakeholders on the important topics of depollution, climate transition, societal development and employment creation – both internally at the bank as well as through our financing initiatives.

Governance and risk management:

Strong governance and risk management is critical to the long-term success and sustainability of the bank and helps create trust among our clients and stakeholders. The Board

of Directors has overall oversight of sustainability matters of the bank, with regular updates provided to the various Board committees, including the Risk Management Committee (RMC), Audit Committee and Executive Committee.

Our ESRM guideline provide a framework for evaluating potential transactions to help ensure we appropriately appraise environmental and social risks. We continue to develop our E&S parameters in line with the evolution of the industry.

Good governance is a fundamental principle at City Bank and we strive to be at the leading edge of best practices. We make every effort to report on our activities with accuracy and transparency and comply with the laws, rules and regulations that govern our business operations. Our corporate governance frameworks, policies and processes promote a culture of accountability and ethical conduct across the bank.





















Standing committees of our Board:



In addition to oversight by the Board, specific departments of the bank led by senior leaders, strategists and specialists oversee the bank's ESG activities, including reviewing policies and programs for sustainability, climate change, human rights, diversity and other ESG matters, as well as advising on engagement with external stakeholders.

Key ESG metrics

	Indicator Women in the workforce (%) 2024 achievements 18.9%	SDGs impacted	
	Indicator ESG training provided to bank employees 2024 achievements 1,383	SDGs impacted	
	Indicator Fuel consumption reduced (litres) 2024 achievements 3,600	SDGs impacted	
	Indicator Solar energy produced (kWh) 2024 achievements 4,224	SDGs impacted	
	Indicator Agent outlets 2024 achievements 480	SDGs impacted	

	<p>Indicator Women-led CMSME loans (BDT million)</p> <p>2024 achievements 5,667</p>	<p>SDGs impacted</p> <div>     </div>
	<p>Indicator Green investment portfolio (BDT million)</p> <p>2024 achievements 33,360</p>	<p>SDGs impacted</p> <div>      </div>
	<p>Indicator Digital transactions via Citytouch app</p> <p>2024 achievements 28 million</p>	<p>SDGs impacted</p> <div>    </div>
	<p>Indicator Sustainable investment portfolio (BDT million)</p> <p>2024 achievements 402,340</p>	<p>SDGs impacted</p> <div>      </div>

Key ESG Moments



Financing a green future

City Bank became one of the first private-sector banks in Bangladesh to finance utility-scale renewable energy projects, including wind and solar initiatives, contributing directly to national clean energy goals. The bank also provides financing solutions for certified green buildings, thus contributing to environment-friendly commercial real estate.



Sustainable Finance portfolio

Introduced a dedicated green finance framework aligned with Bangladesh Bank's taxonomy, promoting eco-friendly industries and clean technology adoption. Registered considerable sustainable finance disbursement of BDT 402,340 mn in 2024.



Carbon-conscious operations

Reduced its own environmental footprint through energy-efficient lighting, digital banking services and aspire to move towards carbon neutrality by the year 2050.



Green Savings Account

Opened 20,000+ Green Savings Accounts and planted a corresponding 3,500 trees against these account openings. This marks the first Green Liability Product introduced by any bank in Bangladesh.



Emissions target setting

Set emissions reduction target for five core economy sectors as part of the Net-Zero commitment – RMG, textiles, power, steel and pharmaceuticals.



Women empowerment through City Alo

City Alo onboarded 5,013 new women entrepreneurs through specialized programs offering financial literacy, capacity building, and networking. Combined with low-interest loans and refinance options, total disbursements to women-led businesses reached BDT 6,470 million—a 4.6% year-on-year increase—reinforcing City Bank's leadership in gender-inclusive finance.



Agent Banking for rural inclusion

Expanded Agent Banking coverage to remote areas of the country, bringing savings, credit and remittance services to tens of thousands of previously unbanked individuals, thus driving grassroots prosperity.



Education and health for the underserved

Through CSR initiatives, City Bank supports underprivileged students with scholarships. The bank has taken several other community-support steps too, such as funding mobile health camps across rural districts, offering financial support for civic beautification, etc.



Board-led ESG oversight

Established a mechanism in which Board Directors ensure strategic focus and accountability on ESG risks and opportunities, making them an integral part of Board meeting discussions and deliberations.



Board diversity

Constituted a diverse Board with persons of eminence who bring a wealth of experience and wisdom to the bank. The Board is fairly diverse too, with 11 Directors that include 3 Women Directors. The Board consists of two Independent Directors and three Nominated Directors. Our Board has significant multidisciplinary experience that enables quality decision-making, sound strategy delivery and effective stakeholder liaison.



First GRI-compliant Sustainability and ESG Report

City Bank published its first Sustainability Report aligned with GRI Standards in the year 2021, setting a new benchmark for sustainability transparency in Bangladesh's banking sector. Further, in keeping with the times, this is the bank's first ESG Report which is among the first in Bangladesh's banking sector too.



Bank digitalisation initiatives

City Bank's Citytouch mobile banking platform offers over 100 banking services and handles the vast majority of the bank's digital transactions. Strong and secure digitalisation initiatives have accelerated user adoption that has surged in recent years. The bank is also credited with other pioneering digital initiatives, such as Bangladesh's first AI-driven nano loans in collaboration with bKash.

Our ESG Priorities

Every view matters

City Bank has a presence across multiple regions, industries, services and products. The universe of our material matters is complex and multi-layered, one that is intertwined with the decisions we implement and the value we seek to create through our business.

Within the domains of Environment, Social and Governance, we are constantly deliberating on various issues in an ever-changing and dynamic world and preparing for them. Thus, we have adaptability and resilience built into our organisational DNA.

We undertook a review of the progress we made over the year 2024 on our sustainability objectives and goals and developed the lens further in a more practical and comprehensive manner to broaden our ESG focus and rank our priorities in order of their importance to our business and our stakeholders.

Our ESG materiality approach

Material issues are aspects that have certain impacts on the environment, the economy and society, which would in turn impact the decisions of the bank and its stakeholders. Given

our operations in an environment of constant volatility and uncertainty, identifying and updating such material issues help us to prioritise what matters the most to our business and our stakeholders.

Within the context of ESG, we have determined matters material to us in the context of the environmental, social and governance lens and this materiality matrix is separate from our operational material matters that have been discussed in the bank's Integrated Annual Report 2024.

In keeping with the GRI reporting framework, we have reported on and disclosed the concerns most material to our ESG focus. We determined our most material issues through a data-driven and consultative exercise. Material topics were shortlisted and prioritized based on their impact on our stakeholders and our business.

Material issues of the year were arrived upon by plotting their relevance on relative scales based on inputs obtained from the bank and its stakeholders, as follows:



External stakeholder consultations, global frameworks, megatrends and peer benchmarking

- Investor priorities through surveys
- Global reporting and assessment frameworks and partnerships with global organizations
- Peer benchmarking
- Media and public opinion for capturing insights
- Regulatory landscape in Bangladesh
- Broader stakeholder consultations
- Specific ESG impact areas in geographical and product/service context in relation to megatrends
- Benchmarking against best practices among peers in the banking industry



Internal stakeholder alignment

- Discussions and dialogue with the management to understand bank's priorities
- Employee engagement and focus group discussions (FGDs) and interactions, including via townhalls

Materiality assessment

City Bank's material activities continue to evolve in line with the ever-changing dynamics of the information and communications technology industry and consist of topics that are material to the business as well as to our stakeholders.

Having taken into consideration the above, we have identified 12 ESG material topics that matter to the bank, stakeholders and the industry. Under the supervision of the Board, the management approves the continued relevance of material matters encompassing the views of the bank's stakeholders.

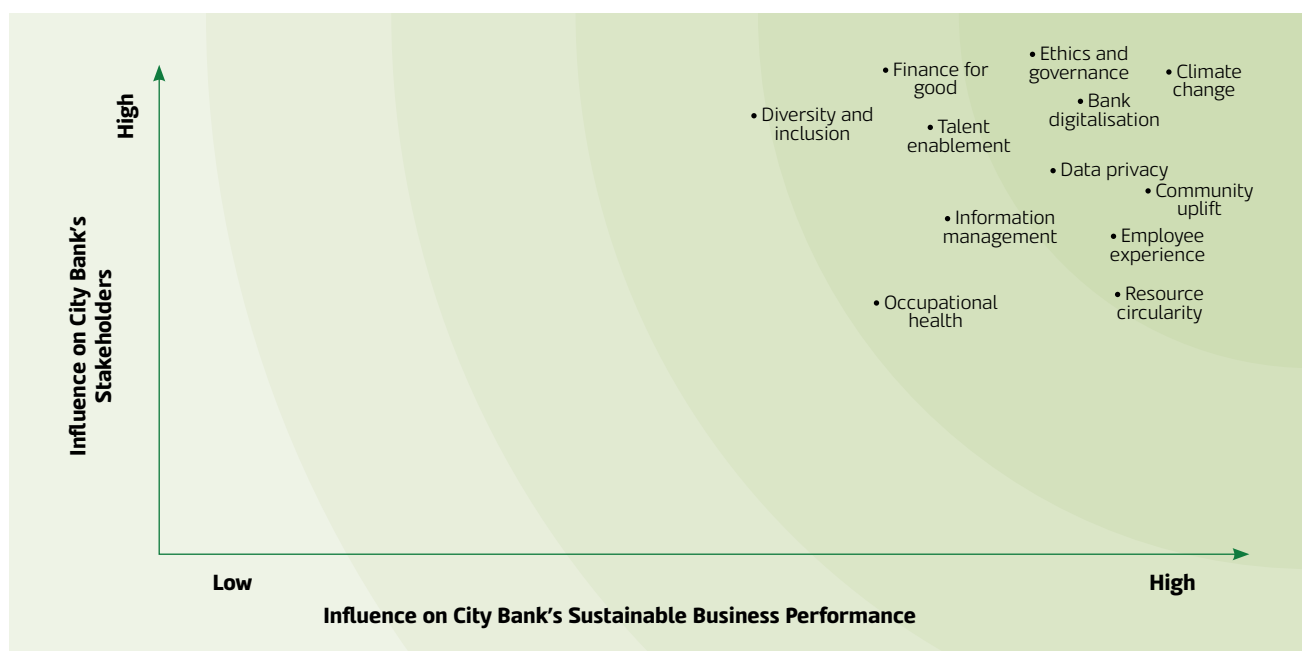
More recently, imposition of baseline American tariffs on Bangladeshi exports with the possibility of further increase is

directly shaping City Bank's business outlook, with the bank facing both positive and adverse impacts.

The positive factors that have been taken into consideration include higher advisory and credit demand along with better ESG screening of loans, while the adverse impacts comprise a slowdown in overall trade, as companies and supply chains adjust to the new order.

Since this trend is still developing and there exists significant uncertainty around it, the bank is in a wait-and-watch mode and will consider it a material matter once there is more clarity on the subject.

City Bank's ESG materiality matrix



Stakeholder engagement

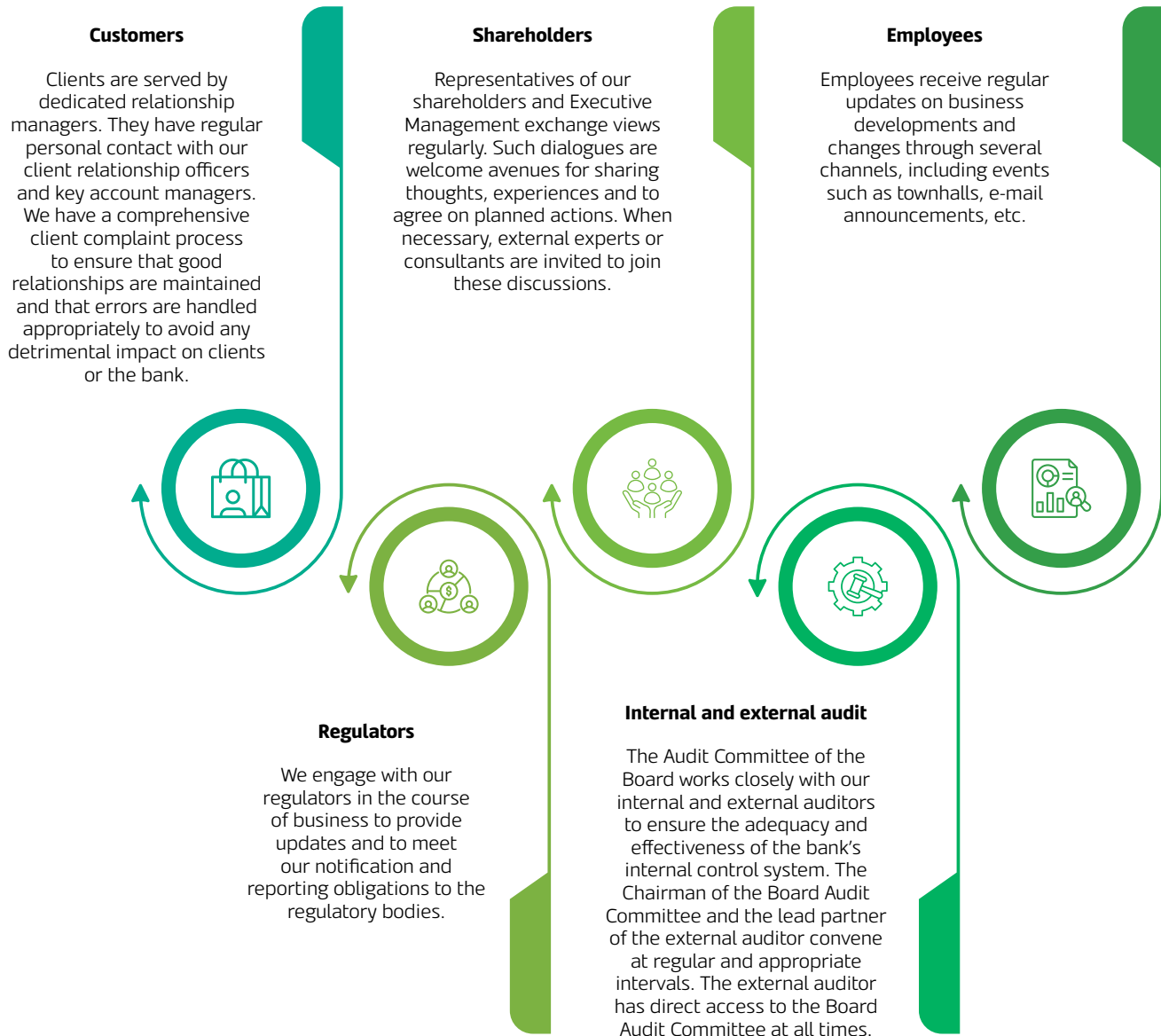
We identify and prioritize our stakeholders based on the impact of the bank on stakeholders and the ability of stakeholder groups to influence the functioning of the bank. As part of our materiality assessment, we have identified stakeholder groups that have an impact on us and, in turn, we impact them.

We continue to assess and determine stakeholder opinions, perspectives and insights to identify strategic priorities and material concerns. The Board of Directors of the bank assigns the responsibility of stakeholder engagement and consultations, particularly with respect to triple-bottom-line and ESG related matters, to the bank's Sustainable Finance Department (SFD) and the office of the Chief Risk Officer (CRO).


A range of cyclical engagement processes serves as a key source of determining stakeholder-specific material topics and issues that are relevant to the bank's business and operations. This section summarises and describes the bank's treatment of such issues, as well as other engagement cycles driven by stakeholders and specific issues material to them.



Environmental, social and governance (ESG) materiality is the process of identifying and assessing potential ESG topics that impact our stakeholders and us. For our first ESG Report, we have taken a multidimensional approach to determining our material topics in order to cover the interests of our key stakeholders.

Stakeholder framework



Engagement Matrix

KEY STAKEHOLDERS	HOW WE ENGAGE	MATERIAL TOPICS	EXAMPLES OF ECONOMIC AND ESG STAKEHOLDER ENGAGEMENT
 Clients	<ul style="list-style-type: none"> Formal discussions Ongoing dialogue Surveys and assessments 	<ul style="list-style-type: none"> Products and solutions Personalisation Trust and reliability Delivery track record Ethics and compliance Data privacy 	<p>Economic: Level of importance and satisfaction among customers about City Bank's products, advice and solutions, and business continuity and stability with respect to unforeseen disruptions.</p> <p>Social: Ethical marketing practices, disclosures and transparent fine print in contracts, community investment and data privacy.</p> <p>Environment: Access to green and sustainable finance; importance of adopting environmentally-friendly practices, effective resource management, etc.</p> <p>Governance: Ethical practices, corporate governance, effective grievance resolution, transparency and anti-corruption.</p>

KEY STAKEHOLDERS	HOW WE ENGAGE	MATERIAL TOPICS	EXAMPLES OF ECONOMIC AND ESG STAKEHOLDER ENGAGEMENT
 Shareholders	<ul style="list-style-type: none"> • AGM • Quarterly updates and presentations • Formal discussions 	<ul style="list-style-type: none"> • Economic performance • Customer acquisition and retention • Corporate governance • Cybersecurity and data privacy • ESG performance • Digital bank initiatives • Employee competence • Performance track record 	<p>Economic: Areas of importance include business productivity, profit maximisation, investment for future growth, contingency planning and business continuity despite foreseen and unforeseen circumstances.</p> <p>Environment: Performance of impact and development finance and initiatives to grow the same; access to concessionary ESG-linked credit for specific purposes. Also, bank's compliance with environmental regulations and norms.</p> <p>Social: Employee training and development, remuneration and performance against KPIs (especially of the senior management).</p> <p>Governance: Anti-corruption, grievance resolution, ethical marketing, cybersecurity and customer privacy.</p>
 Employees	<ul style="list-style-type: none"> • Employee engagement • Formal and informal discussions • Townhalls • Surveys 	<ul style="list-style-type: none"> • Economic performance • Organisational purpose and DNA • Ethics and values • Career development pathways • Remuneration and incentives • Diversity and non-discrimination 	<p>Economic: Areas such as operational productivity, contingency planning and investment for future growth.</p> <p>Environment: Adopting environmentally-friendly practices and overall organisational concern about the environment and the broader ecology.</p> <p>Social: Areas include health and safety, conducive work environment, well-being and organisational concern, work-life balance, training and development, performance and rewards, diversity and inclusion and non-discrimination.</p> <p>Governance: Transparency, ethical conduct, regulatory compliance and anti-corruption.</p>
 Government and regulators	<ul style="list-style-type: none"> • Meetings, briefings and notifications • Industry association events and forums and convenings 	<ul style="list-style-type: none"> • Financial and systemic stability • Corporate governance and compliance • Environmental performance and climate action • Employment creation • Fair dealings and responsible business practices • Honest tax contribution 	<p>Economic: Areas of importance include business productivity, investment for future growth, financing for green transition and economic development, jobs creation and tax contribution.</p> <p>Environment: Transparent procurement, environmentally-friendly practices, investment in renewable energy sources and financing for environment-friendly projects.</p> <p>Social: Jobs safety, conducive work environment, human rights protection, fair remuneration, non-discrimination, financial inclusion and broad societal access to organised financial solutions.</p> <p>Governance: Cybersecurity, ethical banking, customer privacy, corporate governance, compliance, grievance resolution and fair, anti-competitive and anti-corruption practices.</p>
 Suppliers	<ul style="list-style-type: none"> • Assessments and ongoing engagement • Formal and informal interactions 	<ul style="list-style-type: none"> • Timely payments and honouring of obligations • Supply chain compliance • Quality and innovation • Business growth 	<p>Economic: Areas such as supply chain productivity, local procurement and continued commercial opportunities.</p> <p>Environment: Adopting environmentally-friendly practices and minimising negative impacts on the environment through responsible value chain practices.</p> <p>Social: Innovation, fair pricing, supply chain employment and non-discrimination.</p> <p>Governance: Grievance resolution, compliance with contracts and anti-corruption.</p>

Environment: Climate

Adaptation and Decarbonisation

Serve the preservation of our planet through solutions for climate adaptation, decarbonisation and green energy transition

At City Bank, we are committed to adopt, innovate and deploy smarter ways to mitigate greenhouse gas (GHG) emissions, reduce energy consumption across our operations and financed portfolio, and manage paper, water, waste and other resources. We are devoted to the cause of making the planet stronger by increasingly embracing clean energy in our operations and across client solutions, thereby minimizing the impact on nature and biodiversity.



“The future of finance is not just about profits—it is about purpose. At City Bank, we are redefining banking by embedding sustainability into everything we do. From empowering communities to investing in green energy, we are committed to creating long-term value that benefits both people and the planet. Sustainability is not an option; it is in fact the way forward. Together, we will continue to work for climate transition and adaptation.”

- Mohammad Mahbubur Rahman,
AMD & Chief Financial Officer and
President of Sustainable Finance
Committee



SGDs served



Climate Strategy

Towards Net-Zero by 2050

The growing impacts of climate change underscore the importance of working to reduce global emissions. City Bank leverages its expertise to help clients decarbonize, aiming to support Bangladesh economy's transition to a more sustainable future. We also consider the impact of transition and physical risks on our business and aim to reduce the carbon intensity of our own operations.

We recognize that climate change is one of the most complex issues of our time and we consider climate change throughout our business, operational and risk management activities. To support this work, we have developed our climate strategy as discussed below.

Transition to a low carbon economy

We have structured our pathway to reach Net-Zero emissions by 2050 and to mobilize credit to support low-carbon and green solutions.



Transparency

This is our first annual ESG Report which follows three continuous publications of our Sustainability Report. Through these reports, we aim to remain transparent and candid with respect to information disclosure.

Climate risk

Enterprise risk management (ERM), in partnership with other areas of the bank, focuses on identifying, measuring, managing and monitoring climate-related financial and operational risks.

Operations

We are committed to low-carbon operations across the bank and are adopting several initiatives that support this, including videoconferencing to avoid travel-related emissions, energy-efficient lighting and fixtures, etc.

Green Finance Disbursement

2024

BDT 33,360 million

Achievements

34% of total term loan disbursement against Bangladesh Bank target of 5%

City Bank key achievements

Sustainable Finance Disbursement

2024

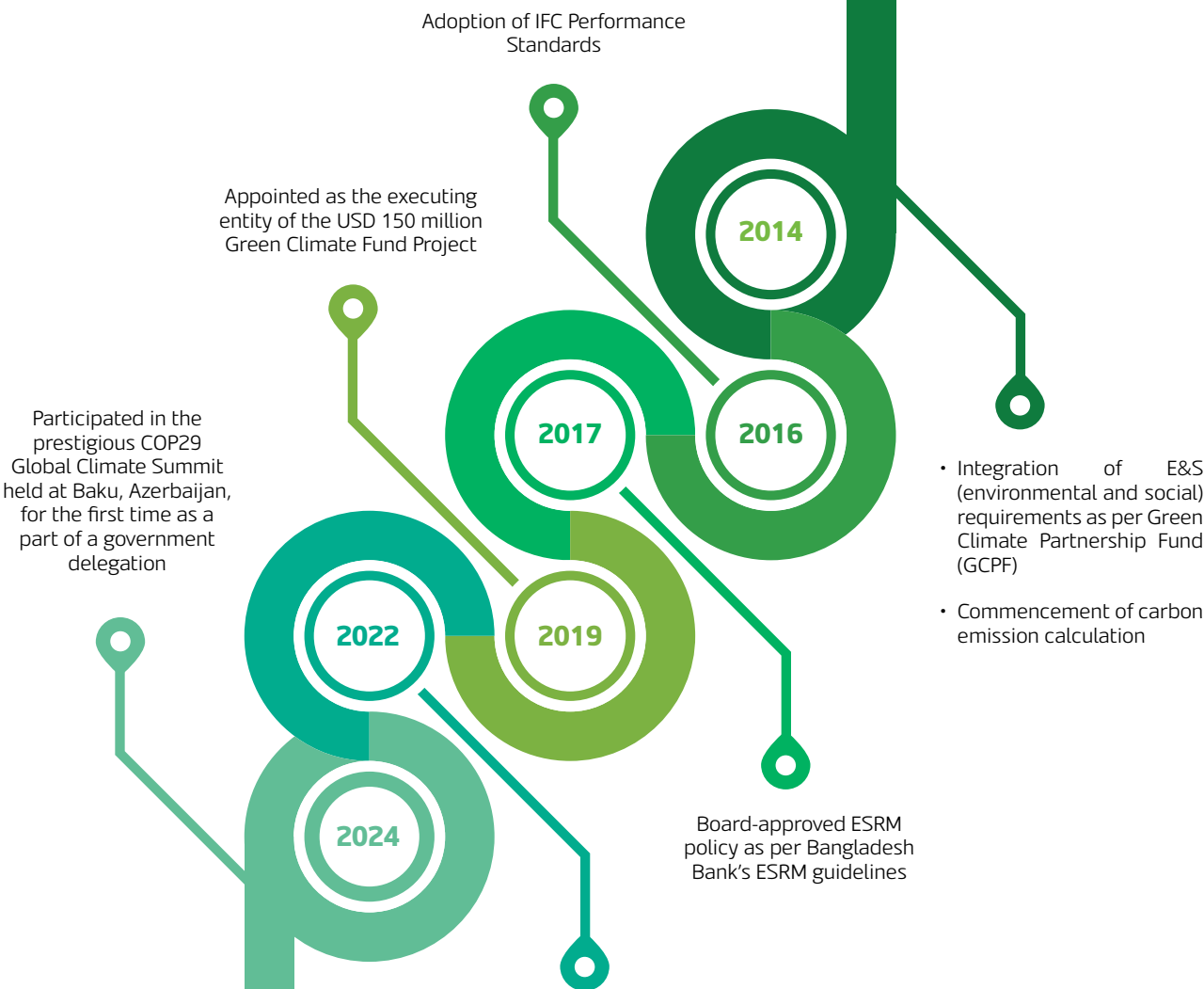
BDT 402,340 million

Achievements

88% of total disbursement against Bangladesh Bank target of 20%

Key Milestones and Awards

Mapping our Sustainability Journey



Sustainability Awards

City Bank was honored with several prestigious awards and recognitions over the year 2024, reflecting high operational standards and responsible and ethical banking. These accolades reinforce our commitment to sustainability, green finance and ESG-driven growth.

