

# Banking Made Digital

## Dreams Made Real





Banking Made

# Digital! Dreams

Made Real!

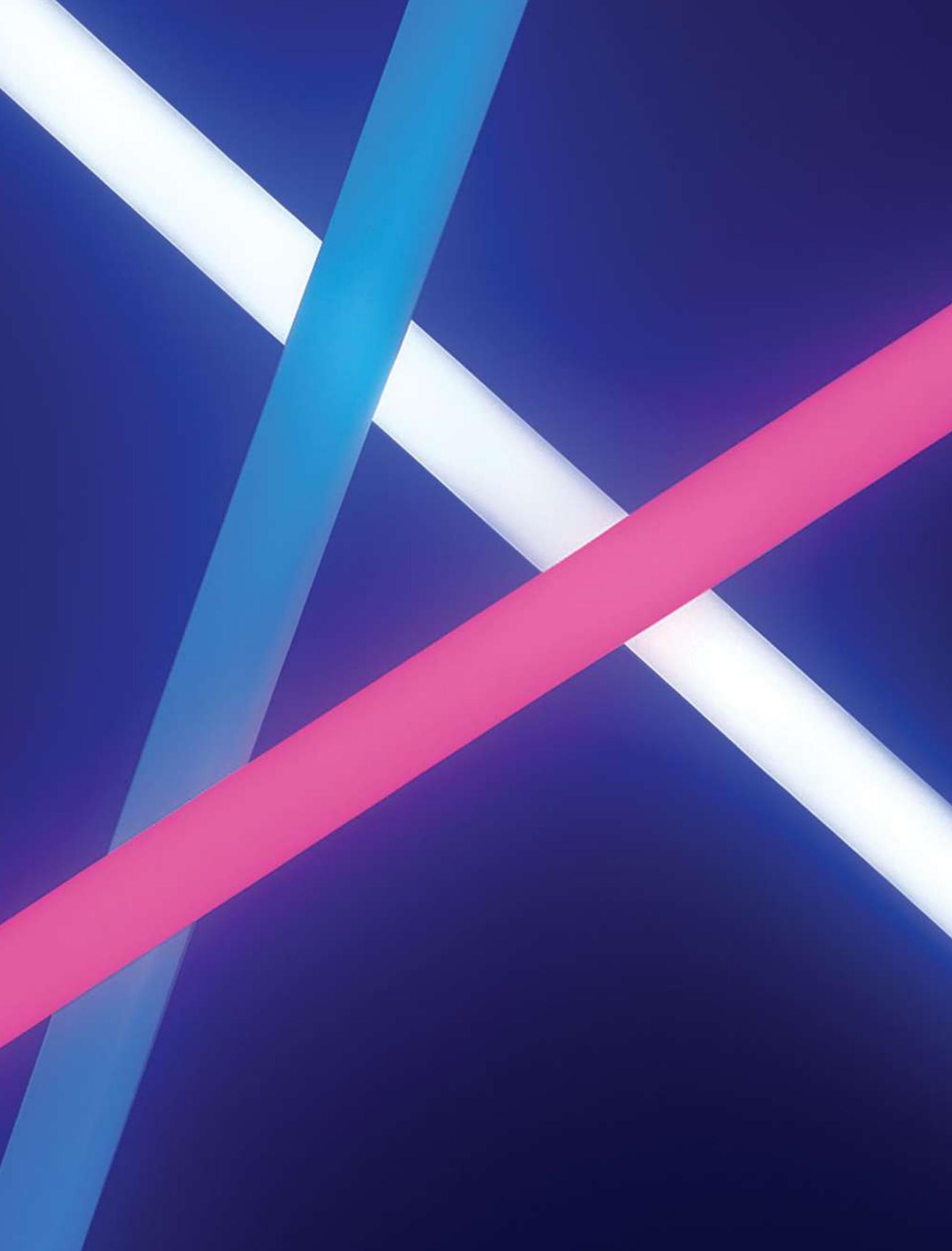
# **BANKING MADE DIGITAL! DREAMS MADE REAL!**

We at City Bank are committed to harness exceptional digital solutions to provide an extraordinary banking experience to our customers. Our thematic focus on “Banking Made Digital, Dreams Made Real!” thus encapsulates our vision of a modern banking platform that seamlessly integrates advanced digital solutions to empower customers and businesses in achieving their aspirations and ambitions.