Ranked among Bangladesh's Top 10 Sustainable Banks for the 5th consecutive year and secured the No. 1 spot in Bangladesh Bank's Sustainability Rating 2024.

City Bank has been ranked among Bangladesh Bank's Top 10 Sustainable Banks for five consecutive years (2020–2024). In 2024, we proudly achieved the No. 1 position. This milestone reflects our strong commitment to sustainability through green financing, impactful CSR initiatives, and responsible banking practices.



Awarded as Best Climate Focus Bank in Bangladesh

City Bank has been awarded the “Best Climate Focus Bank” in Bangladesh for its exceptional efforts in sustainability and climate-focused initiatives. The recognition was presented by the Institute of Energy at the University of Dhaka and the Greentech Foundation, in collaboration with USAID.

Ranked among Top-10 Sustainable Banks Globally

City Bank has been ranked among the Top-10 Sustainable Banks, recognized by UK-based Sustainability Magazine. This honor reflects our commitment to the UN's Net-Zero Banking Alliance (NZBA) and holistic sustainability efforts.

Environmental

Adaptation and Resilience

We remain focused on making progress towards our financed emission targets by contributing to real economy decarbonization. We aim to reduce our financed emissions by providing our clients with the advice and capital required to transform their business and reduce their carbon intensity.

We recognize that the path towards our financed emissions targets will not be a straight line. We will continue to consider our clients' approach to climate transition in our corporate portfolio lending decisions but, in some cases, lending to companies that are transitioning may result in temporary increases in our financed emissions.

We are also aware of the unintended consequences of withdrawing financing from transitioning clients and sectors too rapidly, and the need to balance climate considerations with real-time energy security needs.

In addition, it is important to note that our financed emissions targets are premised on the global economy limiting warming to 1.5°C above pre-industrial levels. However, we must recognize that current policies, technology adoption and consumption habits are not yet aligned with this outcome.

That said, we remain committed to engaging with clients on climate transition strategies to help shift the world to Net-Zero emissions by 2050. Critical to this is providing our clients with advice and solutions related to low-carbon opportunities, which our business is focused on.

Some of our key initiatives towards climate resilience and adaptation taken in 2024 are discussed below.



Green Savings Account

City Bank opened 20,001 green savings accounts with deposit mobilization of BDT 612.70 million and consequent planting of 3500 trees against these new accounts.



Emission target setting

Set emission reduction target for five key sectors as part of Net-Zero commitment – RMG, textiles, power, steel and pharmaceuticals.



Renewable energy financing

Allocated BDT 2,130 million to renewable energy-based projects, supporting 132 MW solar projects and 60 MW wind projects.



Energy and resource efficiency

Disbursed BDT 8,750 million for energy and resource-efficient machinery to support green transition of industries, etc.



Green building and industry development

Allocated BDT 6,130 million, with 37 LEED-certified project clients in the portfolio.



Green mobility

Encouraged the purchase of hybrid vehicles, thus contributing to reducing emissions and fuel dependency in the spirit of promoting green transportation. The bank registered an increase in hybrid vehicle financing by 42% in 2024 to about BDT 1,960 million, thus supporting green vehicles on the roads.

Vehicle type	2023	Vol (BDT million)	2024	
	No. of files		No. of files	Vol (BDT million)
Hybrid	669	1,314.9	949	1,959.8
Non-hybrid	686	1,551.4	746	1,789.8
Total	1,355	2,866.3	1,695	3,749.6



Waste management

Invested BDT 187 million in liquid and solid waste management (ETP) projects.



Paper consumption

Adopted initiatives to reduce office printing, with the intent of promoting responsible paper use, tree preservation and carbon footprint reduction. Moreover, this also helped decrease the carbon footprint associated with archive storage, etc. With enhanced digital capabilities and platforms, we have reduced our paper consumption through many initiatives, such as e-statements, mobile app and by making more digital channels available to our customers.



Rainwater harvesting

Introduced rainwater harvesting system in select branches to reduce water wastage and promote efficient resource utilization, focusing on the critical importance of water sustainability. Two branches have implemented this system as on end 2024, with plans for further expansion going forward.



Observance of Environment Week and World Environment Day

Celebrated Environment Week (June 2 – 6, 2024) and World Environment Day (June 5, 2024), by organising activities such as pledge writing, quizzes, movie screenings, tree plantation and lake cleaning with a civil society organization. Ensured collective participation, promoting sustainability and community engagement.



Tree plantation

Initiated a tree plantation program on June 5, 2024, at Gulshan Link Road, in partnership with Gulshan Society, Dhaka North City Corporation and Rajuk, as a key highlight of Environment Week 2024. The event comprised a largescale program with the planting of 5,000 trees. The bank also planted over 100,000 trees nation-wide.



Civic beautification

Partnered with Gulshan Society, Dhaka North City Corporation and Rajuk to restore Gulshan's water bodies. This key initiative supports local ecosystems and a cleaner urban environment.



Sustainability Champion awards

Launched the innovative 'Sustainability Champion Awards' to recognise bank's relationship managers for outstanding contribution to sustainable finance. This initiative encourages engagement, inspires proactive efforts and strengthens our position as a leading sustainable bank of Bangladesh.



Observance of Environment Week and World Environment Day



Tree plantation Initiative



Sustainability Champion awards

Climate-Related Engagement

City Bank at COP29



COP29
Baku
Azerbaijan

City Bank was privileged to be the only bank from Bangladesh to participate in both COP28 and COP29 (Climate Change Summit), selected by the Government of Bangladesh, Ministry of Environment, Forest & Climate Change (MoEFCC).

This past year in Baku, Azerbaijan at COP29, the largest global climate summit of the UNFCCC, City Bank was led by its Managing Director & CEO, Mashrur Arefin who delivered a keynote speech at the Bangladesh Pavilion on the bank's climate finance initiatives. The bank further hosted a panel discussion on mobilizing private sector investment for the climate.



City Bank's Journey towards Solarisation

Powering progress – City Bank's solar branch initiative

City Bank set a new benchmark in environmental stewardship within Bangladesh's financial sector by significantly expanding its solar-powered infrastructure in 2024. During the year, the bank installed solar panels at 38 branches, 33 ATM booths and 19 agent outlets, strategically located in areas with high solar exposure and limited grid reliability.

This expansion not only enhances energy resilience but also substantially reduces carbon emissions compared to conventional grid-powered sites, reflecting the bank's strong commitment to renewable energy, climate resilience, and responsible banking.

	2024	2023	2022
Solar-powered branches	38	21	13
Solar-powered ATM booths	33	22	13
Solar-powered agent outlets	19	4	-

Beyond energy savings, City Bank's solar-powered branches, sub-branches, and agent outlets are designed with environmental and social impact at their core.

They also include sustainable finance helpdesks where customers can learn about the bank's green finance products, such as Green Savings Accounts, climate-resilient agriculture funding, green building loans, and eco-friendly SME credit lines.

These solar-powered locations serve not only as full-service banking centers but also as community models for sustainable banking, demonstrating how modern infrastructure can promote both economic inclusion and environmental responsibility.

The success of these initiatives has laid the groundwork for expanding this model across more locations, directly supporting City Bank's long-term ESG goals. This approach aligns with Bangladesh Bank's Sustainable Finance Policy and contributes to the UN Sustainable Development Goals, particularly SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).

Green and Sustainable Finance at City Bank

Overview

The banking sector is pivotal in meeting Bangladesh's Nationally Determined Contributions (NDCs) in terms of climate mitigation financing for facilitating the shift to a seamless, equitable and just transition to a low-carbon society. This is particularly in areas such as renewable energy, energy-efficiency and climate-resilient infrastructure.

As financial intermediaries, banks are uniquely positioned to channel capital into green and low-carbon initiatives that support national climate goals. Bangladesh has pledged to reduce its greenhouse gas (GHG) emissions by 6.73% below the Business-as-Usual (BAU) scenario by 2030 unconditionally, with an additional 15.12% reduction targeted subject to international support. In alignment with these commitments, banks are playing a pivotal role by offering climate-aligned credit products, issuing green bonds, and facilitating public-private partnerships (PPPs) across key sectors such as renewable energy, sustainable transportation, and industrial decarbonization.

Climate change and decarbonization

GHG emissions contribute to climate change, leading to various environmental risks, such as extreme weather events, rising sea levels, wildfires and disruptions to ecosystems. We are likely to face increased exposure to climate-related risks, affecting assets like critical infrastructure that may exert an adverse impact on livelihoods and overall economic stability. Increasing awareness of the environmental impacts of emissions has led to stricter regulations, including in Bangladesh.

Businesses involved in industries with high emissions may face legal and regulatory risks, including fines and penalties, impacting their financial stability. Climate change and emissions can also result in social and community disruptions, including displacement of populations and conflicts over scarce resources.

Vulnerable geographical regions may face social and economic challenges too due to these disruptions. In this regard, Bangladesh is particularly at risk due to its topographical location that puts it squarely in the face of climate change

events. Floodings are a regular occurrence in the delta that causes significant damage to life and property every year.

At City Bank, we believe that every business can help address climate change by reducing GHG emissions and waste. Climate-related risks can be truly mitigated by reducing the environmental impact of economic activity. Consequently, reducing the ecological impact of our operations will be a part of our goal, as we aim to reduce our carbon footprint and improve energy-efficiency in the longer term, despite having a low carbon footprint.

The management of our environmental impact starts with more efficient use of resources, such as energy consumption and emissions. An increase in energy efficiency benefits our business, as it helps us reduce costs. One of our key objectives is to embed environmental management across our broader operations and promote environmental policy awareness, compliance and implementation.

City Bank: An Enabler of Climate Action

City Bank plays a significant role in climate adaptation financing through its considerable footprint in agriculture, financing to promote women empowerment and financing through NGO-MFI linkage. To facilitate the process, the bank has adopted the Sustainable Finance Policy of Bangladesh Bank as a comprehensive guide for contributing to meet the NDC targets and, subsequently, the Sustainable Development Goals (SDGs).

Green Financing at City Bank

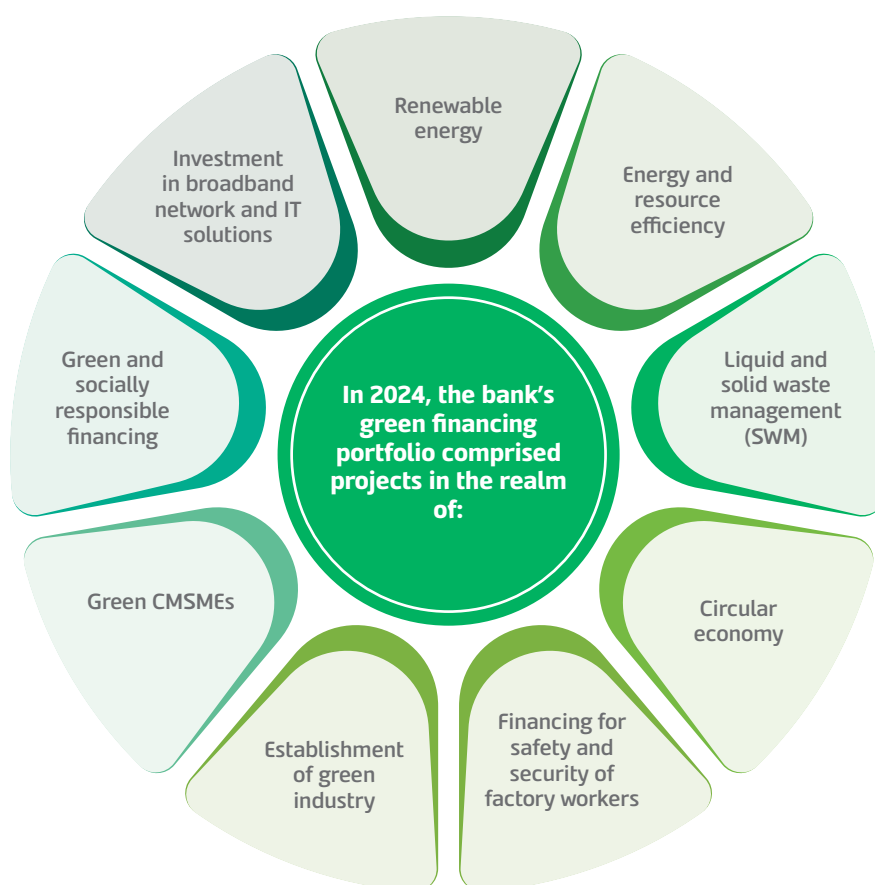
From the 94 products under Green Finance Taxonomy, City Bank has a footprint in 15 such products and services (2024). By consciously aligning all investment decisions towards green finance, the bank has expanded its green book by almost 3x – from BDT 11,086 million in 2023 to BDT 33,360 million in 2024, within the span of just a year, constituting almost 34% of its total annual term loan disbursement.

2,879%

City Bank's
Green Finance
disbursement
growth between
2020-2024

Green Finance Disbursement (BDT million)

1,120	2,680	4,910
2020	2021	2022
11,086	33,360	
2023	2024	



Green Financing Book (BDT million)

Segment	2024	2023	2022	2021	2020
Energy and resource efficiency	8,750	3,522	3,569	1,246	1,051
Renewable energy	2,130	22	23	22	-
Solid and liquid waste management	200	74	348	37	-
Green/environment-friendly establishment	6,130	3,848	856	1,176	68
Financing for safety and security of factory workers	1,070	0	114	199	1
Green and socially responsible financing	14,760	3,586	-	-	-
Green CMSMEs	60	27	-	-	-
Circular economy	10	8	-	-	-
Investment in broadband network and IT solutions	250	0	-	-	-
Total	33,360	11,086	4,910	2,680	1,120

Sustainable Finance at City Bank

In 2024, City Bank dedicated 88% of its total loan disbursements—equivalent to BDT 402,340 million—to environment-friendly, green and sustainable finance initiatives.

Apart from green finance, City Bank has been actively allocating funds to enhance adaptive and resilience capacity of populations vulnerable to climate change. It has a strong footprint in sustainable agriculture (crops, fisheries, agricultural equipment, etc.) and in the small and medium (SME) enterprise segment. In addition, the bank also serves the unbanked population via financing through NGO-MFI linkage.

City Bank's Sustainable Finance disbursement growth 2020-2024



2,028%

Sustainable Finance Disbursement (BDT million)



Capacity building Initiatives

Employee awareness and capacity building is key to proper assessment of green and sustainable finance. In this regard, the bank trained as many as 1,383 employees on green and sustainable finance, ESRM policy, IFC Performance Standards (IFC PS), etc, in 2024. Apart from training conducted by in-house resources, external experts from relevant organizations and regulatory bodies were also roped in to conduct capacity building sessions for our employees on ESG, green banking and sustainable finance.



Sustainability Governance

City Bank's ESRM framework is overseen by the Board's Risk Management Committee (BRMC), which guides the Sustainable Finance Committee (SFC) to develop and monitor strategies related to the environment, green finance and sustainability through the Sustainable Finance Department (SFD).

Additionally, City Bank has established an Emission Reduction Steering Committee (ERSC) to manage carbon emission reduction strategies for both its lending portfolio and internal operations.

Committees Driving Climate Action

Board Risk Management Committee (BRMC)

The Board Risk Management Committee (BRMC), a sub-committee of the Board, is responsible for approving all ESG policies and strategies of the bank. The BRMC assigns the SFC to oversee and manage all activities related to environmental sustainability, green finance and overall sustainability efforts of the bank, with central coordination by the SFD.

Sustainable Finance Committee (SFC)

The Sustainable Finance Committee (SFC) of City Bank is led by senior banking professionals. SFC's primary objective is to drive the bank's sustainable finance initiatives and promote ESG practices in the real economy, helping to fulfill both the bank's sustainability goals and broader societal objectives.

Emission Reduction Steering Committee (ERSC)

City Bank has a dedicated ESG Committee – Emission Reduction Steering Committee (ERSC), which is expressly responsible for overseeing and guiding the bank's strategies aimed at reducing its carbon emissions. ERSC plays a key role in ensuring that the bank effectively implements its emission reduction initiatives, aligning them with both its sustainability goals and broader environmental commitments. ERSC monitors progress, evaluates impact and ensures that the bank's operations and activities contribute to a sustainable and low-carbon future.

Environmental & Social Due Diligence

As a responsible financial institution serving the interests of the people and the nation, we are committed to enhancing our green credentials through sustainable financing and environmentally-conscious lending practices. These efforts highlight our urgency in ecological sustainability and environmental preservation.

Our enduring green initiatives, coupled with regulatory directives, ensure that environmental management remains a core priority for City Bank. We are stewarding this focus through our Environmental and Social Risk Management (ESRM) Policy that is a blueprint in our journey towards a sustainable bank focused on green capital.

Guided by Bangladesh Bank's ESRM policy and IFC Performance Standards, our customised ESRM framework is built on a robust implementation system that clearly defines accountability and sets specific goals. This approach enables us to effectively superintend the bank's environmental performance while driving purpose-led change.

Policy objectives and core principles

To ensure the effectiveness of our ESRM Policy, City Bank has integrated robust monitoring mechanisms throughout the organisation. This includes ongoing assessment of policy impact, consistent employee training to improve their understanding of environmental and social (E&S) risks and stakeholder engagement activities to ensure alignment with the bank's sustainability goals. Furthermore, automation of ESRM/ESDD processes assures a seamless and efficient integration of the policy into day-to-day operations, fostering continuous improvement in managing E&S risks.

City Bank remains committed to adhering to both national regulations and international best practices in promoting sustainability across its financial offering. Due to this strategic sustainability approach, as much as 68% of the portfolio of City Bank has been assessed for E&S risks.



City Bank's ESRM policy aims to ensure responsible lending by identifying, assessing and managing environmental and social (E&S) risks across all bank operations.



It commits to excluding financing for harmful or hazardous activities that could negatively impact the environment or society.



The policy ensures strict compliance with E&S regulations and promotes sustainable business practices in all of the bank's financial activities.



It emphasizes employee training, effective stakeholder communication and allocation of necessary resources to effectively implement the ESRM policy.



The ESRM and Environmental and Social Due Diligence (ESDD) processes are automated to ensure seamless integration and enhanced efficiency in managing risks.

Climate Finance

Mobilisation in the Private Sector

Green Savings Account: Pioneering Change through Climate Finance Mobilisation

City Bank, a pioneer in Green and Sustainable Finance, launched Bangladesh's first Green Savings Account in February 2024 to bridge the gap in green liability products.

Green liability products are banking instruments that allow banks and financial institutions to raise funds specifically for environmentally sustainable projects. Unlike traditional liabilities, these products are structured to ensure that the proceeds are allocated to green initiatives such as renewable energy, energy efficiency, clean transportation and sustainable agriculture.

For banks in Bangladesh, green liability products are a strategic tool to support the country's climate commitments. As regulatory frameworks evolve and ESG considerations gain prominence, green liabilities can strengthen a bank's sustainability profile while contributing to national and global climate action.

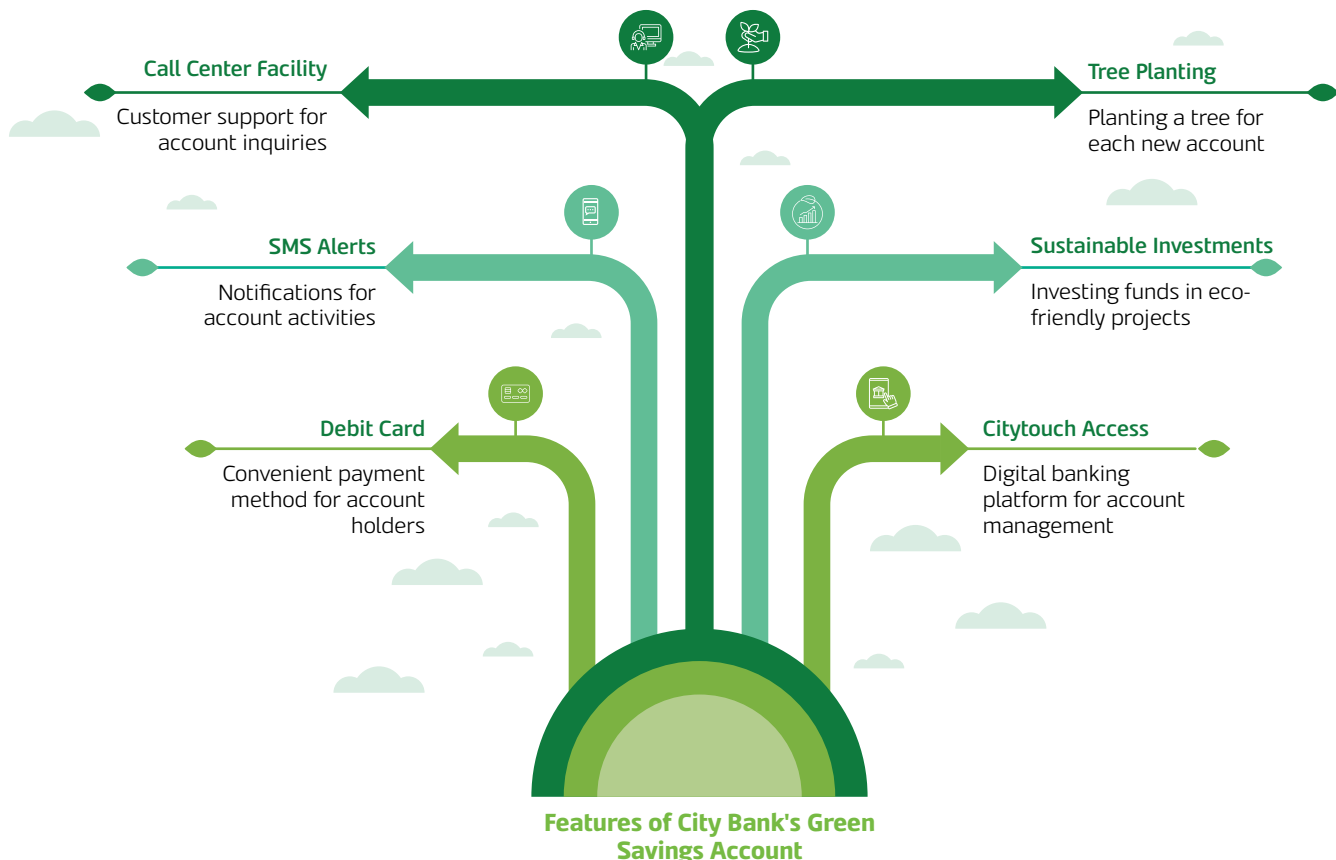
City Bank's Green Savings Account product not only helps the bank diversify its funding base, but also aligns its balance sheet to environmental goals. Through this, we also demonstrate accountability and transparency in how funds are used, backed by external audit and ESG/sustainability reporting.

Customer deposits mobilised under the Green Savings Account are exclusively deployed for funding eco-friendly projects, aligning with Bangladesh Bank's green taxonomy. Further, the bank also plants a tree for every account opened.

As on December 31, 2024, as many as 20,001 Green Savings Accounts had been opened, garnering total deposits of BDT 612.7 million. Staying true to its pledge, City Bank has already planted 3,500 trees, symbolizing its contribution to a green future.

At City Bank, sustainability is at the heart of everything we do. Beyond financial services, we invest in green finance, support social initiatives and drive enduring change for a more inclusive and resilient future. Aligning with global sustainability goals, we empower individuals and businesses while safeguarding our planet.

Together, we remain committed to creating an impact and shaping a better tomorrow.



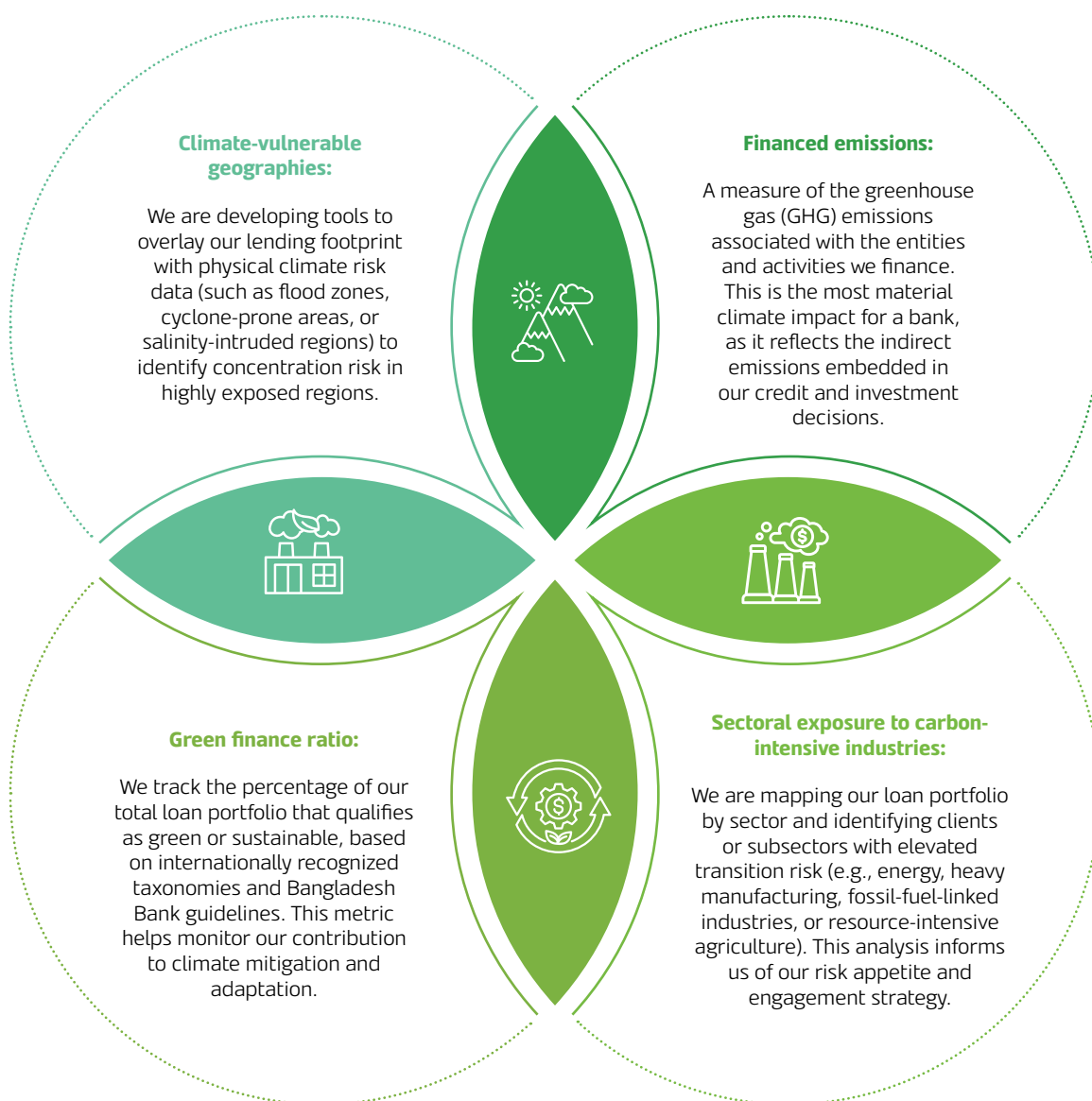
GHG Emissions and Reporting

What we measure, we manage. In our journey to integrate climate and sustainability into every part of our business, one of the most critical steps has been developing the capacity to quantify our impact, assess our exposure, and track our progress against defined targets. For a financial institution, this is both a technical and strategic challenge. Climate-related risks and opportunities do not sit neatly on a balance sheet—yet they can profoundly shape a bank's financial future.

To navigate this complexity, we have begun adopting global best practices for climate-related measurement and disclosure, including those embedded in the IFRS S2 standard. Our metrics and targets are designed not only to satisfy regulatory or reporting requirements, but to inform real business decisions—on capital allocation, client engagement, product development, and portfolio management.

Assessing Climate Risk Through Metrics

At the portfolio level, we are working to develop and apply metrics that help us understand our exposure to climate-related risk and opportunity. These include:



These metrics are helping us build a more granular, data-driven understanding of how climate risk is embedded in our portfolio and where the opportunities lie to shift capital towards more resilient and sustainable activities.

Climate Targets and Progress Tracking

Setting targets is fundamental to accountability. In line with our long-term ambition to contribute meaningfully to climate mitigation, we have begun defining and pursuing a set of climate-related goals across operational and financial dimensions.



To track progress, we have established internal KPIs tied to emission performance, green finance disbursement, and client engagement on ESG risks. These KPIs are monitored by the Sustainable Finance Committee and reviewed periodically by the Board Risk Management Committee.

Our metrics and targets reflect a growing institutional maturity in managing climate-related risk. We recognize that accurate measurement is not an end in itself; it is a pathway to more responsible decision-making, better risk control and greater impact. As we continue to refine our tools and deepen our disclosures, we remain committed to transparency, continuous improvement and aligning our growth with the principles of a sustainable future.

GHG Emission Measurement and Disclosure

Measuring and disclosing greenhouse gas (GHG) emissions is essential for organizations to manage climate-related risks, comply with emerging regulations, and meet growing stakeholder expectations. It enables informed decision-making, improves operational efficiency, and supports access to sustainable finance by demonstrating transparency and environmental responsibility. As global markets, investors, and regulators increasingly prioritize climate performance, GHG disclosure enhances an organization's competitiveness, reputation, and resilience, making it a critical step towards long-term sustainability and net-zero commitments.

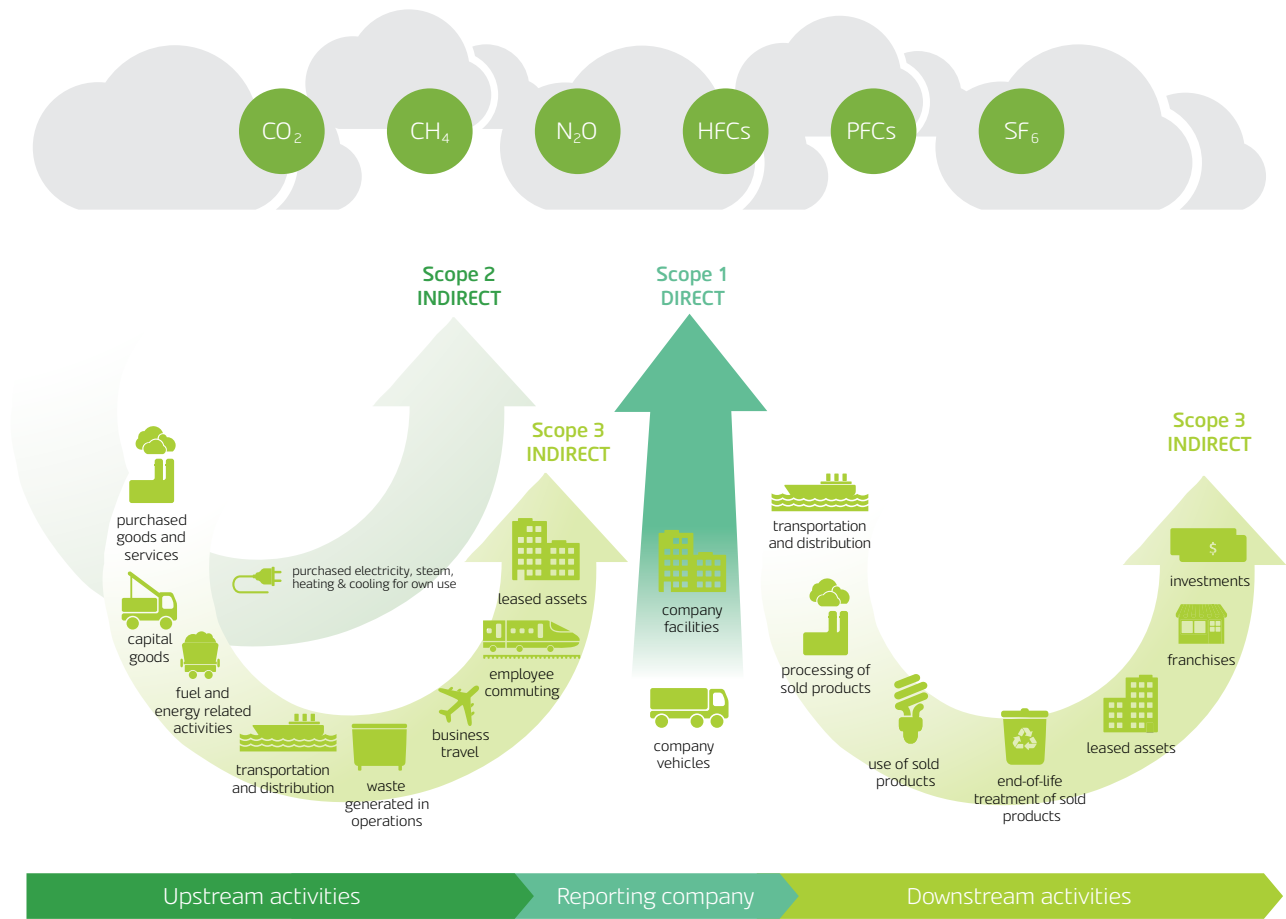
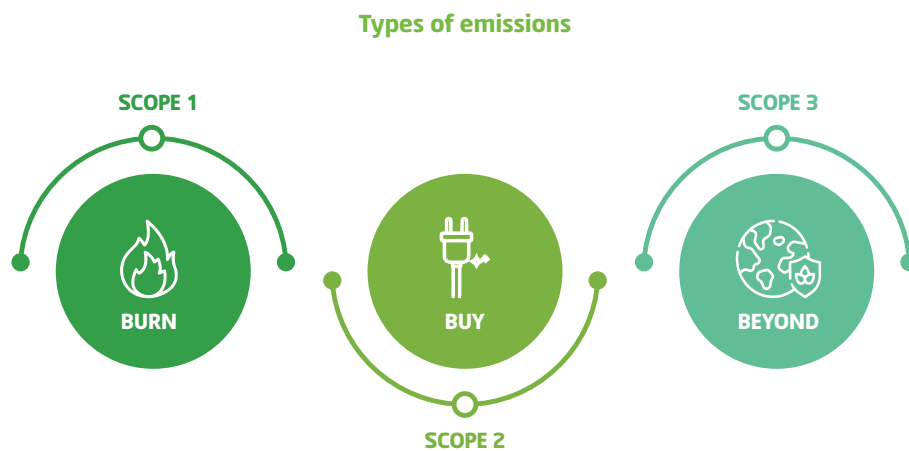


Figure 1: Overview of GHG Protocol scopes and emissions across the value chain (Source: Corporate Value Chain (Scope 3) Accounting & Reporting Standard by GHG Protocol)



Direct Emissions

Scope 1 emissions:

Scope 1 emissions include direct emissions from sources owned or controlled by the bank such as diesel generators used in branches and office premises, combustion from bank-owned vehicles etc.

Indirect Emissions

Scope 2 emissions:

Scope 2 emissions cover indirect emissions from the generation of purchased electricity (from the national grid) consumed in our branches, data centers, and corporate offices. We collect monthly utility and fuel consumption data across our operations and apply emission factors specific to Bangladesh's national grid to derive accurate estimates.

Scope 3 Emissions:

Other indirect emissions. Emissions from financed activities (e.g. loans to fossil fuel-based industries), business travel by employees, employee commuting to and from work, waste disposal from bank offices and branches. Recognizing that the most material emissions for a bank lie in its financing activities, we have initiated calculation of Scope 3 - Category 15 emissions (financed emissions) under the GHG protocol methodology. Our initial estimates focus on high-impact sectors such as RMG and Textile, Power, Pharmaceuticals etc. We classify clients by sector, collect or estimate their emissions using data collected from them, and apply loan-level attribution to estimate the portion of emissions linked to our financing. While data availability remains a challenge in some segments, we are investing in improving this process through client engagement, ESG screening tools, and external databases. We are also starting to incorporate other categories of Scope 3 emission in our calculations.

Calculation Methodology

A robust and transparent methodology is essential for accurately estimating greenhouse gas (GHG) emissions from both our internal operations and our financed portfolio. Our approach aligns with the GHG Protocol and relevant national guidelines, enabling us to measure Scope 1, 2, and applicable Scope 3 emissions with increasing accuracy and coverage. The process involves structured data collection, validation, and estimation, based on both primary and modelled data sources.

A. Operational Emissions (Scope 1 and Scope 2)

For emissions generated from our own operations, including branches, head office, ATMs, and data centers, we collect and calculate Scope 1 and Scope 2 emissions using the following data sources:

Scope 1 (Direct Emissions):

Diesel consumption in standby generators



Data collection method:

Monthly diesel and fuel consumption data is collected from internal operations logs, fuel purchase records, and generator runtime logs.



Verification:

Fuel invoices and generator meter readings are used to validate consumption during internal audits and energy monitoring exercises.

Emissions are calculated based on the emission factor of the specific fuel, applying the formula outlined in the GHG Protocol.

Scope 2 (Indirect Emissions from Electricity):

Grid electricity consumption across all operational sites



Data collection method:

Monthly electricity bills are collected from all locations and compiled in a central utility dashboard.



Verification:

Bills are cross-checked against meter readings and procurement records.

Emissions are estimated using electricity consumption data and the national grid emission factor of Bangladesh, in accordance with the calculation methodology prescribed by the GHG Protocol.

Scope 1 and 2 emissions are calculated using appropriate emission factors, based on nationally and internationally recognized sources (i.e. 2006 IPCC Guidelines for National Greenhouse Gas Inventories¹, DEFRA², and GHG protocol³). In Bangladesh, the emission factor for grid electricity production is 0.62 Kg CO₂/ kWh⁴.

B. Financed Emissions (Client's Scope 1, and 2)

To estimate financed emissions, especially for high-impact sectors, we engage directly with clients to collect site-specific GHG data using a structured data collection template.

Data Collection Template:

At the beginning of each cycle, a standardized emissions data template is sent to clients, requesting information for the preceding year. This includes the following components:

Basic Information:

- Name of project or facility
- Address and location
- Year of establishment
- Industry type and business activity
- Installed/ project capacity
- Plant or facility representative contact details

- Operating hours and working days per year
- Plant or facility representative contact details
- Operating hours and working days per year

Scope 1 data:

Type and volume of fuel consumed on-site for equipment and industrial processes.

Scope 2 data:

- Quantity of grid electricity consumed over the year

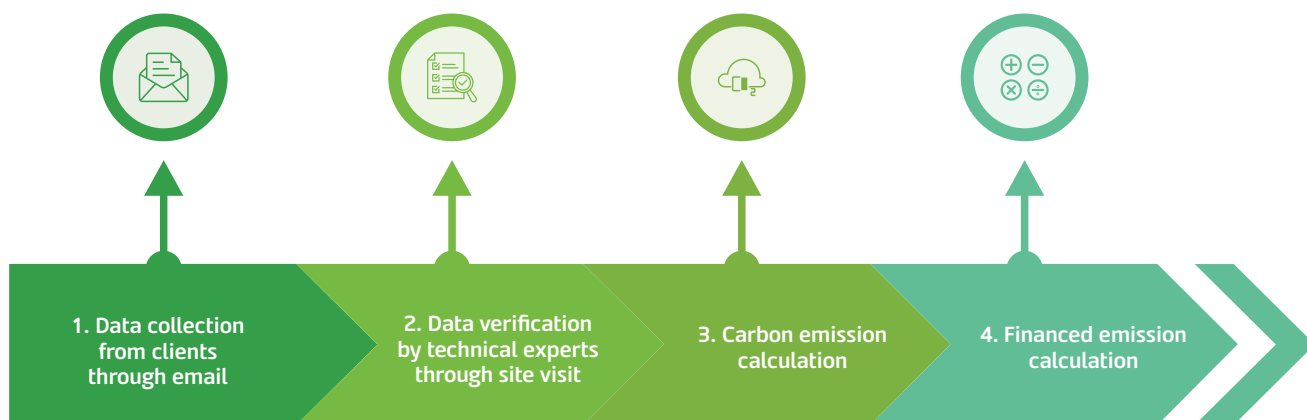
Scope 3 (Value Chain Emissions – Partial) data:

Due to data availability limitations, our Scope 3 assessment currently focuses on transportation-related emissions only. Clients are asked to provide data on:

- Employee business travel (mode and frequency)
- Daily staff commuting (vehicle type, distance, frequency)
- Inbound transportation of raw materials
- Outbound transportation of finished goods
- Waste materials and fuel delivery logistics

Note: Full lifecycle emissions data is not yet available from most clients; thus, our Scope 3 estimates are conservative and limited to measurable transport-related activities.

Process flow diagram of carbon emission calculation of financed emissions



¹ <https://www.ipcc-nggip.iges.or.jp/public/2006gl/>

² <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>

³ <https://ghgprotocol.org/calculation-tools-and-guidance>

⁴ https://doe.portal.gov.bd/sites/default/files/files/doe.portal.gov.bd/biography/c09318f9_95d9_4d64_908f_6f0651503e96/2025-01-24-05-29-0b27bb5fb4c0d28a4647d578e04217fd.pdf

Carbon emissions associated with City Bank's clients and loan portfolio are categorized as Scope 3 emissions, specifically encompassing clients' Scope 1 and 2 emissions. The bank follows the internationally recognized GHG Protocol Corporate Accounting and Reporting Standard to calculate financed emissions.

Factory-level emissions data are initially provided by clients via email, which is then subjected to a desk-based review and subsequently validated through on-site visits. Carbon emission factors for different fossil fuels are applied to calculate total emissions generated by each facility.

Given the inherent complexity and data limitations in capturing emissions from all clients, the bank employs a stratified random sampling methodology. Within each sector, a representative sample of factories is selected. For each sample facility, emissions per BDT of loan outstanding are calculated and averaged across the sample. This average is then used to estimate total financed emissions for the respective sector.

Financed emissions for an individual client or facility are calculated using the following formula:

$$\text{Financed Emissions} = \left(\frac{\text{Loan Outstanding Amount}}{\text{Total Equity+Debt}} \right) \times \text{Emissions}$$

To estimate total sectoral emissions:

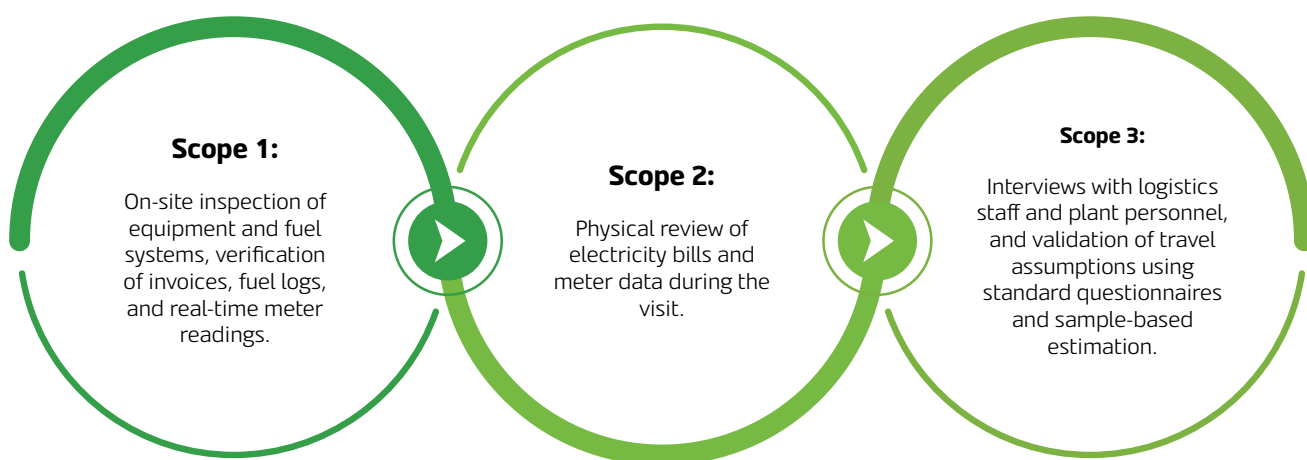
- Emission per BDT of loan is calculated for each sampled factory.
- The average emission per BDT is derived across the sample.
- This average is multiplied by the total outstanding loans in that sector to estimate total financed emissions.

The total sector financed emissions is calculated using the following formula:

$$\text{Total Sector Financed Emissions} = \text{Average Emission per BDT} \times \text{Total Loan Outstanding in the Sector}$$

Data Verification

To ensure data reliability, our engineers and certified energy auditors conduct site visits and cross-check client-submitted information through the following methods:



Our calculation methodology reflects a hybrid approach—combining direct measurement, client engagement, conservative estimation, and internationally accepted protocols. As data availability improves and disclosure maturity increases across clients and internal operations, we will continue refining our approach and expanding the scope of emission sources covered, particularly in Scope 3 categories.

Measuring Scope 1 and Scope 2 Emission

We calculate emissions from our own operations—Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased electricity)—using activity-based data collected from our nationwide branch and office network. For Scope 1 calculation, currently we include only generator fuel consumption and for Scope 2 only purchased electricity emission is covered.

Scope 1 and 2 emissions of City Bank PLC

Type of emission	2024	2023
Scope 1	239 tCO ₂	249 tCO ₂
Scope 2	8,327 tCO ₂	7,375 tCO ₂

Measuring Financed Emission (Scope 3)

City Bank plays a critical role in financing key industries that are the backbone of Bangladesh's economy—industries

that not only drive GDP growth but also generate large-scale employment and contribute significantly to national revenue through tax and export earnings. While many of these sectors remain reliant on fossil fuels for their operations, there has been a notable shift toward adopting cleaner, energy-efficient, and resource-conserving technologies. This transition is being actively supported and encouraged by City Bank through targeted financing, technical assistance, and sustainability-linked lending instruments.

Recognizing the environmental implications of its lending portfolio, City Bank has taken a proactive step toward climate responsibility by initiating the measurement and disclosure of its financed greenhouse gas (GHG) emissions. This effort aligns with international best practices and reflects the bank's commitment to understanding and managing the climate-related impacts of its financial activities. By tracking financed emissions, City Bank aims to identify high-emission sectors, engage with clients on decarbonization strategies, and gradually align its portfolio with a low-carbon and climate-resilient economy.

Scope 3 emission of City Bank PLC

Sl.	Sector	2024		2023	
		Outstanding (Million BDT)	Total Financed Emission (tCO ₂)	Outstanding (Million BDT)	Total Financed Emission (tCO ₂)
1.	RMG and Textiles	96,370	227,640	82,880	195,360
2.	Power	32,750	508,709	37,080	575,960
3.	Pharmaceuticals	10,820	12,508	8,420	9,700
4.	Steel	18,110	164,511	13,700	124,427
5.	Cement	4,560	17,625	2,970	11,470
6.	Edible oil and food processing	10,850	32,734	2,440	7,360
7.	Animal feed industry	5,250	10,571	4,400	9,090
8.	Leather and Footwear	6,950	4,346	1,980	1,237

Client's Scope 3 Emission

As part of our commitment to enhancing the transparency and completeness of our financed emissions disclosure, we recognize the growing importance of assessing our clients' Scope 3 emissions—particularly in high-impact sectors such as manufacturing, power, and transport. These emissions, which include upstream and downstream value chain activities such as purchased goods, transportation, product use, and end-of-life treatment, often represent the largest share of a company's total carbon footprint. Understanding these emissions is essential for us to accurately gauge the full climate impact of our financing activities, assess transition risk more holistically, and support our clients in developing science-aligned decarbonization strategies.

While we have made progress in estimating clients' Scope 1 and Scope 2 emissions using both reported and modelled data, we have not yet been able to collect comprehensive data on Scope 3 emissions due to limited availability and varying levels of disclosure maturity among clients. Nonetheless, we view this as a critical area for development, and we intend to gradually expand our financed emissions reporting to include material Scope 3 categories in future reporting cycles. To that end, we plan to work closely with our clients to raise awareness, build capacity, and support the adoption of robust value chain emissions accounting frameworks over time.

Avoided Emission

In addition to measuring our own carbon footprint and the emissions associated with our financed activities, we believe

it is equally important to account for our positive climate contributions—particularly in the form of avoided emissions. These refer to the greenhouse gas (GHG) emissions that did not occur because of our operational decisions and financing activities that support the transition to a low-carbon economy.

By calculating and disclosing avoided emissions, we aim to demonstrate our role not only in managing risk but also in enabling solutions—both through reducing the emissions intensity of our operations and by financing technologies and infrastructure that displace higher-emitting alternatives.

Operational Avoided Emissions

To reduce the environmental footprint of our own operations, the bank has installed solar photovoltaic systems at selected office premises (head office, branches, sub-branches) and ATMs. These systems lower dependence on grid electricity and diesel generators, thereby avoiding CO₂ emissions.

In 2024, electricity generated from these on-site solar installations resulted in approximately 2,619 kg CO₂e of avoided emissions. This initiative is part of our broader operational decarbonization program, which also includes solar expansion, adoption of energy-efficient equipment, and green building measures.

Financed Avoided Emissions

The larger share of our avoided emissions comes from financing activities, particularly in renewable energy. In 2024, the bank financed multiple solar and wind power projects. These projects displace fossil-fuel-based electricity and contribute directly to the decarbonization of the national grid.

Our financed renewable energy portfolio avoided approximately 178 kilotons of CO₂e in 2024, calculated using internationally recognized methodologies. In cases where precise energy output data was unavailable, conservative estimates based on project type, installed capacity, and capacity factors were applied.

We also financed energy-efficient machinery across industries, which contributed to further emissions reduction. While complete data on the associated energy savings is not yet available, we are working to strengthen data collection and measurement processes to quantify this impact in future disclosures.

As we expand green financing and continue to decarbonize our operations, we expect avoided emissions to increase steadily in the coming years—serving as a key indicator of our climate impact and alignment with the low-carbon transition.

SOCIAL: INSPIRED PEOPLE AND THRIVING COMMUNITIES

Serve the development of people and communities by shaping a future with meaningful and consequential opportunities for all

At City Bank, we enable those we hire, those we work with, and those around us to not only live better but also participate in shared progress and prosperity. Financial inclusion and empowerment, especially among marginalised populations, comprises our key pillars through which we advance common goals and strive to create a foundation for the society to thrive and hope for a better future.

“At City Bank, we believe that true progress lies in uplifting people and enabling thriving communities. Our commitment goes beyond banking; it is rooted in building social equity, fostering inclusivity and inspiring people to realise their potential. We invest in education, healthcare and skill development, empowering communities to chart a sound path to development. Supporting small entrepreneurs, women and underserved populations, we help create opportunities that drive societal resilience and prosperity.”

Nishat Anwar, Head of Human Head of Human Resources, City Bank PLC



SGDs served



Talent Management

Within A Social Lens

Delivering best practices in employment

Good talent management, compensation and performance management practices have many positive impacts, including attracting top talent, retaining high-performing employees, high employee engagement and morale, growing performance and productivity, aligning organizational goals and values, and driving all-round competitiveness and innovation.

Prioritizing positive practices, we can continue to build a strong brand, cultivate a high-performing workforce and achieve sustainable growth and success in today's competitive business environment.

Our employees' talent and knowledge are the key drivers of our organization's success. We hence pay particular attention to selecting our talent carefully and offering them a supportive, stimulating and inspiring work environment where they can thrive and advance their careers.

Fostering a supportive, passionate and compassionate workplace

At City Bank, we are dedicated to nurturing fair and inclusive employment practices as a fundamental part of our sustainability strategy. We acknowledge that our employees are our greatest asset and are committed to offering a safe, healthy, fulfilling and forward-thinking work environment. This commitment includes equitable compensation and benefits, opportunities for career growth and a workplace that is free from discrimination, bias or harassment.

We believe that providing career growth and development opportunities is essential for employee satisfaction and retention. To support this, we offer a variety of training and development programs to help employees enhance their skills, knowledge and professional competence.

To maintain competitive compensation and benefits, we periodically assess our pay and benefits packages to

ensure they are fair and align with industry standards. Our comprehensive benefits package includes health and wellness initiatives, retirement plans and employee assistance programs. Additionally, we provide opportunities for internal career advancement, merit-based promotions and preparation for future workforce needs.

Employee promotions

Total employee promotions

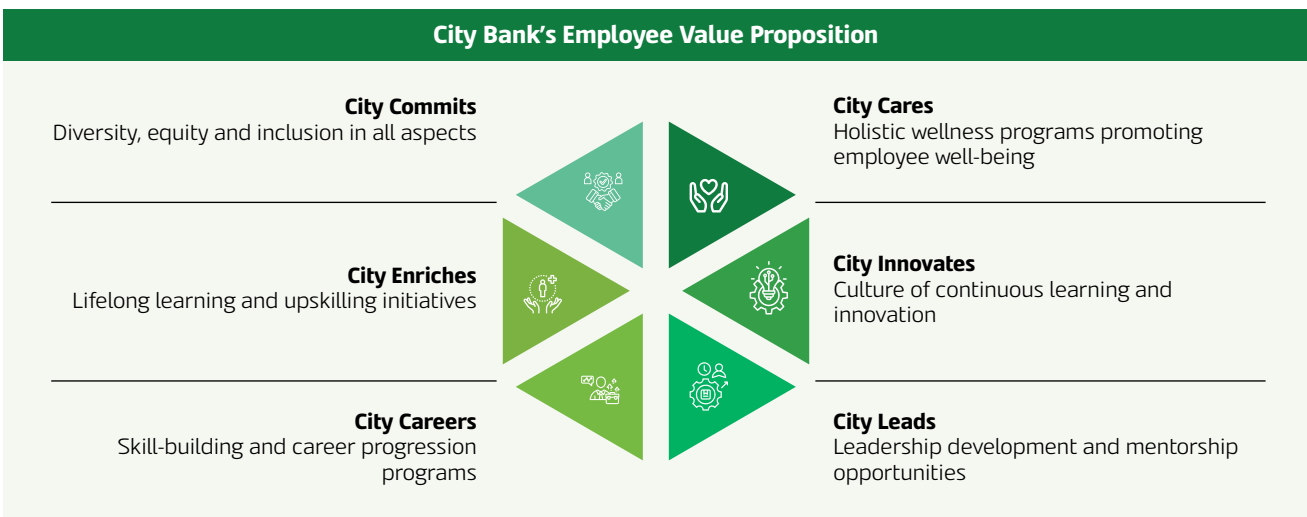
2022	2023	2024
1,297	1,018	1,114

City Bank is committed to upholding human rights and labour standards. We adhere to the International Labour Organization's (ILO) Core Conventions, which include abolition of forced labour, elimination of child labour and prevention of discrimination and harassment. In this regard, we have implemented policies and procedures to thwart discrimination, harassment and other forms of workplace mistreatment. We also monitor our supply chain to ensure that our vendors and suppliers adhere to these standards.

We support broader efforts towards decent work and fair employment by partnering with local organizations that promote job creation and skills development. We also invest in education and training programs to support holistic efforts in fostering decent work and livelihood.

Burnishing our employee value proposition

At City Bank, impact begins with our people. To this extent, our employee value proposition (EVP) is designed to foster a workplace that not only attracts top talent but also nurtures their long-term growth, well-being and commitment to a purpose-driven career. Through six core pillars, we fortify our employer responsibility, fostering inclusivity, leadership, innovation and social responsibility to ensure a positive impact on both our employees and the broader community.



Remuneration and compensation



Pay equity

Fostering a performance-based pay and meritocratic culture, City Bank's compensation and benefit policy expresses fair and equal treatment to all employees. As such, an employee's compensation is primarily determined by their career record and performance and not by their gender, race, ethnicity or any other demographic parameter.



Salary

Several factors, such as credentials, experience, attitude and adherence to corporate values and principles are considered when determining the compensation of various employee grades. The bank's wage structure is typically adjusted periodically to account for changes in the cost-of-living and other market forces. Each month's salary is processed on the 23rd day of the month. If the date falls on a weekend or a holiday, salary is paid on the day preceding the weekend or holiday.

Currently, the minimum entry-level wage after probation for an Assistant Officer is BDT 43,000 per month, and for a Cash Officer it is BDT 40,000 per month. Taking into account the full workforce, the average basic pay of males is BDT 61,670 per month, while the average monthly basic salary of females is BDT 50,796 (as of Dec 31, 2024).



Allowances

City Bank offers its employees a variety of allowances, including house rent allowance (HRA), conveyance allowance, medical allowance, entertainment allowance, staff utility allowance, holiday allowance, furniture allowance, key allowance (house maintenance), charge allowance (allowance for temporary additional responsibilities) and night shift allowance, among others.



Fostering harmonious working conditions

City Bank is committed to enhancing its winning workplace culture that is anchored on non-discriminatory hiring practices, fair rules and safe workplace operations. In order to accomplish this, the bank maintains a culture that supports and motivates employees through a variety of methods. We urge our staff to implement work-life harmony in order to effectively manage their professional and personal life. The bank has internal policies and practices too, wherein we encourage employees to maintain work-life balance.

In line with central bank guidelines, regular written communication is disseminated from HR and also the management to maintain office hours. On an ongoing basis, office timings and availing mandatory leave are monitored centrally by HR. In 2024, 99.3% employees availed mandatory leave of 10 days. We also have day-care facilities for Dhaka-based employees, providing safe and secure creche services.

City Bank disallows discrimination, intimidation, harassment, favouritism/bias, or retribution of any form against employees. Any harassment or discrimination levelled at any employee on the basis of his/her background, gender, religion, race, ethnicity, nationality, age, marital status, physical condition, or personal appearance results in strong disciplinary action, which itself thwarts such attempts.

We respect all employees as distinct individuals, recognising and upholding basic human rights. The bank believes that fostering an environment that attracts, retains and fully engages diverse people leads to enhanced innovation, creativity and performance outcomes that creates multidimensional value benefitting all stakeholders.

Notice period



Resignation

As per the bank's rules and policies regarding employee contracts/ agreements, a permanent employee must give 3 months' notice period, else submit 3 months' basic salary. Employees in their probation period must give a notice period of 1 month, else submit 1 month of basic pay. For contractual/temporary employees, notice period of 1 month must be given, else they have to surrender 1 month of basic salary.



Termination

In case a permanent employee is being terminated from the services of the bank, he/she will be given a 3 months' notice period, else 3 months' of basic salary.

Benefit plans for employees (Payroll)

Fund name	Amount (BDT million) as on 31 December 2024	Amount (BDT million) as on 31 December 2023	Amount (BDT million) as on 31 December 2022
City Bank Limited Employees' Provident Fund	498.48	592.21	437.00
City Bank Limited Employees' Gratuity Fund	295.40	356.94	252.43
City Bank Limited Employees' Welfare Fund	57.35	49.11	29.19

Diversity, equity and inclusion (DEI)

We believe diversity, equity and inclusion (DEI) are the foundation of progress. Embracing different voices, empowering every individual and ensuring fairness at every step, we build a workplace where everyone can thrive, contribute and grow together. DEI is thus the foundation of our progress.

We are committed to building a diverse, equitable, equal, meritocratic and inclusive workplace that mirrors the communities we serve. Our members have access to training, industry leading practices and other dedicated resources to help us collectively achieve our DEI goals.

We strive to integrate DEI across our organization and to support our employees in developing their leadership skills and capabilities. We identify and eliminate barriers to equitable access and development; respect and value individual differences, experiences and perspectives; and sustain employee engagement through the welcoming spirit of inclusion and belonging.

Diversity in the workplace

Diversity in the workplace has become increasingly important in recent years as companies have recognized the benefits of having a team composed of individuals with diverse backgrounds, experiences and perspectives.

City Bank understands the value of diversity and its positive impact on business development. Further, we know that while almost 50% of the nation's population comprises women, their participation in mainstream work is limited. We are committed to do our best to correct this skew, and our hiring and other employment policies are reflective of this broader attempt in financial inclusion and empowerment. We believe that banking is the key to unlock the door of opportunity for the marginalised segments of the population.

An inclusive culture is essential to maintaining workforce diversity. As a bank, we are devoted to an atmosphere where all employees feel valued and respected, regardless of their race, gender, ethnicity, religion, or any other characteristic that makes them unique. This includes a workplace culture that encourages open communication, mutual respect and collaboration and teamwork across diverse groups. We recognise that maintaining plurality of ideas, insights and perspectives is critical to continued success, especially in a fast-paced environment.

Female leadership in the bank

City Bank encourages women employees to step forth and realise their professional goals and ambitions. We walk the talk, as almost 15% of our Management Committee (Mancom) members comprise females, where senior positions, including those of Chief Operating Officer, Head of Human Resources and Chief Legal Officer are occupied by women leaders of the bank. Our Extended Management Committee (Extended Mancom) comprises 8% female representation. Further, we have several branch managers and unit heads helmed by females.

Commitment to enhancing female representation

Diversity in leadership and workforce composition is a priority for City Bank.

Our unwavering commitment to female engagement in banking reflects our vision of building a more inclusive, progressive and supportive organisation, where every employee can thrive. We thus continue to adopt bold steps to ensure that gender diversity remains a key pillar of our success.

Female representation among overall bank employees stood at 19% (1,193 female employees) in 2024, as compared to 18% (1,044 female employees) in 2023.

Female participation in City Bank workforce

2022		2023		2024	
No. of females	(%)	No. of females	(%)	No. of females	(%)
997	17%	1,044	17.9%	1,193	18.9%

Board, Mancom and Extended Mancom female representation

Female representation in	2023	2024
Board	3 out of 10	3 out of 11
Mancom	2 out of 20	3 out of 21
Extended Mancom	4 out of 35	2 out of 32

Female leaders at City Bank, 2024

Role	Females	(%)
Top Management (Mancom)	3	14%
Senior Management (VP-SEVP)	28	8%
Branch Managers + Sub-Branch-In-Charge	6	5%
Total	37	8%

Employee profile of the bank

Year	Female employees	Male employees	Support staff	Total
2018	762	3,750	342	4,854
2019	962	4,332	327	5,621
2020	878	4,086	316	5,280
2021	921	4,429	293	5,643
2022	997	4,815	271	6,083
2023	1,044	4,784	407	6,235
2024	1,193	5,104	410	6,707

* Includes all categories of employees

To be sure, though we have achieved progress on a gender-diverse workforce, we still have a long way to go and will crystallise plans and initiatives in the representation of women in our workforce going forward. As part of our long-term strategy, we aim to increase the overall female employee ratio in the workforce to 20% by 2027 through targeted recruitment, retention policies and greater workplace belonging.

Employees by religion, 2024

Religion	No. of employees (Regular + Temporary)	No. of employees (Support staff)	Total no. of employees	Percentage of total employees
Islam	5,489	399	5,888	87.79%
Hindu	757	8	765	11.41%
Buddhist	32	3	35	0.52%
Christian	19	0	19	0.28%
Total	6,297	410	6,707	100%

New recruitment by age, 2024

Age group	No. of employees - Regular	% of total employees	No. of employees - Temporary	% of total employees	Total	% of total employees
20-30 years	409	47%	271	66%	680	53%
31-40 years	406	47%	107	26%	513	40%
41-50 years	49	6%	30	7%	79	6%
51+ years	1	0%	2	0%	3	0%
Total	865	100%	410	100%	1,275	100%

New recruitment by gender, 2024

Gender	No. of employees - Regular	% of total employees	No. of employees - Temporary	% of total employees	Total	% of total employees
Male	676	78%	307	75%	983	77%
Female	189	22%	103	25%	292	23%
Total	865		410		1,275	

Employee turnover by age, 2024

Age group	No. of employees – Regular	% of total employees	No. of employees – Temporary	% of total employees	Total	% of total employees
20-30 years	102	23%	139	47%	241	32%
31-40 years	256	57%	148	50%	404	54%
41-50 years	84	19%	9	3%	93	12%
51+ years	10	2%	1	0%	11	1%
Total	452	100%	297	100%	749	100%

Employee turnover by gender, 2024

Gender	No. of employees – Regular	% of total employees	No. of employees – Temporary	% of total employees	Total	% of total employees
Male	378	84%	229	77%	607	81%
Female	74	16%	68	23%	142	19%
Total	452	100%	297	100%	749	100%

Employee segments by position, 2024

Particulars	Number	% of total employees
Support staff (Grade Support Staff)	410	6%
Temporary to SEO	5,229	78%
AVP to SEVP	1,059	16%
DMD to CEO	9	0.13%

Employee diversity by region, 2024

Region	No. of female employees	% of total employees	No. of male employees	% of total employees	Total no. of employees
Dhaka Division	977	21%	3,680	79%	4,657
Outside Dhaka Division	216	11%	1,834	89%	2,050

Workforce age distribution, 2024

Age group	Female	Male	Support Staff	Total
20-30 years	457	1,225	6	1,688
31-40 years	558	2,483	12	3,053
41-50 years	158	1,110	168	1,436
51+ years	20	286	224	530
Total	1193	5,104	410	6,707

Workforce service distribution, 2024

Service tenure	Regular (without support staff)		
	Females	Males	Total
Below 5 years	871	3,506	4,377
5-10 years	151	804	955
10+ Years	171	794	965
Total	1,193	5,104	6,297

Employee composition, 2024

Top Management (Mancom)	18	3	21
Senior Management (VP-SEVP)	304	28	332
Mid Management (SEO-SAVP)	1,079	179	1,258
Junior Management (AO-EO)	2,842	642	3,484
Temporary	861	341	1,202
Total	5,104	1,193	6,297
Support Staff	410		410
Grand Total	5,514	1,193	6,707

Nurturing an Exceptional Workplace

Employee benefits that go beyond just compensation

At City Bank, employee benefits go far beyond compensation, reflecting our commitment to each person's wellbeing, growth, welfare and happiness.

Though happiness is often seen as a bonus at work, in truth it is integral to us building a healthy, resilient and high-performing workplace. Often underrated, happiness fuels creativity, strengthens relationships and inspires people to give their best every day. A culture that values joy and fulfillment is not just kinder, it is smarter and it drives lasting success. From flexible work options and health programs to continuous learning opportunities and initiatives that support mental, physical and financial wellness, we invest in every aspect of our people's lives. Because when our employees thrive, so does our entire organization.

Health & Wellness

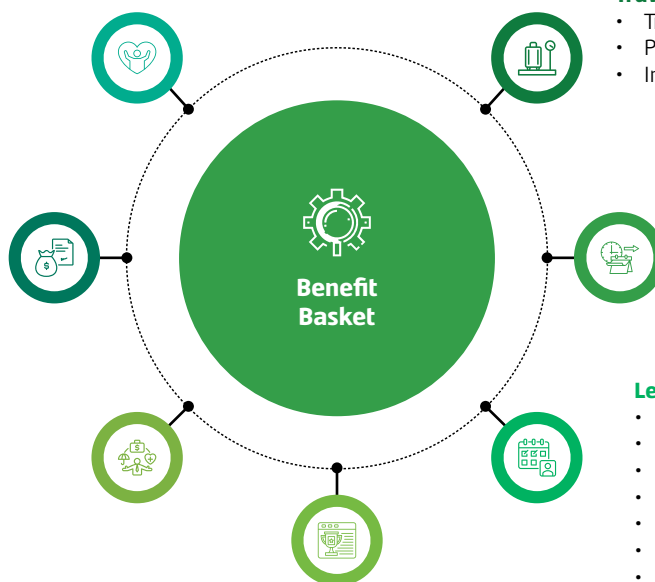
- Hospitalization Benefit
- Critical illness Benefit
- Maternity Benefit
- Emergency Support Fund
- Life Insurance Coverage
- Day Care Facility

Loan Facilities

- Home Loan
- Car Loan
- PF Loan

Employee Privilege

- Waiver on Account Charges
- Free Debit Card
- Waiver On Credit Card Annual Charge
- Personal loan at a lower interest rate
- Discount facilities with selected partners



Travel & Transfer Allowance

- Travel/Daily Allowance
- Packing/Unloading Expense
- International Travel

Long Service

- Gratuity
- Provident Fund

Leave

- Annual
- Maternity
- Miscarriage
- Paternity
- Casual
- Public Holidays
- Medical
- Extra Ordinary

Bonus & Recognition

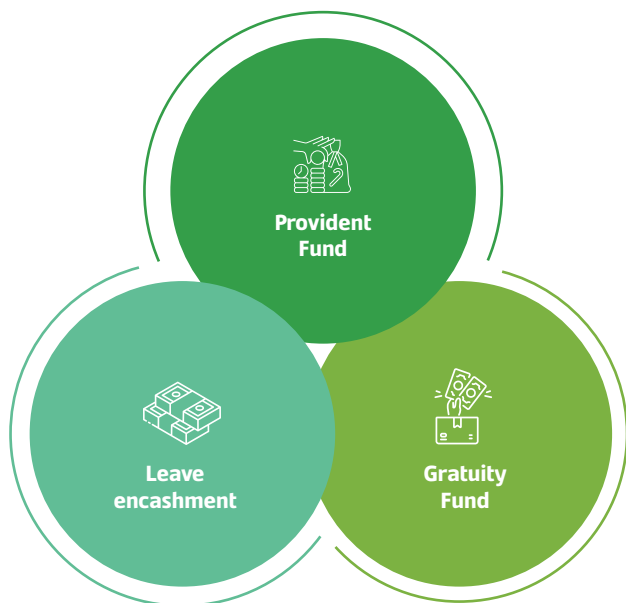
- Performance Bonus
- Festival Bonus
- Robust Reward & Recognition Program

Benefit plans for employees

Fund name	Amount (BDT million) as on 31 December 2024	Amount (BDT million) as on 31 December 2023	Amount (BDT million) as on 31 December 2022
Provident Fund	498.48	592.21	437.00
Gratuity Fund	295.40	356.94	252.43
Emergency Support Fund (ESF)	57.35	49.11	29.19

Other employee benefits

As part of end-service benefit plans during the event of separation, employees of the bank are entitled to receive benefits as per policy and trust rules, as mentioned below:



Leaving service from the bank requires 3 months' notice period for full-time employees. Contractual employees are required to serve a 1 month notice period.

Maternity leave benefits

All female employees are entitled to avail maternity leave on full pay for 6 months. Other aspects of maternity leave are guided by the provisions and rules of the Bangladesh Labour Act. Maternity leave can be availed twice during the employees' tenure at the bank.

Female employees who availed maternity leave

2022	2023	2024
98	64	94

Maternity and parental benefits

City Bank is one of the few organisations in Bangladesh that goes beyond traditional maternity leave policies. The bank offers the following:

- Six months of maternity leave, allowing new mothers ample time to recover and bond with their newborns
- Post-maternity financial assistance, where returning mothers can avail a two-month salary advance as an interest-free loan, ensuring financial stability during their transition back to work
- Miscarriage Leave (28 days) and Paternity Leave (5 working days) to support employees through significant life events and promote shared parental responsibilities

Day-Care

City Bank offers day-care facilities at two locations – in Gulshan (operating since 2013) and in Motijheel (operating since 2023). We offer 15 seats in the two centres for our employees. City Bank

bears 65% of the total creche cost, thus ensuring parental financial support.

Employee engagement through sports and outdoor activities

City Bank, in alignment with its core value of “Engaged and Inspired”, offers numerous employee engagement options. These include wellness programs, including fitness challenges, mental health awareness sessions and recreational activities. These programs aim to enhance employee well-being, ensuring they maintain a healthy work-life balance.

We also organise internal tournaments and events to keep our employees engaged and motivated. These range from sports competitions to team-building activities, workshops and cultural events. Such initiatives create a vibrant and inclusive work environment, allowing employees to showcase their talents, develop new skills and forge stronger bonds with their colleagues.

We actively encourage our employees to participate in various sporting disciplines too, including cricket, football, chess and badminton, especially corporate tournaments. This not only promotes physical health and teamwork, but also provides opportunities for employees to represent the bank on larger platforms and build camaraderie with their peers from other organisations.

We covered significant ground in employee engagement in 2024 by organising:

- 50+ value sessions covering 3,000+ employees
- 20+ speak-up sessions covering 1,200+ employees
- Four rewards and recognition ceremonies, apart from numerous divisional/department-level ceremonies
- Health awareness and yoga sessions and blood donation camps

City Bank has its official sports teams in cricket, football, table tennis and badminton. These teams triumphed in 9 cricket tournaments organised around the country in 2024, bringing glory to the bank. Participation included in:

- CPL Presents Amateurs 100 Balls Cup - 2024
- 7 A-Side Bankers Football Fiesta 2024
- Bankers' Championship Trophy 2024 season 4
- Amateur Championship Trophy 2024 season 7
- American Express T-10 Bankers' Cricket Cup season 4
- Chittagong Club Badminton and Table Tennis season 5
- Flyers Corporate Football Tournament season 4
- Absolute Corporate Futsal Carnival 2024 season 3
- Last Man Stand (LMS Corporate Cricket) Dhaka League

Provident Fund

The City Bank Limited Employees Provident Fund is a funded scheme duly approved by the National Board of Revenue (NBR). Provident Fund benefits are given to bank employees in accordance with the registered Provident Fund Rules. All confirmed and permanent employees are entitled to be a member of the scheme. Employee contribution, equal to 10% of basic salary, is deducted each month from the salary. The bank contributes an equal amount, with both the employee's and organization's contribution being paid to the fund each month.

Gratuity

Gratuity Fund benefits are given to bank employees in accordance to the Gratuity Fund Rules. The bank's gratuity benefit is a fully funded scheme. All confirmed and permanent employees serving the bank for more than 5 years but below 10 years are eligible for gratuity benefits at 1x basic pay for each completed year of service. All confirmed and permanent employees serving the bank for more than 10 years are eligible for gratuity benefits of 1.5x basic pay for each completed year of service.

Emergency Support Fund (ESF)

City Bank constituted an Employee's Emergency Support Fund for the welfare of employees. Bank employees can obtain financial assistance from this fund by voluntarily subscribing to the fund membership. However, membership is mandatory to avail financial assistance from the fund. A total of 430 employees drew support from ESF in 2024.

The fund offers financial assistance to members and their dependents for 16 critical health emergencies, including:

- Cancer
- Stroke
- Heart attack
- Serious coronary disease
- Coronary artery surgery
- Heart valve replacement
- Pulmonary arterial hypertension
- End-stage lung disease
- Liver disease
- Fulminated hepatitis
- Kidney failure
- Coma
- Aplastic anaemia
- Major organ or bone marrow transplantation
- Permanent blindness/permanent hearing loss/permanent loss of speech
- Major fire accident at home

Group Life Insurance

City Bank provides Group Life Insurance coverage to all permanent employees, effective from their joining date. Employees are required to declare their nominee/s in a prescribed format at joining for insurance benefits to their beneficiaries. In the unfortunate event of death of an employee while in the bank's service, the organization, depending on the classification of the said employee, shall pay insurance benefits to the nominee/s. In case of any accidental death while in service, the nominee/s of the employee shall receive double the coverage amount of the respective grade of employee.

The benefit cap ranges from BDT 6 lakh to BDT 30 lakh, depending on the employment grade. Additionally, the bank also has additional coverage as contingency, which ranges from BDT 25 lakh to BDT 50 lakh, contingent on the employment grade.

Hospitalization insurance

We prioritize the well-being and peace-of-mind of our employees and their families. As part of this commitment, all permanent employees and their spouses, up to the age of 60 years, and children up to the age of 23 years, are covered under our Group Hospitalization Insurance Plan availed from a reputed insurance company. This comprehensive coverage ensures our employees have access to financial support in times of need, providing them with reassurance and security.

In the event that City Bank employees or their covered family members are admitted to a partner hospital, they can avail the advantage of the guarantee of payment (GOP) or cashless facility provided by the insurance company. This means that medical expenses are directly settled by the insurance company, alleviating the financial burden and allowing employees to focus on recovery without the added stress of medical bills.

Critical illness coverage

City Bank is committed to employee well-being. As part of our "City Cares" pillar of City Bank Employee Value Proposition (EVP), we prioritize alleviating the emotional and financial strain that a critical illness can bring. Thus, the bank has introduced a Critical Insurance Coverage plan, available to all permanent employees of the bank. This coverage ensures that employees feel cared for and supported when facing life's unexpected challenges. Under this plan, all permanent employees with a minimum service tenure of three months are eligible for a one-time financial assistance of BDT 5 lakh if diagnosed with any of 18 critical illnesses mentioned above.

Rewards and recognition

City Bank believes that recognising employees leads to improved performance. The year 2024 marked a significant milestone for our Rewards and Recognition (R&R) program, as it was the fourth year of implementing the official R&R framework at the bank.

The objective of the framework is to decentralise the recognition process, ultimately increasing the frequency of acknowledging and highlighting outstanding performance. This approach contributes to creating a happier, more engaged and motivated organisation, fostering a culture built on gratitude and appreciation.

Despite facing numerous challenges throughout the year, we are proud of our employees' resilience and determination. They stayed focused on their goals and delivered exceptional results, even in the face of adversity. As a testament to their commitment and hard work, around 4,677 employees were recognised and rewarded for their contributions throughout the year.

Fringe benefits (Payroll)

City Bank offers the following fringe benefits to employees:

- Car loan
- House building loan
- Loan against PF
- Two-wheeler loan
- Personal loan (at concessionary rates)
- Free debit/credit cards

Benefits beyond regulatory requirements

At City Bank, permanent employees are provided several benefits following regulatory requirements. These benefits include:

- Minimum salary as per Bangladesh Bank guidelines
- Timely payments
- Fixed working hours
- Leaves and holidays
- Maternity benefits
- Provident Fund
- Gratuity Fund
- Leave encashment
- Day-care facilities
- Canteen facilities

In addition, employees are also provided the following benefits beyond regulatory obligations. These comprise:

- Hospitalization benefits
- Critical illness coverage
- Performance bonus
- Various rewards
- TA/DA for official travel
- Waivers on annual charges for accounts and cards
- Discount facilities with select partners

Talent retention and career progression

City Bank has implemented several innovative programs and initiatives designed to cement the bank's employer brand and attract the right talent. Such programs include campus hiring events, management trainee recruitment, intern recruitment, 'Spotlight', 'Meet the CEO' program, etc. These not only help in facilitating talent recruitment, but also in building a strong connection with people while providing them a clear pathway for their careers.

As part of development and retention of our talents, City Bank has launched a talent development program named 'City Future Fit'. Alongside, a structured career mapping, 'Career Framework', has also been launched to empower employees to own and advance their careers.

The bank provides ample learning opportunities to employees with a wide range of training programs. Besides arranging in-house training, the bank also nominates employees for external programs arranged by reputed organisations. These learning sessions are delivered through various formats, such as classroom sessions, webinars, e-learning modules and international training opportunities, covering multiple categories such as functional, general and soft skills.

Training sessions, 2024

Institutes	Sessions	Participants	Training hours
In-house	583	43,387	154,092
BIBM and Bangladesh Bank	43	131	5,592
Other institutes	93	1,574	26,019
Total	719	45,092	185,703

Culture of coaching and counselling

City Bank believes in holistic people management principles that are rooted in fairness and compassion while promoting a high-performance culture to accomplish organisational vision and goals.

Under the aegis of the coaching counselling culture, the bank envisages to uphold a balanced approach to being just and compassionate to people, while encouraging high performance and focus on delivery. As part of this culture, Line Managers provide support to their direct reports when their performance is about to go 'off-track' in a compassionate manner and guide them to come back 'on-track'.

To ensure effectiveness, the bank has reviewed and updated its people management policies and processes, such as Performance Improvement Plan (PIP) and also revamped the process related to goal-setting, performance evaluation, performance development and separation for monthly target-based employees. Around 13% of employees received regular performance counselling and career development reviews under performance improvement initiative in 2024.

Training and capacity development

At City Bank, training and skill enrichment are integral to building a dynamic, future-ready workforce. The bank invests in continuous organisational learning through structured programs, workshops and certifications that equip employees with cutting-edge banking knowledge, leadership capabilities and customer service excellence. From onboarding new recruits to upskilling experienced professionals, the bank fosters a culture of continuous learning that emphasises adaptability, digital fluency and ethical practices, ensuring its employees can confidently navigate the evolving financial landscape.

Beyond technical training, City Bank also lays stress on personal and professional growth by encouraging innovation, collaboration and cross-functional exposure. Employees are given opportunities to work on challenging projects, learn from industry experts and participate in global banking forums, broadening their perspectives and strengthening their capabilities. This commitment to development not only enhances employee careers but also drives the bank's collective ambition to deliver exceptional value to customers and contribute meaningfully to Bangladesh's financial sector.

Few of the training programs are discussed below:



City Shikhi

The bank has developed a digital learning management system under “City Shikhi” to promote digital learning and engagement by providing employees with access to a wide range of training programs under a single platform. City Shikhi can be accessed from networks outside of City Bank too, thus ensuring uninterrupted anytime-anywhere learning.

City Shikhi also accommodates a knowledge library with numerous books, journals, regulatory circulars, internal process documents to keep employees updated as well as upskill them to meet the competency requirements of the bank. Employees’ learning process is tracked and frequent evaluation tests are conducted. Upon successful test completion, e-certificates are provided as a recognition and motivation.



Internships

At City Bank, we believe in shaping the future by investing in young talent. Our structured internship program is designed to provide aspiring graduates with real-world exposure, hands-on learning opportunities and career guidance. This helps bridge the gap between academia and the corporate world.

Every quarter, we welcome a dynamic group of youngsters, offering them an immersive three-month experience wherein they can gain valuable insights, build practical skills and develop a deeper understanding of the banking industry.

In 2024, the bank provided internships to 108 promising young talents, reinforcing our commitment to youth development and contributing to a skilled and future-ready workforce.



A detailed description of City Bank’s talent development and upskilling programs and initiatives is given in the Integrated Annual Report 2024.



Digital HR onboarding

As part of the bank’s commitment to innovation and operational sustainability, it launched its digital HR onboarding portal on 2 May 2024. This initiative marks a significant milestone in the bank’s digital transformation journey, aimed at enhancing employee experience while reducing environmental impacts.

A total of 767 new recruits were successfully onboarded through the portal during the year. With the integration of robotic process automation (RPA), the portal eliminates manual verification processes, saving nearly 200 man-hours via automating educational document verification.

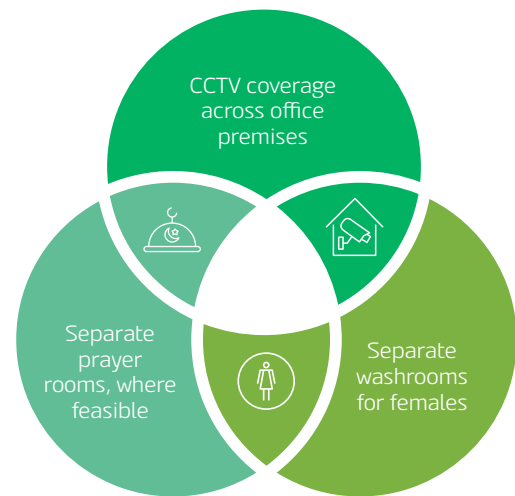
Beyond the operational efficiency, the portal has received significant positive feedback from new hires. They have highlighted the system’s intuitive interface, ease of use and flexibility, allowing them to edit and verify their documents before final submission. This seamless experience has enhanced the first impression of the bank and strengthened employer branding by positioning the bank as a forward-thinking, digital and employee-centric institution.

Occupational Health and Safety

Overview

Occupational health and safety is vital in creating a safe, secure and productive environment for our people. At our bank, we prioritize safe workplaces, clear protocols and ongoing training to protect our employees' physical and mental wellbeing. Fostering a culture of care and vigilance, we ensure every team member can work with confidence and peace-of-mind.

City Bank prioritises the safety of all employees, especially its female employees. In this regard, to ensure the workplace safety and security of female employees, the bank has invested in the following provisions:



We provide transport facility in case our employees have to overstay in office for official purposes. Furthermore, we provide transport facility to female employees working at the Dhaka airport lounge and call center.

To handle misconducts and inappropriate behaviours, we have in place strict policies like Code of Conduct, Grievance Management Policy, Whistleblower Policy, Prevention of Sexual Harassment Policy (POSH), Occupational Health and Safety (OSH) Policy etc.

City Bank recognises that unfortunate, undesirable and unwarranted issues may arise in the workplace from time to time, which may need to be addressed and resolved with the assistance of others, with the aim of developing and maintaining a harmonious working environment. Management encourages employees to raise their concerns and anxieties to ensure a bold and fearless workplace. At the same time, employees are obligated to remain respectful and compassionate while interacting with other colleagues.

The bank's Grievance Committee ensures due confidentiality of any complaint and the complainant's identity for the purpose of conducting proper investigation, ensuring resolution and for taking necessary action, where deemed appropriate. The Grievance Committee also takes necessary steps to ensure protection of the complainant from any reprisal or retribution. In 2024, 24 grievances were raised, dealt with appropriately and resolved.

Grievances resolved, 2024

Values and culture	19
Others	5
Total	24

Initiatives such as fire drills

- Fire drill announcements and reports: Employees are informed in advance (or sometimes even unannounced for real-life simulation) about upcoming fire drills; post-drill evaluations are shared to highlight performance and improvement areas.
- Routine fire drills: Scheduled fire drills are held across branches and offices to ensure employees are familiar with evacuation routes, assembly points and emergency roles.
- Emergency preparedness exercises: These include simulated scenarios beyond fire (e.g., medical emergencies or building lockdowns), encouraging readiness amidst various risks.
- Evaluation and feedback: After each drill, feedback is collected from participants and drill effectiveness is evaluated to improve future responses.

Notably, there were no major work related incidents or injuries in 2024.

Security team members (CBL CHO only)

Teams	2020	2021	2022	2023	2024
First-aid team	-	-	-	123	25
Fire wardens	11	11	11	11	15
Deputy fire wardens (fire-fighters)	11	11	11	11	12
Rescue team members	6	6	6	6	11
Fire marshal (Group Chief Security Officer)	10	10	10	10	10
Assembly point managers	5	5	5	5	6

Fire-fighting, security and emergency situation management

Events	2020	2021	2022	2023	2024
Training programs conducted on fire-fighting and first-aid	2	2	3	1	1
Total participants	80	80	120	35	35
Fire drills	2	2	2	3	4
Employees receiving formal training on security and emergency situation management	22	48	80	250	350

Women Empowerment Through City Alo

City Alo: Leading the way in women empowerment

City Alo is dedicated to empowering women by providing specialised financial services and robust capability and business development initiatives. Through innovative banking solutions and transformative programs, City Alo has strengthened its commitment to empowering women at every stage of their financial journey.

The year 2024 was marked by substantial developments in both financial and non-financial spheres, cementing City Alo's position as a leading women-centric banking solution.

City Alo women banking – Key stats

Category	2023	2024	Growth (%)
Women customers	4,86,014	5,44,967	+12%
Deposit portfolio (BDT million)	73,380	97,060	+32%
Loan portfolio (BDT million)	16,290	16,980	+4%
Credit cards	25,412	28,728	+13%
Deposit accounts	6,39,360	7,21,969	+13%
Loan accounts	15,869	18,248	+15%

Innovative financial solutions under City Alo

City Alo AMEX credit card revamp

City Alo redefined the value proposition of its AMEX credit card, making it more rewarding and appealing to women customers. The updated card includes complimentary lounge access, enhancing travel experience while providing greater financial convenience. Expanding its merchant network, City Alo has onboarded more parlours, grocery stores and restaurants, offering customers a seamless and rewarding spending experience.

Women cardholders can enjoy exclusive benefits, such as double reward points on grocery spends, special discounts and lucrative cashback offers. The card provides monthly cashback at high-frequency merchants nationwide, with up to BDT 1,000 cashback on grocery transactions at leading chains like Shwapno and Meena Bazar.

Additionally, selected restaurants and personal care merchants offer a BDT 500 cashback every month, further enhancing the value of the City Alo AMEX credit card.

City Alo customer loyalty program

One of the most impactful initiatives of 2024, the City Alo Customer Loyalty Program was strategically designed to enhance engagement and financial empowerment among women across Bangladesh. The initiative was implemented

across 8 regions spanning 5 divisions in collaboration with City Bank's branch banking channel.

By tailoring exclusive financial solutions and organising relationship-building activities, the program connected with 250+ women customers across various regions. Through these regionally-focused programs, City Alo strengthened its commitment to understanding and addressing the unique financial needs of women while fostering a loyal and empowered customer base.

City Alo neighbourhood campaign

City Alo launched a strategic promotional campaign in Sylhet, extending its reach beyond urban areas to engage with a more diverse female demographic and address their financial aspirations. The initiative focused on direct engagement through door-to-door outreach and in-person discussions, allowing City Alo to connect with over 280+ women from various backgrounds, including homemakers, entrepreneurs, banking and medical professionals, academicians, students and landlords.

The campaign resulted in significant milestones, including the opening of 146 new accounts, collection of BDT 42 million in deposits and disbursement of BDT 35 lakh in loans. The initiative not only strengthened financial inclusion but also significantly enhanced awareness about City Alo among the local female population.

City Alo Success Story



MS. TASLIMA SULTANA

Founder, Extra Mile Age Care

Ms. Taslima Sultana embarked on her entrepreneurial journey in 2018 with a profound purpose: to provide quality and compassionate care for the elderly and those with special needs. What began as a small-scale initiative in Dhaka has since grown into a trusted name with expanded operations in Chattogram and Cumilla.

The organisation offers a range of specialised healthcare services, including dementia care, palliative care, stroke and cancer support, neuro and autistic care, physiotherapy and more. Its holistic model focuses on meeting the complex and diverse needs of patients across age groups, ensuring dignity, empathy and professionalism at every step.

A turning point in Ms. Sultana's journey came through the City Alo Certification Program. This platform empowered her with essential business knowledge – from budgeting and marketing to networking and strategic planning. It helped her not only discover her own strengths as an entrepreneur but also expand her reach, bringing her services to more families in need.

Driven by compassion and resilience, Ms. Sultana continues to lead Extra Mile Age Care with a vision to set new standards in senior and special care, contributing meaningfully to both community well-being and women-led enterprise in Bangladesh.

Developing capability among women entrepreneurs

Entrepreneur development training program

City Alo introduced a transformative entrepreneur development training program aimed at empowering women entrepreneurs across major areas of Bangladesh. The first training session was conducted in Jashore, where 25 women entrepreneurs participated in collaboration with the bank's SME-SB team.

This specialised training focused on f-commerce and digital marketing, equipping participants with essential skills to grow their business in the digital era. Led by an industry expert, the program provided hands-on learning opportunities, enabling women to explore new business strategies and digital tools. Participants appreciated the initiative for its practical insights, and upon successful completion, they were awarded certificates.

Women entrepreneur fair

City Alo, in collaboration with Bangladesh Carnival, organized a 2-day women entrepreneur fair at Shimanto Convention Center, Dhaka, on the occasion of Eid. This platform provided 15 City Alo graduates with the unique opportunity to showcase their products, connect with potential customers and explore future business opportunities.

Certification program with North South University

City Alo, in collaboration with North South University, conducted 2 women entrepreneurship certification programs in 2024, training 66 participants and bringing the total number of graduates to over 430.

Furthermore, to provide participants with real-world exposure, City Alo organised a product display exhibition at City Bank's premises, allowing them to showcase their entrepreneurial venture among the bank's senior management. Additionally, value-added components such as business and factory visits were introduced, enabling participants to gain practical insights into business operations.

Boosting financial literacy and inclusion

Uthan Boithok

In collaboration with City Bank Agent Banking, City Alo conducted three Uthan Boithok (community-centric financial awareness session) in Gazipur, Munshiganj and Tangail, focusing on financial literacy among rural communities. The objective was to reach out to unbanked women, encouraging them to open bank accounts through the bank's agent banking network. The sessions were attended by as many as 220 participants from diverse backgrounds, with the result that 147 new accounts were opened, marking a step forward in financial inclusion. As a value addition, the program also offered complimentary medical checkups, further enhancing the holistic impact of the initiative.

E-learning and digital learning boot camp

City Alo remains at the forefront of digital education for women entrepreneurs, recognising the power of knowledge in shaping financial independence and business success. In 2024, City Alo organized 3 e-learning series, tailored for graduates of the women's entrepreneurship certification program. The sessions provided comprehensive guidance on entrepreneurial growth, business management, digital well-being and cybersecurity, equipping 108 participants with essential skills to thrive in the evolving digital landscape.

Furthering its commitment to accessible education, City Alo also launched a digital learning boot camp, offering 90% scholarship to its women clients. This initiative enables aspiring entrepreneurs to gain specialised knowledge and practical skills within a structured learning environment.

City Alo service desk ambassador training

City Alo organised an exclusive training session for its service desk ambassadors, ensuring they remain equipped to enhance customer experiences. The program brought together 27 ambassadors, while an additional 35 joined online, fostering a sense of community and collaboration. The session provided a platform for ambassadors to share insights, best practices and experiences, further strengthening their role as key representatives of City Alo. As a token of appreciation, all participating ambassadors received City Alo gift bags.

City Alo Success Story



MS. SARAH MOBASHWERA Founder, Shawarma Damasco

Driven by her passion for bold flavours and inspired by childhood memories in Makkah, Sarah Mobashwera founded Shawarma Damasco in 2017, starting from her home kitchen with little more than a dream and determination. What began as a garage-based venture quickly bloomed into a beloved brand known for its authentic, flavourful shawarmas.

Today, Shawarma Damasco operates nine outlets across Dhaka, staying true to its roots: fresh ingredients, time-honoured techniques and a welcoming experience in every bite.

The City Alo Certification Program played a key role in Ms. Mobashwera's journey, equipping her with vital business skills and expanding her customer base through networking and outreach.

Behind her success lies daily hard work, maintaining consistency, ensuring hygiene, managing rush hours and navigating fluctuating costs. But for Ms. Mobashwera, the love for food and community makes every challenge worth it.

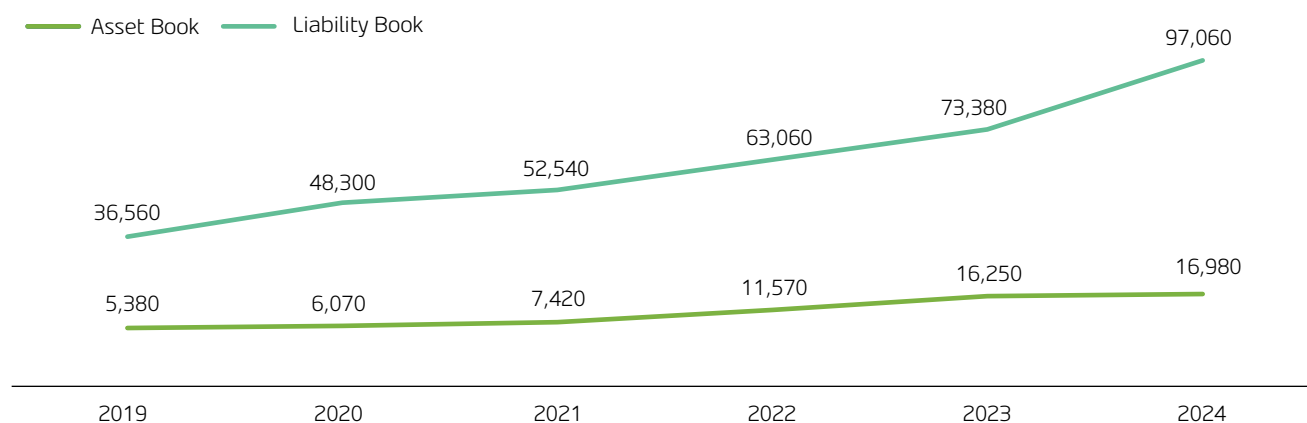
Expanding women's financial footprint

City Alo remains steadfast in integrating women from both urban and rural areas into the formal banking system. Currently, women customers constitute 28% of City Bank's total customer base, with a remarkable 5,44,967 female account-holders.

Notably, 29% of deposit customers are women, contributing BDT 97,060 million, which accounts for 19% of the bank's total deposits. This highlights the growing number of female customers and also reflects deeper banking engagement with them. Under retail banking, female borrowers represent 15%, while women-led small and medium enterprises (SMEs) account for 26% of the total SME portfolio.

Over the past year, City Alo's business portfolio has exhibited significant growth. The number of female customers has increased by 12%, rising from 4,86,014 to 5,44,967. This growth is a testament of the increasing confidence of women in City Alo banking services.

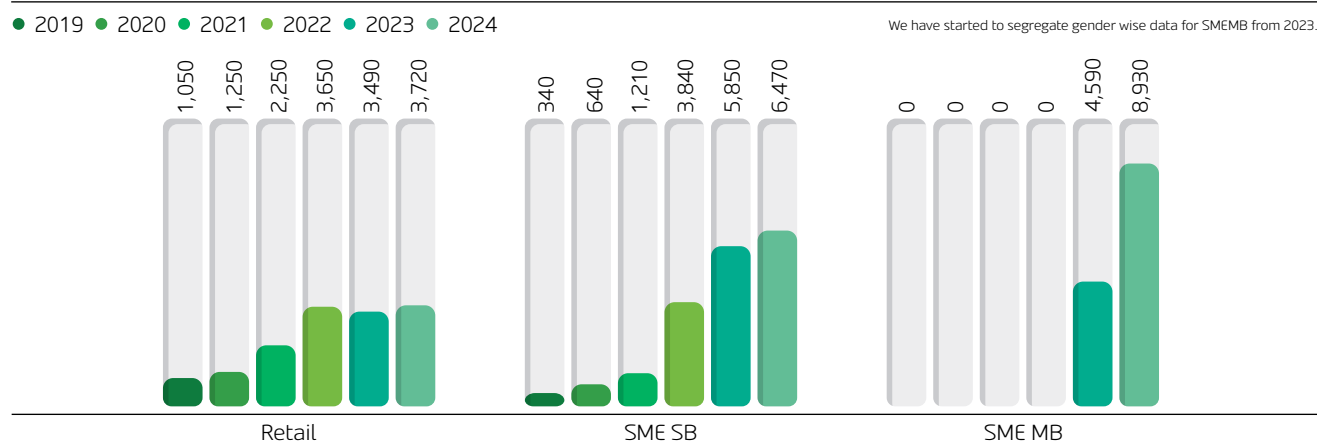
City Alo Women Banking Portfolio Movement (BDT Million)



On the lending side, a steady rise is observed under the City Alo loan portfolio, which increased from BDT 16,290 million in 2023, to BDT 16,980 million in 2024. This growth signifies increasing trust in City Alo's financial services and its ability to provide tailored credit solutions to women.

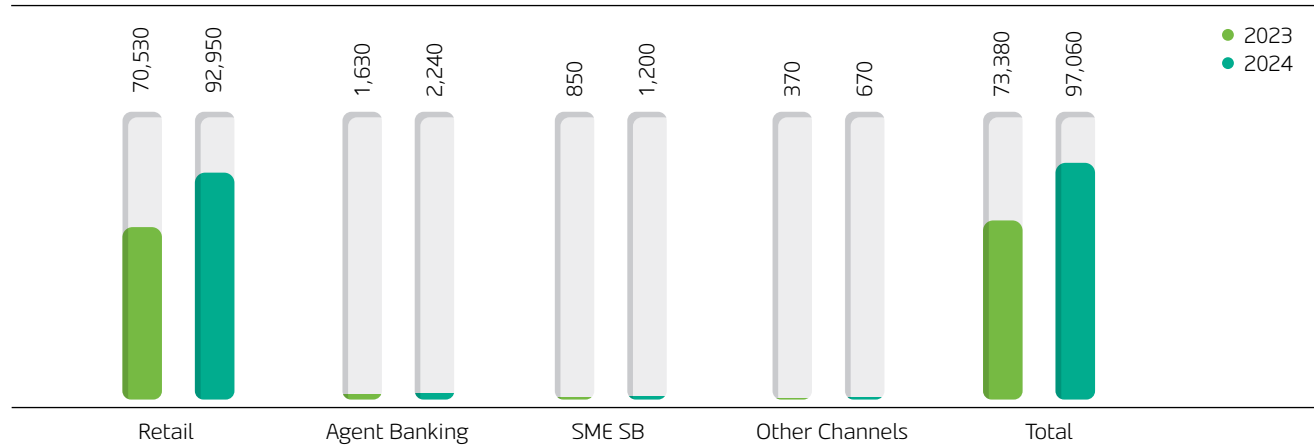
In terms of gender parity, the bank's deposit book reflects 19% of total customers being female, further reinforcing City Alo's role in fostering women financial inclusion and economic empowerment.

Annual Women Loan Disbursement (BDT Million)



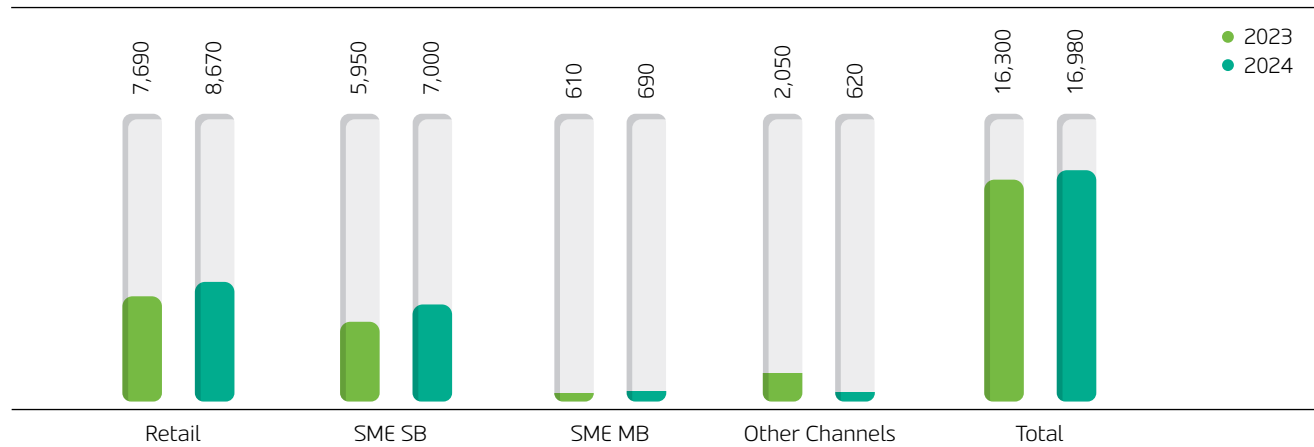
The portfolio movement shows a positive trend for City Alo across all the business channels. The liability portfolio has grown by 32% as a whole, with a significantly higher growth observed in the agent banking and SME-SB segments, compared to the previous year.

Liability Portfolio Movement from Dec'23 (BDT Million)



City Alo asset portfolio has registered a sound growth of 4% YoY in 2024.

Asset Portfolio Movement from Dec'23 (BDT Million)



City Alo continues to shape the financial landscape for women in Bangladesh through innovative banking solutions and empowerment initiatives. With a steady increase in customer trust, deposits and loan disbursement, the platform is successfully bridging the gender gap in financial access.



A detailed overview of City Alo is also provided in the bank's Integrated Annual Report 2024.

Advancing Small Businesses

Fostering social impact amongst small businesses

Small Business segment of City Bank has a proactive approach to green and sustainable finance. This commitment is reflected in the portfolio status in which a significant portion is occupied by green and sustainable ventures.

Specifically, green and sustainable sector finance segment constitutes 38% of the total portfolio, amounting to BDT 15,654 million. Further, our net disbursement in this category during the year is even more substantial, representing 71% of the total net disbursement, with an amount of BDT 22,301 million. Customer engagement also reflects this focus, with 34% of customers being involved in green and sustainable finance, totaling to a base of 11,313 customers.

Green and sustainable finance adoption by small businesses

The bank's Small Business division has reinforced its commitment to green and sustainable finance, ensuring substantial allocation of its portfolio to environmentally and socially responsible ventures. While this ensures decarbonisation across a large and important segment of Bangladesh, it also facilitates small ventures to initiate the adoption of green practices and technologies to enable their own growth.

Mapping small business customers of City Bank, 2024

Key metrics	Total in BDT million	Green and sustainable finance (BDT million)	%
Outstanding	41,520	15,654	38%
Net disbursement	31,247	22,301	71%
Customers	33,489	11,313	34%
Green finance		5,585	18%
Sustainable linked finance		16,716	53%

The growth in sustainable finance has been driven by strategic prioritisation, sectoral focus and financial incentives designed to promote responsible business practices.

Green and socially responsible sectors served, 2024

Sectors	Stats (BDT million)
Hospital and diagnostic centres	36.8
Promoting gender equality and women empowerment	5,368.5
Compost production from city municipal waste	15
Cottage industry	56.5
Broadband networks and IT solutions	99.3
Jute production manufacturing	9
Total	5,585.1

Financing female entrepreneurs

Women economic and financial empowerment remains a priority for City Bank, as reflected in the following statistics:

Key metrics	2024	2023	YoY growth (%)
New disbursements	5,013	4,765	5%
Customers (base)	8,778	7,118	23%
Portfolio mix (count)	26%	22%	
Women asset outstanding (BDT million)	7,907.90	6,042.15	30.9%
Women outstanding asset mix	19%	16%	
Women disbursement (BDT million)	6,473	6,188.75	5%

It is noteworthy that products such as 'Alo – Women Enterprise Finance' and 'Remittance Beneficiary Loan' have facilitated and accelerated financial inclusion for female entrepreneurs.

Geographic distribution of green and sustainable loans

City Bank ensures broad outreach in financing sustainable businesses. Loan disbursement is categorised as follows:

- High concentration regions: Chattogram, Comilla, Dhaka, Faridpur, Gazipur, Narayanganj, Noakhali
- Medium concentration regions: Barishal, Brahmanbaria, Feni, Habiganj, Jessore, Joypurhat, Khulna, Manikganj, Munshiganj, Pabna, Rajshahi, Rangpur, Sylhet, Tangail

Key sustainability initiatives

Beyond portfolio allocation, Small Business segment has undertaken specific initiatives to advance sustainability. Financing female entrepreneurs is a notable example. This initiative not only addresses gender equality but also contributes to broader sustainability by empowering women economically.

We have actively pitched to innovative and financeable green businesses, which led to financing newer clients such as The Skate Ltd. We have invested BDT 15 million in The Skate's IL&RRF, Bangladesh's first integrated waste-to-resource facility. This supports the firm's conversion of municipal waste into compost, biogas, electricity and fresh water.

Our funding directly aids in reducing landfill waste and methane emissions, promoting renewable energy. This investment aligns with our commitment to green financing and sustainable development. It further strengthens Jashore's transformation into a clean and hygienic city with the project demonstrating a circular economy model in which waste is turned into valuable resources.

Facilitating Bangladeshi Expatriate Communities

Overview

Bangladeshi banks play a vital role in supporting expatriate (expat) communities by offering specialised NRB (Non-Resident Bangladeshi) accounts and remittance services that connect them seamlessly to their homeland.

City Bank plays a crucial role in empowering expatriate Bangladeshi communities by providing fast, secure and affordable remittance solutions, as well as tailored NRB banking services that help them save, invest and build a future back home. Through digital platforms, dedicated service desks and partnerships with global remittance networks, the bank ensures that the hard-earned income of Bangladeshis abroad reaches their families efficiently, supporting livelihoods, education, healthcare and community development.

It is noteworthy that CBL Money Transfer Sdn. Bhd. (CBLMT), a subsidiary of City Bank and a licensed money service business company in Malaysia, specialises in cross-border remittance services for migrant workers and expatriates working and living in Malaysia.

CBLMT has developed an integrated mobile remittance app, CityRemit, leveraging state-of-art technology. This represents an easy, fast, secure and reliable platform to transfer funds from abroad to the home country. Furthermore, it also provides remittance solution from Malaysia to 7 South Asian countries, including Bangladesh.

Remittance facilitation by City Bank

Particulars	2022	2023	2024
NRB deposit accounts opened	-	-	-
Foreign remittance received by households in rural and semi-urban areas through MTB channel	USD 864 million	USD 607 million	USD 653 million
SWIFT RMA network banks	480	474	462
SWIFT RMA network local banks	57	59	59
SWIFT RMA network foreign banks	423	415	403

Partner exchange houses of CBL

Country	Exchange houses in 2022	Exchange houses in 2023	Exchange houses in 2024
Bahrain, Malaysia, Kuwait, Qatar, Singapore, UAE, UK, Oman, Others	25	29	31

Providing Enriching Customer Experiences

Enhancing customer experience through impact-led digital innovation

City Bank is committed to impact and sustainability, evidenced by several key initiatives undertaken in the year 2024.

One of the major projects initiated by the bank towards augmenting customer service comprised automation of the complaint management system along with a revamp of the customer service (helpdesk) portal. The project created a positive impact on virtually all the front and support teams of the bank, accelerating the overall service process, ensuring higher efficiency and facilitating customer delight.

Few of the other key digital initiatives undertaken by the bank are discussed hereunder:

- Instant customer feedback: Implementation of smart Android devices across branches enabled instant feedback collection via the Net Promoter Score (NPS), offering real-time insights into customer satisfaction.
- Digital channels enhancement: Six major services were transferred from call center channels to digital platforms, enhancing service delivery and customer interaction efficiency.
- Centralized reporting dashboards: Launch of the central NPS reporting and monitoring dashboard allowed for streamlined customer feedback analysis, helping the bank act quickly on customer concerns.
- Electronic queue management (EQM) system upgrade: A major upgrade to the EQM system led to the central monitoring of customer service timelines and a concurrent reduction in branch serving time by 58%, as compared to 2023.
- Digital channels: Launched various services via digital channels for our customers, minimising the need for in-person presence at service centers. This led to savings in fuel consumption and carbon emissions, while also saving time and money.
- Automation: Initiated automation of Bangladesh Bank Audit Reporting Portal.

Customer process simplification and other initiatives:

- Service scorecard introduced for card ambassadors and relationship managers
- Branch visit and mystery shopping surveys conducted by cross-functional teams
- 39 SLAs were monitored with an average meet ratio of 94%

Revamp of customer complaint management system

A major highlight in 2024 was the automation of the customer complaint management system. The upgraded system aims to enhance response times, improve service efficiency and reduce



58,000 hours

Customer service
training conducted in 2024

administrative burden on the staff. This project is expected to have a consequential impact on the bank's front and support teams by optimising workflows and saving significant man-hours. Key features of the new system include:

- Complaints are received from various sources and acknowledged through despatch of holding response
- The Grievance Management Team receives complaints from sources and assesses the nature of the submission and determines if it can be resolved immediately
- If resolved, feedback is shared with the customer and the case is closed.
- If unresolved, an investigation is initiated and the complaint is forwarded to the concerned team
- Once feedback is received from the team, it is reviewed. If the response is satisfactory, the case is closed and feedback is shared with the customer
- If not, it is sent back for further clarification and corrective measures
- Based on the investigation findings, appropriate action is taken, including counselling, training, caution, etc.

Channels for raising a complaint

Customers can raise a complaint through multiple channels and touchpoints:

- Complaint Cell
- Call Center
- Online Portal
- Email
- Branch/Sub-Branch

In addition, we collect proactive feedback from customers through the Net Promoter Score (NPS) channel.

Enhanced customer service training and development

In alignment with its sustainability goals, City Bank has invested heavily in employee training programs to improve customer service. A total of 58,000 hours of training was conducted in 2024, focusing on various functional and soft skills to ensure employees could effectively meet the needs of customers. Key training initiatives comprised:

- 18 functional training sessions were conducted across the country to help employees better understand operational procedures and enhance service delivery.
- 25 specialised sessions were organised aimed at improving service quality for 20 different teams.
- 19 sessions were conducted on developing skills related to the electronic queue management (EQM) system, NPS and scorecard management, enhancing employee ability to meet customer needs more effectively.
- Banking 101 training was initiated with 315 newly onboarded branch employees.

Proactive complaint resolution

City Bank has consistently maintained a high resolution rate for customer complaints, achieving a 99.86% score in 2024. The bank's approach to complaint management is both proactive and efficient, ensuring that issues are addressed quickly and effectively.

Total complaints raised and resolved, 2024

Received	Resolved	Pending
7,271	7,261	10

Complaint management metrics, 2024:

- 7,271 complaints were logged in 2024 across various channels, including email, call center and social media
- 7,261 complaints were resolved, with only 10 pending or escalated cases remaining due for further investigation
- Avg. time to resolve customer complaints was 3 working days, demonstrating the bank's efficient response to customer grievances.

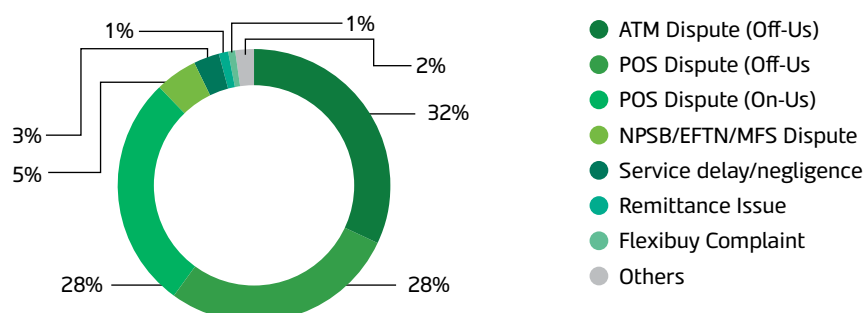
Complaint nature-wise detail summary

Nature of complaints	No. of complaints	Complaints resolved	Complaints pending for resolution	% of resolution rate achieved
Debit card/credit card/ATM card	6,659	6,649	10	99.85%
General banking	314	314	0	100%
Internet banking	298	298	0	100%

On a granular level, out of 7,271 complaints received in 2024, 6,763 issues were system-generated disputes comprising 93% of the total complaints. Category-wise complaint segregation is given below.

Category	No. of complaints	%
ATM dispute (Off-Us)	2,363	32%
POS dispute (Off-Us)	2,055	28%
POS dispute (On-Us)	2,007	28%
NPSB/EFTN/MFS dispute	338	5%
Service delay/negligence	220	3%
Remittance issues	54	1%
Flexibuy complaints	107	1%
Others	127	2%
Total	7,271	100%

Category-Wise Complaints



Note:

- Dispute Off-Us: (Bank's customer used other banks' ATMs and the transaction failed)
- POS Dispute Off-us: (Bank's customer used other banks' POS/foreign merchant and the transaction failed)
- POS Dispute On-us: (Bank's customer used our POS, but the transaction failed)

Proactive measures undertaken by the bank

- Through regular NPS (customer feedback survey), customer feedback is gathered continuously to improve services and identify issues before they escalate.
- SLA monitoring is done to reduce SLA breach and ensure timely resolution.
- Initiatives have been taken to develop a central complaint management system.
- The bank continues to work with third-party vendors to improve their systems and resolve recurring issues related to transaction failures and service delays.

City Bank's customer service initiatives during the year reflect its commitment to customer satisfaction, sustainability and improved societal impact. Embracing digital transformation, enhancing training programs and continuously refining the complaint resolution process, the bank is charting its path towards improving customer experience, customer retention and new customer onboarding. The integration of digital channels has reduced the need for physical visits, lowering the carbon footprint of banking operations, while streamlined processes have enhanced overall efficiency and service delivery.

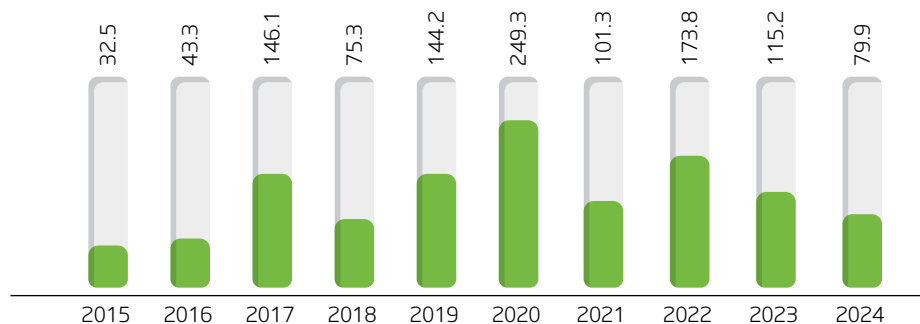
Citizenship, Societal Uplift and Social Impact

Progress towards a better society

In 2024, City Bank continued to make meaningful progress in advancing its CSR agenda. While much work remains, we are committed to building a more sustainable, equitable and inclusive future for all. Our approach centers on addressing community needs and embedding social responsibility across our operations, creating a lasting social impact.

Rather than isolated acts of charity, our CSR strategy focuses on long-term impact through programs that empower individuals, build community resilience and promote equality. We view social responsibility as essential to national development and are dedicated to initiatives that deliver lasting social value.

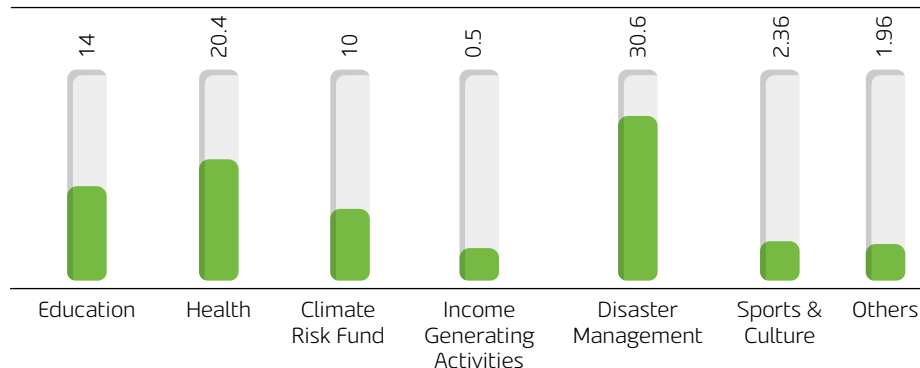
CSR Expenditure over the last 10 years (BDT million)



**BDT
1,160.9
million**

Total CSR Expenditure
in the Last Decade

Sector-wise CSR Expenditure (BDT million)




**BDT
79.9
million**

CSR Expenditure
in 2024

Key social projects of City Bank



Education: Unlocking a better future

CSR intervention	Impact	SDGs
EDUCATION	We aim to focus on the education of the underprivileged and underserved to ensure equal learning opportunities for all.	

Education always has a crucial role in the development of a nation. City Bank's CSR strategy is heavily tilted to provide education to underprivileged and underserved communities.


Besides providing direct support to various underprivileged children through education stipends, the bank also made donations to various schools and madrasas, such as Kironpur Secondary School, Al Mahad Al Salafi Madrasha and more to facilitate quality education through infrastructure development. The bank also donated to Proyash Specialized School and PFDA Vocational Training Center Trust which work for the education of children with special needs.

Another key focus comprises vocational training for underprivileged youth and women. Many people in Bangladesh struggle to secure jobs due to lack of education and skills. To support these individuals, City Bank has made donations to various organisations to provide free training to the target beneficiaries.

City Bank, in line with Bangladesh Bank policy, started its financial literacy drive under which workshops were conducted in all 64 districts of the country. Special focus was laid on marginalised communities, such as low-income groups, underprivileged women, migrant workers, C/MSMEs, etc.



Healthcare: Creating healthier societies

CSR intervention	Impact	SDGs
HEALTHCARE	We aim to ensure access to quality healthcare for the marginalised communities.	

City Bank recognises how high healthcare costs can drive families into poverty. To prevent this, we support individuals and organisations providing essential medical care, treatment and infrastructure.

In 2024, we donated to underprivileged patients battling cancer and kidney and heart diseases, and also contributed to the National Institute of Cardiovascular Diseases (NICVD), Dhaka,

a reputed cardiac care facility, to fund free pacemakers for the poor. We also supported other hospitals with equipment, funded medical research and backed health awareness efforts.

Following the 2024 floods, City Bank partnered with the Bangladesh Red Crescent Society to provide emergency treatment to affected communities, helping ease suffering and saving lives.



Climate: Taking action for people and the planet

CSR intervention	Impact	SDGs
CLIMATE ACTION	We aim to support communities affected by climate change through sustainable solutions.	






With Bangladesh being vulnerable to climate change, City Bank has taken steps to support both climate mitigation and adaptation efforts.

In 2024, we carried out tree plantation drives to reduce carbon emissions and partnered with ActionAid, Bangladesh Red

Crescent Society and TMSS to aid communities hit by the severe flash floods that occurred in two regions of the country. Our support focused on improving sanitation and shelter infrastructure, helping flood-affected families recover and rebuild their lives and livelihoods.



Disaster management: Providing holistic relief

CSR intervention	Impact	SDGs
DISASTER RELIEF	We aim to support the victims of disasters with immediate relief, shelter and healthcare, apart from long-term solutions to ensure their rehabilitation.	    

City Bank provided relief to communities affected by the major floods that occurred in 2024 through Prothom Alo Trust and Bangladesh Red Crescent Society, along with shelter support.

The bank also donated 75,000+ blankets through the Chief Adviser Relief Fund and also via various other small organisations working in remote areas to ensure support to those who were stranded and hard to reach during the winters.

Relief during the emergency Feni floods

During the past year's devastating floods in Bangladesh, City Bank extended comprehensive support to the affected communities. In the immediate aftermath, the bank provided emergency relief through Prothom Alo Trust, and clean drinking water and medical support through the Bangladesh Red Crescent Society. Going beyond immediate aid, City Bank later partnered with ActionAid, TMSS, and BRCS to support long-term rehabilitation efforts, rebuilding or repairing homes, tubewells and sanitation facilities. Demonstrating solidarity, all City Bank employees also contributed one day's salary to the cause. In one of the country's worst natural disasters, City Bank stood by the victims through a holistic response.



Empowering underprivileged communities: Strengthening the grassroots through sports

CSR intervention	Impact	SDGs
SPORTS	We aim to empower underprivileged communities and foster inclusive excellence through promoting sports and outdoors activities.	  

City Bank contributes to developing sporting talent as a means to ensure good health and mental wellbeing. We have thus partnered with various organisations such as Jangaon Women Football Academy and Bogra Golf Club along with various individual players to support their career in sports.

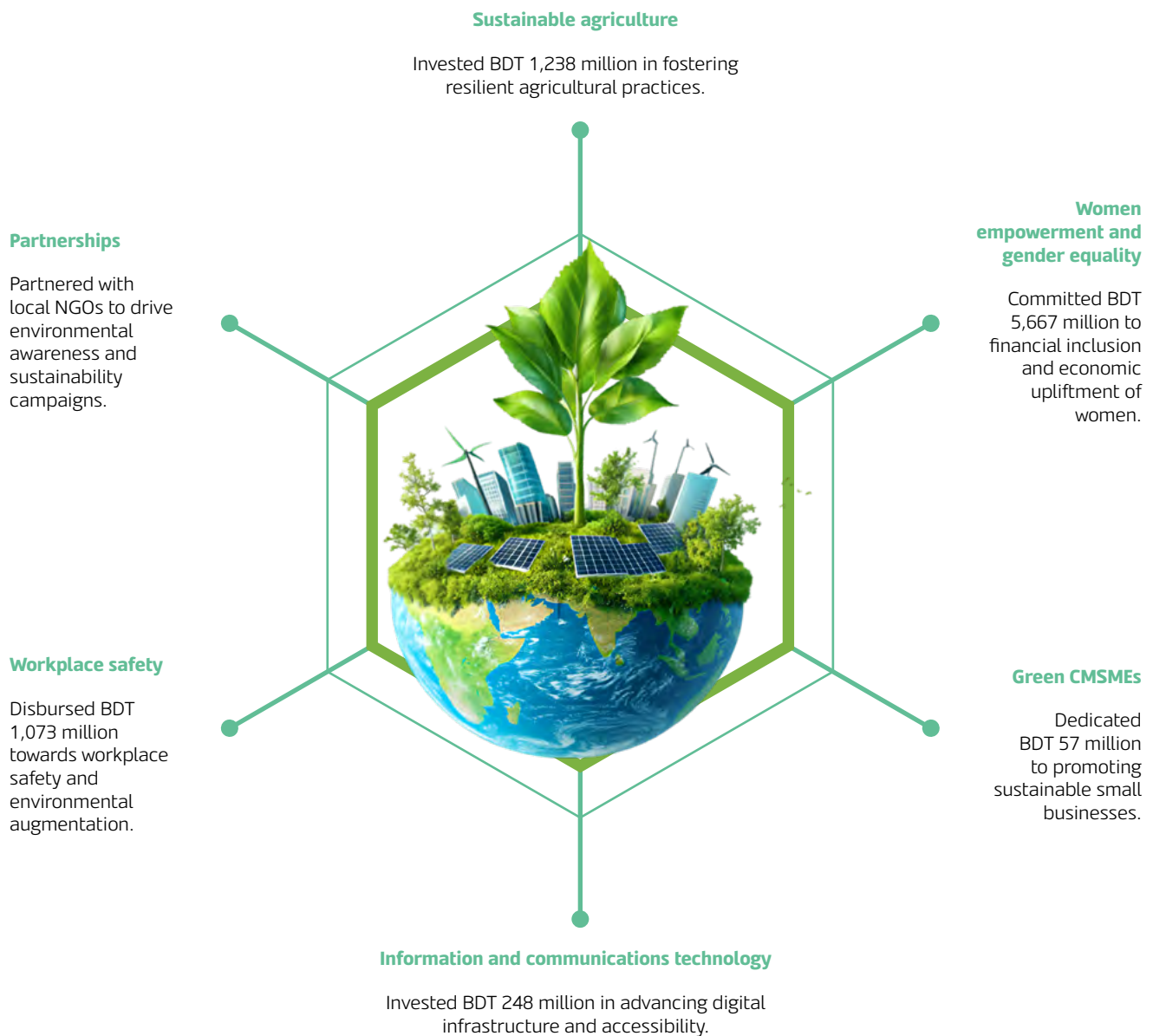
This apart, we have also extended support to Satkania Lohagara Samity for the distribution of rickshaws, corrugated tin sheets and sewing machines to underprivileged individuals as part of income-generation initiatives.



A detailed overview of Citizenship, Societal Uplift and Social Impact is also provided in the bank's Integrated Annual Report 2024.

Powering Small Communities

Key stats, 2024



CSR contributions

- Donated BDT 20.43 million to the healthcare sector, benefitting 26 people
- Contributed BDT 14 million to the education sector with 963 beneficiaries
- Contributed BDT 10.08 million to environment, climate adaptation and mitigation projects, benefitting 3,000+ people

Agricultural sustainability and rural prosperity

As Bangladesh advances towards a more inclusive and self-reliant agricultural sector, City Bank remains steadfast in its mission to support farmers, uplift rural livelihoods and drive sustainability. Through innovative financial solutions and strategic partnerships, we are not just financing agriculture; we are cultivating a brighter future for all.

Our bank's agricultural financing initiatives are designed to empower farmers, enhance food security and contribute to Bangladesh's sustainable development goals. We harness strategic financing and innovative solutions to redefine the role of banking in fostering a more inclusive and sustainable future.

Empowering farmers, strengthening communities

Over the past three years, City Bank has significantly expanded its agricultural financing footprint, reaching more farmers than ever before. Our loan disbursement data illustrates a strong commitment to ensuring financial resources reaching the heart of Bangladesh's economy – its farmers.

Farmers Financed	Total Fund Disbursed	Agriculture Loan Outstanding
Increased from 33,987 in FY 2021-22 to 111,827 in FY 2023-24, reflecting our commitment to expanding financial access.	Grew from BDT 2,268.31 million in FY 2021-22 to BDT 11,738.46 million in FY 2023-24.	Rose to BDT 9,294.21 million in FY 2023-24, demonstrating our long-term support to the sector

We have exceeded Bangladesh Bank's target for agriculture loans, achieving 149.73% of the mandated amount in FY2023-24. This underscores our proactive approach in ensuring that farmers and rural entrepreneurs receive the financial backing they need for sustenance and growth.

Value for the farm community

Key stats	FY 2021-2022	FY 2022-2023	FY 2023-2024
No. of farmers financed	33,987	110,345	111,827
Disbursement (in BDT million)	2,268.31	9,656.07	11,738.46
Agriculture loan amount (outstanding) (in BDT million)	4,429.04	7,923.48	9,294.21
Bangladesh Bank (BB) agri loan target (in BDT million)	5,250.00	5,740.00	7,840.00
Achievement against BB target – in amount and percentage	5,260.45 100.26%	9,656.07 168%	11,738.46 149.73%
No. of beneficiaries of agriculture loan	84,774	110,345	111,827

Expanding reach, enhancing impact

City Bank employs a two-pronged approach to agricultural financing, as indicated below:

Particulars of agri loan	Direct network	Indirect network	Total
Disbursement amount (FY 2023-24) (in BDT million)	4,103.46	7,635.00	11,738.46
No. of beneficiaries (FY 2023-24)	1,763	110,064	111,827

This extensive footprint enables us to maximise reach while maintaining an efficient and scalable network and framework for agricultural lending.



Driving rural growth through diverse agricultural support

City Bank's financing spans a wide range of agricultural sectors, ensuring that farmers engaged in diverse activities receive the support they need. In FY 2023-24, our disbursement remained targetted on the following:

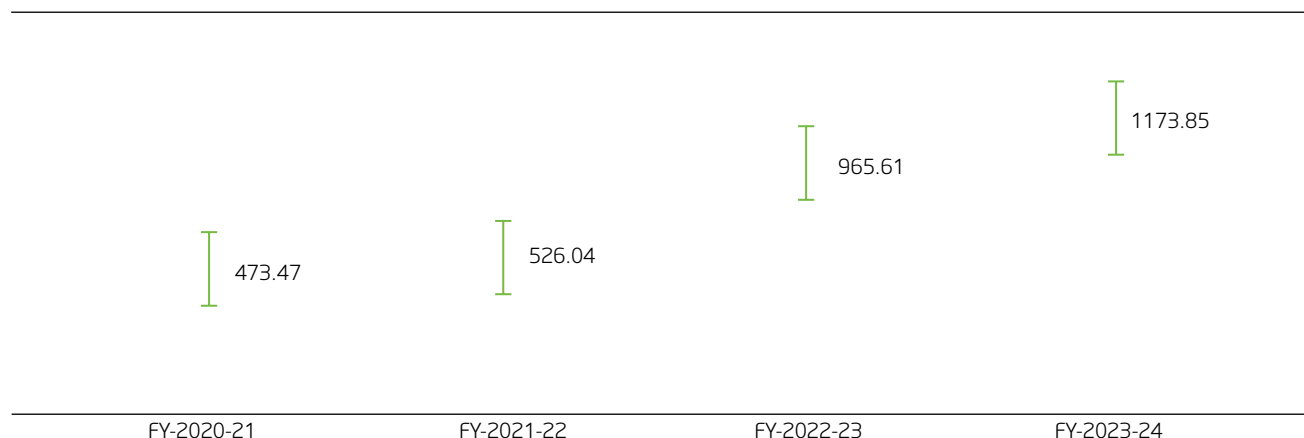
Purpose	Disbursement in FY 2023-24 (In BDT million)	Outstanding as on 30.06.2024 (In BDT million)
Crops/vegetables cultivation	7,160.46	5,627.65
Fisheries	1,731.42	1,301.19
Livestock	1,907.50	1,528.90
Irrigation equipment and farm machineries	117.38	199.83
Crop storage, marketing and others	586.92	534.42
Poverty alleviation	234.77	102.24
Total	11,738.46	9,294.21

By diversifying our agricultural financing portfolio, we ensure that all segments of rural constituents, ranging from food production to infrastructure, receive the necessary investment to ensure progress and shared prosperity.

Over the last four fiscal years, our agricultural loan disbursement has exhibited remarkable growth, as shown hereunder.

Agri loan disbursement (BDT million)

Disbursed amount



Governance: Compliance and Business Practices

Serve the interests of all our stakeholders by leading through our core values, upholding conformance with compliance and ethics with integrity in our everyday conduct and business practices

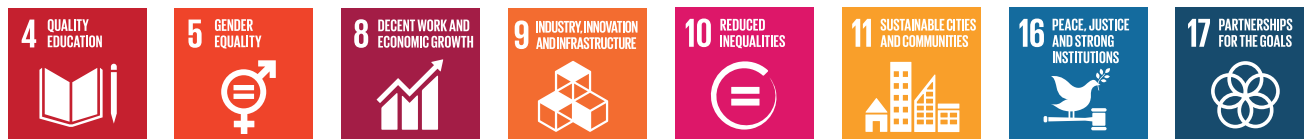
At City Bank, we understand that good governance protects the interests of our stakeholders, that is our clients, business partners, employees and shareholders. Good governance and ethical conduct are enshrined in our Code of Conduct and require us to ensure compliance with the applicable laws and regulations and be transparent and cooperative in our relationships with supervisory authorities. We lead the way in our industry by doing what is right and setting the bar high in the realm of honest banking.



“At City Bank, we view governance not just as oversight, but as the compass guiding our future. Compliance is more than just adherence; it is our commitment to principled growth. Our business practices evolve with purpose, blending ethics, innovation and resilience. As we navigate a complex and fast-changing world, we aspire to set new benchmarks in responsible banking, where trust is earned daily, and transparency fuels transformation. We lead with vision, integrity and a deep sense of purpose and obligation to the society and our stakeholders.”

- Mashrur Arefin,
Managing Director & CEO, City Bank PLC

SGDs served



Corporate Governance at City Bank

As part of our focus on embedding responsible business conduct throughout the bank, we ensure that answerable, pragmatic and accountable behaviour remains an integral part of the way we do business. This is critical to building trusted stakeholder relationships and we expect the same level of responsible business conduct from our business partners and other stakeholders too.

City Bank's governance framework is built on transparency, accountability and ethical leadership. We are committed to upholding the high standards of governance, adhering to all applicable regulatory and legal requirements. Our approach is designed not only to meet compliance obligations but to build long-term trust with our investors, customers and other stakeholders.

We maintain a strong culture of integrity across all levels of the bank, reinforced by clear policies on anti-corruption, conflict of interest and ethical conduct. Our governance structure ensures that ESG considerations are embedded into our decision-making processes and enterprise risk management.

As we continue to advance our ESG goals, we remain focused on creating long-term value for our stakeholders. Our approach is rooted in continuous improvement, collaboration with our partners and innovative customer-led solutions that address the evolving needs of a developing nation.

City Bank's Five Governance Commandments



Independent and effective Board oversight

City Bank maintains a diverse and experienced Board, with women directors forming a sizeable part of its composition. The Board ensures strategic direction, risk oversight and accountability, while maintaining independence and accountability.



Robust risk management and internal controls

The bank implements a strong risk management framework and internal audit system aligned to best practices. Dedicated Board-level committees, such as the Audit Committee, ensures compliance, risk oversight and operational integrity.



Transparent disclosures and ethical reporting

City Bank prioritises full and timely disclosure of financial and non-financial information. Annual and Sustainability/ ESG reports are prepared in alignment with IFRS, Bangladesh Bank guidelines and international ESG frameworks, promoting transparency and stakeholder trust.



Regulatory compliance and ethical culture

The bank adheres to the regulations set by Bangladesh Bank and other governing bodies. It nurtures a culture of ethics and compliance through its Code of Conduct, anti-money laundering policies, whistleblower protection and mandatory training for employees.



Stakeholder engagement and accountability

City Bank engages regularly with stakeholders, ensuring their interests are considered in decision-making. Shareholder rights are protected, and mechanisms are in place for grievance redressal and feedback.

City Bank's Whistle-Blower Policy

City Bank's Whistle-Blower Policy is a key part of the bank's focus on responsible business stewardship. The policy enables the creation of a conducive environment, upholding transparency, accountability and integrity.

The bank is committed to protecting, within reason and means, anyone who reports or raises a concern in good faith and those who participate in or conduct investigation, from retaliation. This includes concerns about alleged improper activity and those related to bribery and corruption. The policy provides guidelines on reporting improper conduct and addressing any allegations without the fear of retaliation.

Several benefits are derived from the system, including improved assurance of anonymity and confidentiality, centralised management of reported concerns and the ability to speak directly to CXOs upon the submission of the whistle-blowing report.

Incident/s of discrimination and corrective actions taken (2024)

Particulars	Information
Total incidents of discrimination (harassment)	1
Incidents reviewed by the organization	1
Remediation plans being implemented	Creating a workplace where women feel secure and valued is at the core of our engagement strategy. We have established a robust Grievance Management System, along with a structured Code of Conduct, Whistle-blower Policy and Prevention of Sexual Harassment (POSH) Policy to address any concerns swiftly and fairly.
Remediation plans that have been implemented and reviewed through routine internal management review processes	Speak Up Sessions, Value Sessions and Code of Conduct awareness sessions are regularly conducted to encourage open dialogue and reinforce our commitment to ethical workplace practices.
Incident subject to action	0

Speak Up

As part of our key program aimed at preventing workplace harassment, we have launched a comprehensive awareness initiative across the bank through our 'Speak Up' forum, focusing specifically on branch managers, department heads, unit heads and female employees.

At City Bank, our ongoing efforts to involve female leaders in various committees to address work-related matters and provide continuous support have fostered a strong sense of safety and belonging among our women employees. This approach has fostered a secure and supportive platform for open dialogue and sustained engagement.

In 2024, we held 27 Speak Up programs and orientations, reaching over 1,250 employees. Additionally, we have expanded the pool of Speak Up trainers by including several senior female leaders, further strengthening our commitment to this important initiative.

Fostering a Pristine Organisational Culture

City Bank's Board of Directors

Good corporate governance, facilitated by an effective Board, is essential in order to provide shareholder value and protection of shareholder rights. It provides clear objectives, strategies and a sense of purpose for our employees, and promotes fair treatment and fosters a positive working environment, thereby enhancing work satisfaction and loyalty.

We have always believed that transparent practices build trust among clients and enhance our reputation, fostering stable relationships with our suppliers and promoting fair, equitable and ethical business practices. Our effective Board, composed of persons of eminence from society, consider the impact of the bank's decisions on communities and strives to meet our social responsibilities, such as environmental sustainability, philanthropy and community development.

From our standpoint of experience, Boards that adhere to good governance principles comply with legal and regulatory requirements, which reduce the risk of litigation and fines. Furthermore, they help build community trust in the organisation and maintain good relations with public agencies and civil society.

On the other hand, poor governance and unethical Board conduct presents significant risks. Reputational damage is a critical concern, as a lack of ethical practices erode trust among clients, investors and the broader community. Regulatory scrutiny and penalties may follow, exposing our organisation to legal action and financial losses. Shareholder value also comes at risk due to the potential of financial mismanagement and fraud associated with weak governance structures. This impact may extend to employees too, making disengagement and talent drain likely, and stifling competitiveness and adaptability.

Addressing these governance challenges is imperative to safeguard our reputation, regulatory compliance and overall stakeholder trust.

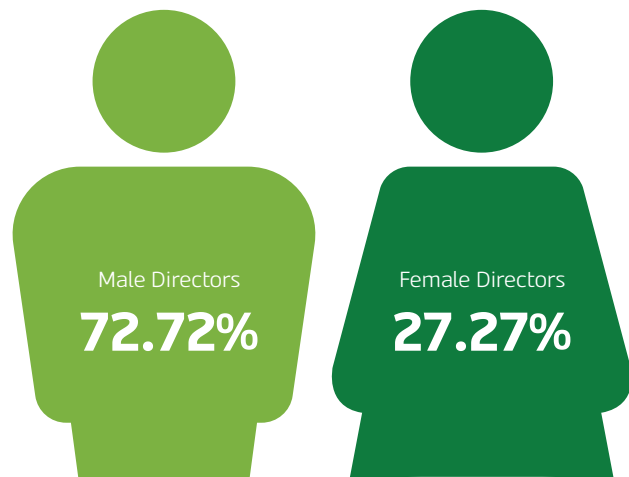
Setting the tone from the top – Our Board of Directors

The City Bank Board is the apex decision-making body of the bank. The Chairman, elected from among the Directors, leads the Board by setting the agenda for Board meetings, facilitating discussions and dialogue, and ensuring that decisions align with the bank's strategic goals and objectives. Notably, the Chairman does not engage in the bank's day-to-day operations, maintaining a clear distinction between governance and management.

Together with the Chairman, City Bank's Board consists of 11 Directors who oversee operations; protect the interests of stakeholders; approve the bank's overall goals, strategies and policies; monitor the performance of business units; and provide guidance to the Executive Management comprising the Management Committee that is composed of 20 members, primarily representative of key units and departments of the bank.

Composition of our Board (as on December 31, 2024)

Board composition



Mix of experience

Our Board has significant multidisciplinary experience that enables quality decision-making, sound strategy delivery and effective stakeholder liaison.

Our Board is highly competent in the areas of strategic planning, corporate governance, finance, audit, accounting, risk management, compliance, sustainability, ESG, human resources (HR), large organisation management and information technology (IT). Directors undergo training to ensure their knowledge and qualifications are aligned to the needs of our organisation. Board members also engage regularly with subject matter experts and senior management on specialist topics. They also seek advice from independent external professionals, when required.

City Bank Board of Directors (31 December 2024)

Directors

- Aziz Al Kaiser
- Hossain Khaled
- Rubel Aziz
- Hossain Mehmood
- Rajibul Haq Chowdhury
- Mashrur Arefin

Independent Directors

- Matiul Islam Nowshad
- Nazimuddin Chowdhury

Women Directors

- Syeda Shaireen Aziz
- Savera H. Mahmood
- Rebecca Brosnan

The Board approves the bank's budget and business plans and also reviews it on a monthly basis so that supervisory guidance and necessary inputs can be provided to remain aligned to the evolving opportunities while at the same time ensuring risk-aware execution. The Board also reviews the policies and manuals of various business segments of the bank in order to reinforce operational capabilities.

The Board, together with the Management Committee (Mancom), also review the policies and guidelines issued by Bangladesh Bank regarding credit and other operations. Mancom operates within the policies, manuals and limits, as approved by the Board. Meetings of the Board are held on a regular basis, with a frequency of at least once in a month.

The Board and its committees complete annual self-assessment with a view to constructively identify achievements and areas of improvement. Board committees are evaluated on the effectiveness in discharging their responsibilities, diligence and responsiveness. Effectiveness is further assessed by evaluating performance against the duties and responsibilities stipulated in the Articles of Association, organisational regulations and against special focus points for the year ahead. The evaluation is based on a self-assessment framework that is approved by the Board.

The Board is informed of any external engagements of its Directors and members of the Mancom to ensure that any such engagements do not conflict with their duties, or that appropriate measures are taken to minimise the risks.

Out of the total Board Directorship, the bank has three Women Directors one of them being an IFC Nominated Director. Women Director representation within the overall Director composition of the Board makes City Bank's Board one of the most gender-diverse Boards in the banking sector of Bangladesh.

Another notable point regarding Board composition is that the bank's Board has two Independent Directors. This is in compliance with the banking sector rules and regulations under which Independent Directors are those that, in addition to fulfilling all Directorship criteria, do hold any shares in the bank and do not have any family or other relationship with its Board and the Executive Management.

The Islamic banking segment of City Bank is steered by the bank's robust Shari'ah Supervisory Committee (SSC) that comprises of 8 members who are distinguished persons comprising scholars, professors and academics who have specialist experience in Islamic fiqh and jurisprudence, Islamic banking, Islamic law and Hadith, etc.

In 2024, the bank's Board had three permanent sub-committees:

- Board Executive Committee
- Board Risk Management Committee
- Board Audit Committee

Membership in the Board committees is based on suitability to ensure that each committee has an adequate combination of skills, experience and knowledge to be able to discharge its duties effectively. The Board regularly receives detailed information regarding the activities of its committees and about business developments. The composition of the Board committees is reviewed simultaneously with the composition of the Board.

The Board and its committees met 24 times in the year 2024.



An overview of the members of our Board and their profiles is provided in our Integrated Annual Report 2024 and can also be accessed from our website: <https://www.citybankplc.com/board-of-directors>

City Bank's Mancom

In an effective corporate governance structure, the bank's management has a collective mandate under the leadership of the MD & CEO to conduct operations in a manner that advances the targets, goals and objectives of the bank and ensures tangible value-creation for shareholders and all other stakeholders of the bank.

For the effective discharge of this mandate, the bank has constituted several Management Committees to administer, lead and support the overall banking operations, while identifying new opportunities for growth and facilitating risk-mitigated actions and outcomes.

The 15 committees of the bank include:

- Management Committee
- Extended Management Committee
- Asset Liability Committee (ALCO)
- Basel Unit
- Executive Risk Management Committee
- Credit Risk Management Committee
- Committee on Morals, Ethics and Integrity
- Investment Committee
- Sustainable Finance Committee
- Purchase Committee
- IT Steering Committee
- ICT Security Committee
- ICT Risk Management Committee
- Central Compliance Committee
- Cost Control Committee

An overview of the members of our Management Committee can be accessed from our website: <https://www.citybankplc.com/management-committee>

ESG Governance at City Bank

The environment sustains our lives. Preserving the environment and protecting it for future generations is our moral obligation, and we strive to do our best in this regard. We work as a team together with our stakeholders in practicing good environmental practices to meet that moral obligation.

Our good ESG governance focus not only ensures compliance with regulatory expectations, but also positions our bank as a responsible and sustainable financial institution. Without strong ESG governance, we would face a range of adverse consequences, including higher risks related to sustainability issues, loss of reputation which might lead to erosion of client loyalty, legal and financial penalties and diminished ability to meet evolving ESG expectations.

City Bank's Emission Reduction Steering Committee

Demonstrative of our strategic approach to reducing emissions, we have established an Emission Reduction Steering Committee (ERSC) that is embedded within our broader ESG and sustainable finance framework.

The committee's roles and activities are reflected through several key initiatives tied to the bank's Environmental and Social Management System (ESMS). Guided by the senior management, including designated officers, the committee sets science-based emissions targets, aligns lending and investment with Net-Zero goals of the bank, monitors progress, and supports green loan products such as energy-efficient machinery, renewable energy assets and green buildings.

Over the past few years, City Bank's steering efforts have manifested in concrete actions: the bank has become the first Bangladeshi bank to join the UN's Net-Zero Banking Alliance (NZBA), undertaken comprehensive financed-emissions assessments to set validated targets, and installed solar power systems across 38 branches/ATMs as on 2024.

ERSC also oversees climate-aligned products, such as the Green Savings Account and Green Loans backed by Bangladesh Bank's refinance schemes, and also internal measures such as paperless, energy-efficient operations, etc.

Functioning as the engine for alignment with national and international frameworks, including Bangladesh Bank's sustainable finance policy, the Paris Agreement and the UN SDGs, ERSC coordinates across various departments to review performance, guide investment decisions and enhance the bank's ongoing disclosures (including via this ESG Report).

Essentially, it ensures that both internal operations and financed emissions continuously move towards Net-Zero, thus bolstering climate governance across every level of the bank.

At its heart, ERSC reflects our commitment to building a more sustainable future, one that balances growth, responsibility and innovation. Fostering collaboration across teams, investing in low-carbon solutions and embedding climate considerations into everyday banking, the committee champions a vision where finance becomes a catalyst for positive change. It stands as a testament to the concept that with collective determination and leadership, banks can become powerful agents in the fight against climate change, shaping a greener and more resilient Bangladesh.

ERSC innovation and compliance

Our objective in relation to the environment is to comply with all statutory and regulatory requirements while proactively avoiding, where possible, any harmful impacts of our operations; mitigating to the extent any unavoidable harm; and actively reversing or remedying any harm we may have caused. ERSC is thus focused on the key pillars of innovation and compliance to advance its internal mandate.

To sustain these efforts, we continually upgrade our activities to be environment-friendly by both preventive and corrective measures. We do so by continuously modernising our resources to be greener and less power-consuming, employing green energy sources alongside or in the absence of grid power; empowering our people by supporting them with effective training; and by committing to incorporate environmental stewardship into our organisational culture.

These objectives are periodically communicated to all employees and other relevant stakeholders via internal communication and incorporated into relevant guidelines for our stakeholders. We hold ourselves accountable to these goals through rigorous measurement, thus enabling continual improvement.

Sustainable Finance Committee (SFC)

Sustainable Finance Committee (SFC) of City Bank is led by senior banking professionals. The committee's key objective is to drive the bank's sustainable finance initiatives and promote ESG practices in the real economy, helping to fulfill both the bank's sustainability goals and broader societal objectives.

SFC plays a pivotal role in shaping the bank's commitment to ESG integration and green growth. Functioning under the guidance of Bangladesh Bank's Sustainable Finance Policy, the committee is another important pillar of the bank's ESG governance focus and oversees the development and implementation of environmentally and socially responsible lending practices. It ensures that projects meet the bank's E&S standards, employs an enhanced Environmental & Social Management System (ESMS), and steers the bank's Sustainable Finance Department (SFD) that aligns credit risk and approval processes with key ESG criteria.

The bank's SFC not only drives internal governance but also supports tangible outcomes. It spearheads low-cost green refinance schemes by leveraging the central bank's programs to finance clean-energy projects and other decarbonisation projects. Additionally, it collaborates with multilateral institutions; for instance, structuring a financing partnership with the OPEC Fund wherein the bank mobilised a USD 30 million loan for financing sustainable international trade.

In doing so, SFC not only advances the goals of impact finance but also ensures that environmental and social risks are rigorously assessed, and staff are well-trained to embed sustainability throughout the credit lifecycle. This prepares the foundation for further such strategic partnerships in the future.

Moreover, the committee's efforts have earned City Bank repeated recognition for several years running. For instance, the bank has featured in the "Top Sustainable Bank" under Bangladesh Bank's sustainability ratings, evidencing its success in blending financial and impact metrics.

Building Trust Through Compliance and Conduct

Anti-Bribery and Anti-Corruption (ABAC) at City Bank

Our ABAC framework promotes integrity, transparency and compliance with legal and ethical standards. Bribery and corruption can have serious impacts on the social and economic development of countries, as well as indirectly for other businesses that do not engage in such crimes.

Every year, our employees are required to complete refresher anti-bribery and corruption training. In 2024, about 59% of our employees received this training. These employees were primarily in the frontline roles, being exposed to customer interactions.

Internal controls across our operations help to significantly reduce the risk of corruption throughout our organisation. These controls include approvals for accepting gifts, principles when signing contracts with suppliers, assessment of legal contracts by independent specialists and centralisation of critical processes. Sanctions for employees liable for bribery include severe disciplinary action.

Thus, as part of our commitment to ethical business conduct, City Bank maintains a strong foundation based on integrity and uprightness through a robust Code of Conduct, mandatory compliance training and zero-tolerance policies on bribery, corruption and conflicts of interest. A confidential whistleblower mechanism is in place, supported by independent oversight, to ensure any ethical concerns are addressed swiftly and transparently.

City Bank has established a robust ABAC framework to safeguard its operations and uphold ethical business practices. The initiative is driven by the Internal Control & Compliance (ICC) Division that works in conjunction with the Committee on Moral, Ethics and Integrity and complemented by the Whistleblower Policy, thus offering a secure and confidential reporting channel. This ensures employees can report any concerns without fear of retaliation or retribution.

Our ABAC framework

ABAC framework at City Bank emphasises a culture of integrity, anchored in prevention and adherence. Quarterly audits, conflicts of interest disclosures and ongoing training sessions reinforce compliance throughout all levels of the bank.

ICC works closely with both internal and external stakeholders to conduct risk-based assessments, scrutinise high-risk transactions and ensure financial controls are in place and consistently followed. This proactive stance not only aligns with national expectations under the National Integrity Strategy but also reflects a broader commitment to international governance standards.

City Bank's Board of Directors upholds the overall responsibility for maintaining the bank's anti-corruption practices and stewardship, while the responsibility for enforcing anti-corruption practices daily rests with the management. Therefore, the Mancom members are required to ensure that teams under their purview are aware of the bank's stance on anti-corruption and adhere to the respective standards and policies in place.

As Bangladesh's banking sector seeks to reclaim its reputation, City Bank's ABAC efforts and initiatives not only protect the bank but also help set a higher standard for the entire financial services industry of the country.

Preserving financial integrity through AML/CFT

The governance of anti-money laundering (AML) and combatting the financing of terrorism (CFT) involves the establishment and implementation of policies, procedures and controls aimed at preventing illicit activities within the financial system.

Positive impacts of a strong AML/CFT framework include compliance with regulatory requirements, facilitation of risk management and enhanced transparency and accountability that helps protect the integrity of the overall financial system. On the other hand, engaging in money laundering and terrorist financing can have serious negative impacts that extend beyond the financial sector to encompass broader societal, economic and public safety challenges.

Weak governance can undermine the integrity of the financial system, facilitate organised crime and acts of terrorism, erode tax revenues, compromise national security and foster corruption and instability. It can also distort economic activity by channelling illicit funds into legitimate sectors and artificially inflate asset prices, creating an unfair advantage for those who engage in such activities.

At City Bank, we realise that while governance of AML/CFT plays a crucial role in safeguarding the integrity and stability of the financial system, we must carefully balance regulatory compliance with operational efficiency and cost considerations. By adopting a holistic risk-based approach and investing in robust governance frameworks, we effectively mitigate the risks associated with money laundering and terrorist financing, while maintaining the trust and confidence of our stakeholders.

Our low-risk tolerance related to money laundering and terrorist financing reflects our steadfast dedication to preventing financial crime, ensuring strict regulatory compliance and safeguarding the integrity of the financial system. We recognise that a sound AML/CFT framework is critical to maintaining the trust of our clients, employees, shareholders and regulators. As part of this framework, we have policies in place to define client due diligence requirements, criteria for higher risk clients and higher risk transactions, and controls for transaction monitoring and adherence to financial sanctions.

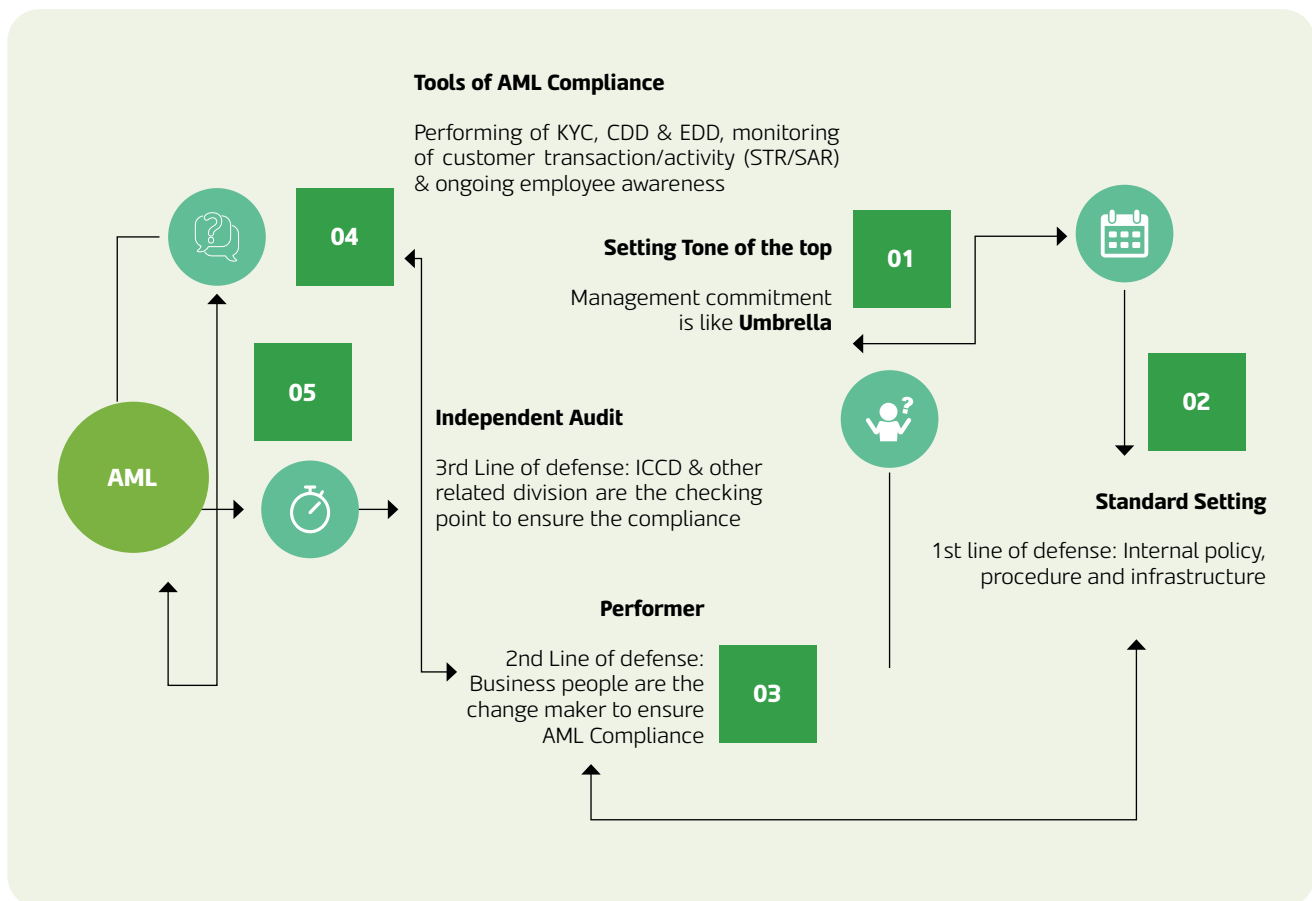
In this regard, City Bank remains committed to maintaining the high standards of compliance in AML and CFT.

Holding an obligatory responsibility of public funds, our efforts in these critical aspects of the bank are anchored on leveraging technology, strengthening governance and ensuring regulatory compliance to mitigate the risks associated with money laundering and terrorist financing. We adopt a risk-sensitive approach to AML/CFT, adhering to national regulations and international standards. The bank conducts robust customer due diligence and transaction monitoring and suspicious activity reporting to ensure compliance.

City Bank complies with the following regulatory requirements, inter alia:



Compliance process at City Bank

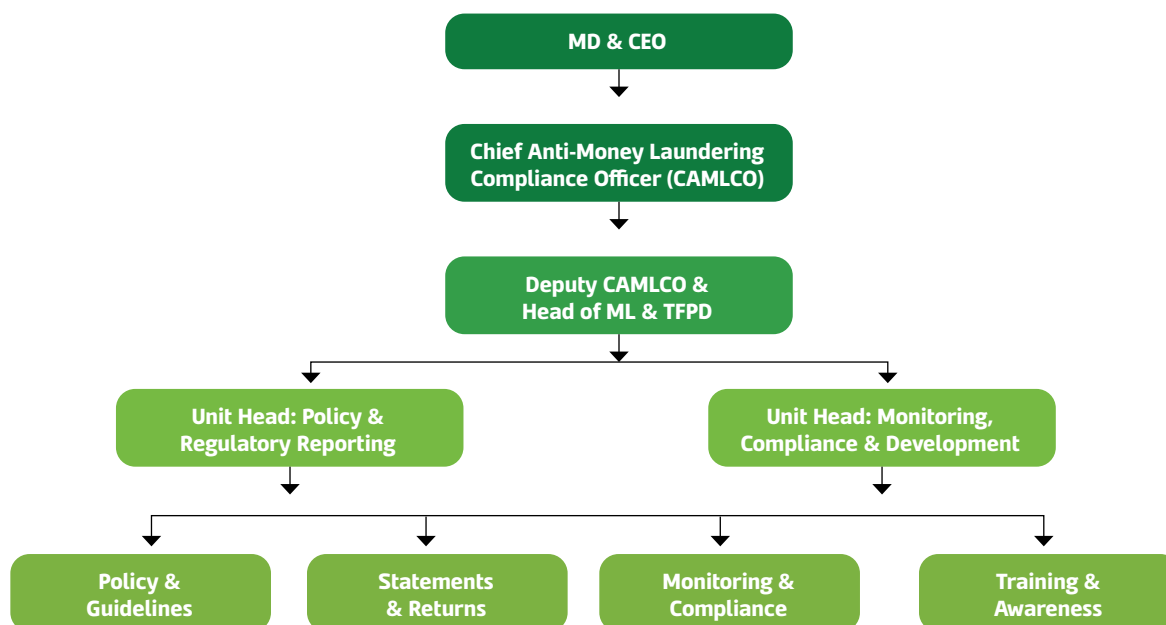


AML/CFT governance structure

Our bank's unwavering commitment to combating money laundering and terrorist financing are in alignment with the directives of BFIU and global best practices.

BFIU mandates the critical role of financial institutions in safeguarding the integrity of the financial system and, as a responsible institution, we fulfill our obligations with diligence and precision. Thus, reinforcing our compliance culture remains a top priority. Every employee, from the front line to the senior management, plays an essential role in ensuring that the bank operates as an guidepost of accountability and transparency. Compliance is not considered as a mere regulatory requirement; rather it is a moral imperative and a fundamental cornerstone of our business sustainability.

As a part of strong compliance structure, City Bank's AML & CFT Governance Structure (given hereunder) comprises the Central Compliance Committee (CCC), Head Office-based Money Laundering and Terrorist Financing Prevention Division (ML & TFPD), Head Office-based Chief Anti-Money Laundering Compliance Officer (CAMLCO), Branch Anti-Money Laundering Compliance Officer (BAMLCO) at Branch/Sub-Branch/Agent Banking level and Divisional AML Compliance Officer at the divisional level.



The Board and Mancom remain committed to providing all necessary resources and guidance to maintain the highest standards of compliance. They regularly review the bank's policies and processes to ensure alignment with national and international standards, including those set by BFIU and FATF (Financial Action Task Force).

Central Compliance Committee (CCC)

The governance of AML/CFT at City Bank is spearheaded by the Central Compliance Committee (CCC), which consists of 17 senior executives from different divisions. The committee, led by the Chief Anti-Money Laundering Compliance Officer (CAMLCO), is responsible for overseeing the implementation of the AML/CFT strategy and ensuring that all policies are in compliance with both local and international regulations.

With a view to bolstering the bank's AML operations, it has developed and implemented the following AML compliance tools:

- Document verification and auto KYC scoring system, customer due diligence (CDD) and enhanced due diligence (EDD) systems, including risk assessment and management system (RAMS)

- Strengthened risk-based approach and rule-based transaction monitoring system to identify suspicious transactions or activities
- XML-based auto suspicious transaction/activity report (STR/SAR) reporting system
- Name screening and adverse news monitoring system
- AML solution to monitor customer transactions, reporting of suspicious transactions/activities and post-reporting action

Employee awareness, training and standard-setting

City Bank has developed and implemented policies and guidelines to ensure high standards of alignment with national and international regulations. These include:

- CBL Money Laundering & Terrorist Financing Risk Management Policy
- Money Laundering and Terrorist Financing Risk Assessment Policy
- Guidelines for Prevention of Trade-Based Money Laundering

These policies adhere to the Money Laundering Prevention Act, 2012 (Amended 2015), Anti-Terrorism Act, 2009 (Amended 2013) and guidelines issued by BFIU and FATF.

Employee awareness programs are conducted on a regular basis. In 2024, 19 AML training sessions were conducted, covering as many as 3,062 employees. Additionally, 15 branch visits were made to educate employees on AML/CFT compliance, reinforcing a culture of continuous vigilance and awareness.



Climate Action through Innovation and Digitalisation

Overview

Digitalisation and innovation have brought about significant changes in the financial industry, transforming how financial institutions operate, deliver services and interact with clients. The positive impacts include enhanced client experience, cost efficiency and operational effectiveness, wider market reach and accessibility, advanced product development, and improved risk management and compliance.

The bank remains at the forefront of Bangladesh's digital banking transformation, leveraging innovative technology to enhance customer experience, promote financial inclusion and drive sustainable banking practices. Our flagship Citytouch and CityLive platforms have revolutionised how customers interact with banking services, reducing reliance on physical branches and accelerating digital banking adoption.

Climate-conscious and eco-smart digital technologies

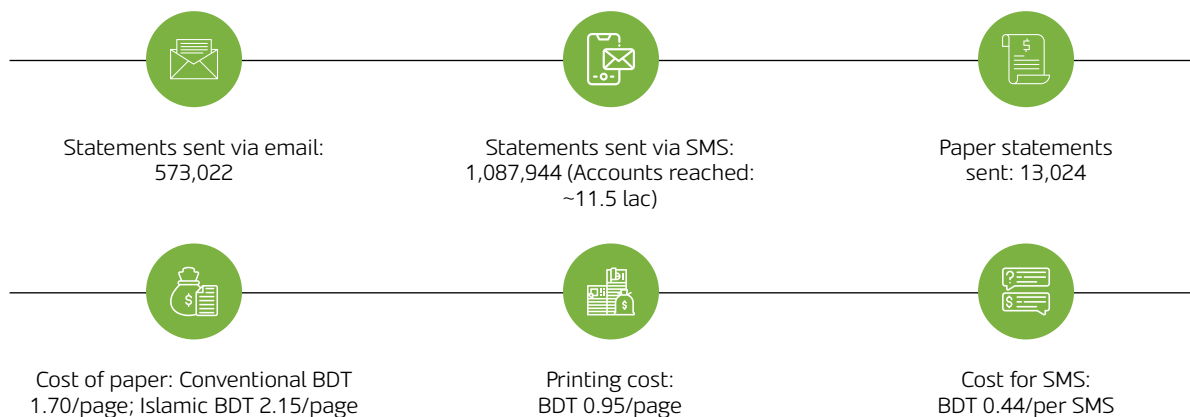
City Bank is committed to sustainable banking by integrating digital solutions that minimise environmental and ecological impacts, while promoting operational efficiency and carbon-mitigated operations. Through continuous digital transformation, we have reduced our carbon footprint by implementing the following initiatives:

Minimising paper and waste

Promoting e-statements, digital receipts and online service requests, we have reduced paper dependency, eliminating the need for printed documents and paper-based transactions. Further, as per the standard practices of the bank, daily waste, including paper, was processed through Pouroshova-nominated vendors (those approved by municipal bodies) and solid waste was disposed through auctions.

E-statements: Leading the way in green banking

City Bank focus on minimising its environmental impact through paperless banking solutions, significantly reducing paper usage through e-statements. Key stats are mentioned below (2024):



Lower CO2 emissions

With widespread adoption of app-based banking, customers can conduct transactions, manage accounts and access banking services remotely, thus reducing the need for branch visits and cutting down on transportation-related carbon emissions, which helps lower our value chain emissions (Scope 3).

Advancing a cashless economy

City Bank's Citytouch and CityLive platforms drive the transition to a cashless society by enabling seamless bill payments, fund

transfers, e-commerce transactions and merchant payments. This shift reduces the environmental impact associated with the printing, handling and transportation of physical currency.

Digital paper-less account opening

City Bank facilitates fast, secure and paper-less account opening through City Ekhoi, a digital onboarding platform that allows users to open a bank account instantly without visiting a physical branch. The app, available on both iOS and Android devices, enables users to open an account, request a debit card and access other digital banking services through Citytouch

integration. City Ekhoni has received significant customer traction, with total account openings standing at 52,170 and total deposit balance of BDT 953.70 million as on end 2024.

Optimising energy efficiency

Automating financial services, City Bank has streamlined its operations, leading to lower electricity consumption in banking facilities and reducing emissions generated by traditional, resource-intensive banking processes.

Citytouch and CityLive, key stats, 2024

Citytouch has seen a significant increase in usage, with the number of transactions shooting from 8.1 million in 2021 to 27.4 million in 2024, representing a 3.4x growth over the period. The total amount transacted has also concurrently surged, reaching BDT 957 billion in 2024, a substantial rise from BDT 184 billion in 2021. With increased customer adoption and habituation, Citytouch user base has also expanded by a remarkable pace, growing from 334,679 users in 2021 to 783,880 users in 2024.

CityLive has experienced noteworthy growth too, with the number of transactions soaring to 2.24 million in 2024, a significant increase from 1.2 million in 2021, representing a 2x expansion. Total transaction volume has also concomitantly surged to BDT 617 billion in 2024, up from BDT 423 billion just three years ago. CityLive user base has also registered a substantial evolution, enlarging from only 156 companies using the platform in 2021 to 900 in 2024, reflecting increasing adoption and trust among the bank's corporate clients.

Mapping Citytouch and CityLive in 2024

Platform	No. of transactions (million)	Transaction volume (BDT billion)	Total users
Citytouch	27.4	957	7,83,880
CityLive	2.24	617	900

City Bank's digital-first approach has enhanced financial accessibility, improved operational efficiency and minimised its environmental and carbon footprint. Through continued innovation across Citytouch, CityLive and digital partnerships, we are setting a paradigm shift in banking that takes into cognisance both bank digitality as well as sustainability.

Upholding Responsible Procurement

Overview

As an industry pioneer, we ensure high standards of ethical and sustainable conduct. Our suppliers, who play a role in the bank's operations by ensuring smooth delivery of our services, etc., must align with our enterprise standards. Our procurement process is based on stringent principles, and we believe responsible procurement builds sustainable and long-standing relationships with suppliers.

While the level of materiality of procurement is standard as the bank is a service organisation, we have implemented multiple initiatives to maintain smooth operations of our supply chain.

We enforce an austere supplier code that reflects our guiding principles for all our suppliers. This encompasses business integrity, ethics and management, environmental management, health and safety, labour practices, preservation of human rights and other social and environmental aspects, all of which are material to our operations. Our supplier framework inculcates necessary behaviours to foster sustainable relationships between the bank and its suppliers.

Supply chain management

Our supply chain management strategy is built on a spirit of continuous improvement. We conduct periodic assessments to ensure suppliers comply with our framework and performance evaluations against our legal contracts to identify and prioritise areas for improvement. Working in close partnership with our suppliers, we enable them to improve their performance by addressing any concerns and making recommendations for improvement. Additional follow-up assessments are carried out to monitor and assess the performance of our suppliers.

Our value chain includes a diverse network of suppliers across key categories, including people, products, and services.

Supplier relationships include long-term, short-term, contractual and project-based relationships. In 2024, our total procurement reached BDT 5,945 million, marking a 15% year-on-year increase, with a significant portion sourced from local M/SMEs. This shows a clear trend of injecting value into the local communities and supporting their uplift and development.

At City Bank, we are committed to partnering with the highest quality suppliers to ensure that we deliver best-of-breed banking and other solutions to our clients.

We informally leverage the UNGC principles covering human rights, labour, environment and anti-corruption as foundational principles for building and improving our sustainable supply chain practices. The bank's supply chain framework is an expression of our commitment to integrate these principles and tenets into our supply chain relationships and towards building long-term environmental, social and economic opportunities for diverse businesses dotting the nation's landscape.

This commitment is manifested in our internal activities and processes, as well as through the organisations we engage with externally. Integrity and ethics govern all our supplier partnerships, while also supporting and encouraging the aspirations of diverse businesses.

City Bank's responsible purchasing policy is based on key pillars, as discussed hereunder:

- Decarbonisation of the supply chain through a future detailed study of Scope-3 emissions
- Promoting the circular economy by encouraging the consideration of impacts and services purchased throughout the lifecycle and supporting internal and external reuse and recycling solutions
- Deploying our compliance program and protecting human rights based on identifying risks, engaging and assessing suppliers, and ensuring continuous improvement
- Creating value in local communities and encouraging inclusive sourcing practices
- Supporting and working with our suppliers and partners

Supplier spending

Category	Value (BDT million)		No. of vendors	
	2023	2024	2023	2024
Local	1,509.33	1,855.15	178	188



Tax Compliance

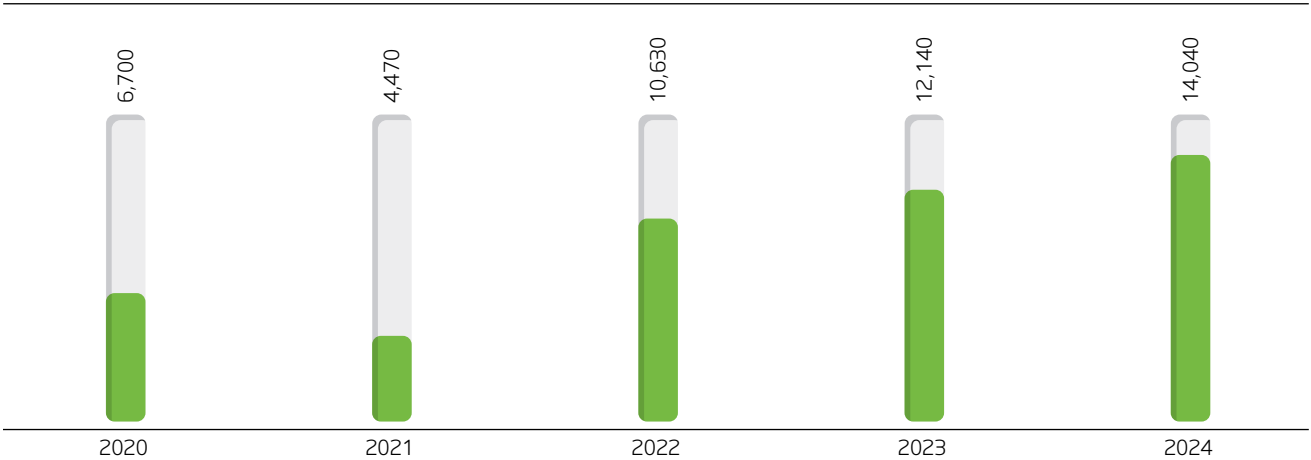
At City Bank, we are proud of our role in contributing to the growth of the Bangladesh economy and are committed to being open, fair and responsible in all our tax practices. We recognize that tax is not just a legal obligation, but an effective way of contributing to national development and distributing value to society. We also understand that our approach to tax has a direct impact on our reputation and credibility. Therefore, we maintain open, cooperative relationships with tax authorities and engage actively in the development of tax policies and systems.

In line with our broader goal of becoming the most sustainable bank in the country, the taxation team has introduced a paperless certificate initiative. This move has significantly reduced traditional paper usage, saving an estimated 43,000 pages and hundreds of working hours each year. By digitizing our processes, we are not only increasing efficiency but also strengthening our relationships with stakeholders through more streamlined, eco-friendly practices.

Tax Payment to Government in the Past 5 Years (BDT million)

2020	2021	2022	2023	2024
6,700	4,470	10,630	12,140	14,040

Tax Payment to Government in the Past 5 Years (BDT million)



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