As a leading provider of digital banking solutions in Bangladesh, our longstanding emphasis on digital transformation underscores the deployment of cutting-edge technology to make banking more accessible, efficient and user-friendly, thereby allowing our customers to manage their finances anytime, anywhere. We are devoted to the cause of empowering aspirations, emphasising the role of digital banking as a partner in helping people transform their dreams—whether owning a home, starting a business, or pursuing an education—into reality.

Steadfast on our responsibility to foster modernisation with a human touch, we balance technological innovation with a customer-centric approach to ensure that while banking becomes more and more digital, it yet remains relevant, personal and meaningful. As a bank contributing to the cause of digital financial inclusion, we ensure that banking remains inclusive and accessible for all. Focusing on bridging gaps and making financial services more inclusive, we are thus enabling a broader audience to take control of their financial future.

Banking Made Digital, Dreams Made Real is truly a key element of our bank that celebrates a future where technology, ambition and customer-centricity align, thus ensuring banking is not just a service but a bridge to an empowered tomorrow.



**Best Bank in Bangladesh**  
Global Finance Best Emerging Markets Bank

**Best Bank in Bangladesh**  
FinanceAsia Best Bank Awards

**Best Financial Institution of the Year**  
DHL-The Daily Star Bangladesh Business Awards

**ICMAB Best Corporate Award**  
ICMA Bangladesh

## 2016

**Global Climate Partnership Award**  
Global Climate Partnership Fund

**Best Premium Banking Services in Bangladesh**  
Asiamoney Best Bank Awards

**Best Bank in Bangladesh**  
FinanceAsia Best Bank Awards

**Best Investment Bank in Bangladesh**  
FinanceAsia Country Awards

**Best Consumer Digital Bank**  
Global Finance Award

# AWARDS AND ACCOLADES

**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.**

## 2017

**ICMAB Best Corporate Award**  
ICMA Bangladesh

**Best Online Bank**  
ICT Division of the Government of Bangladesh

**Best Bank in Bangladesh**  
Asiamoney Banking Awards

**Best Bank in Bangladesh**  
Global Finance Best Emerging Markets Bank

**Best Bank in Bangladesh**  
FinanceAsia Best Bank Awards

**Best Bangladesh Deal**  
Summit Group's \$79.67 million 12-year and 10.5-year syndicated loans

**FinanceAsia Achievement Awards**

**Best Consumer Digital Bank**  
Global Finance Award

## 2018

**Best CSR Bank in Bangladesh**  
Asiamoney Best Bank Awards

**Leading Partner Bank in Bangladesh**  
Asian Development Bank (ADB) under Trade and Supply Chain Finance Program (TSCFP)

## 2020

## 2021

**Best Bank in Bangladesh**  
Global Finance World's Best Banks

**Best Bank in Bangladesh**  
FinanceAsia Country Awards

**Best Digital Bank in Bangladesh**  
Asiamoney Best Bank Awards

**Best Consumer Digital Bank in Bangladesh**  
Global Finance World's Best Digital Bank Award

**Best Innovation in Banks for Digital Loan**  
Bangladesh Innovation Award

**Best CSR Bank in Bangladesh**  
Asiamoney Best Bank Awards

**Leading Partner Bank in Bangladesh**  
Asian Development Bank (ADB) under Trade and Supply Chain Finance Program (TSCFP)

**Best Retailer Banks**  
Bangladesh Retail Awards

## 2019

**Best Women Program Launch Award**  
Financial Alliance for Women

**Best Premium Banking Services in Bangladesh**  
Asiamoney Best Bank Awards

**Best Bank in Bangladesh**  
Global Finance Best Emerging Markets Bank

**Syndicated Loan of the Year**  
Bangladesh  
Asian Banking & Finance

**TFP Momentum Award**  
ADB TFP Awards

**Best Bank in Bangladesh**  
FinanceAsia Country Awards

**Best Bank in Bangladesh**  
Global Finance Best Bank Awards

**Best Sustainable Finance Bank in Bangladesh**  
Global Finance's Sustainable Finance Country Awards

**Best Retail Bank**  
Bangladesh – Retail Banker Asia Trailblazer Awards

**Best New Islamic Banking Window**  
Bangladesh – Global Brands Banking & Finance Awards

**Best Islamic SME Bank in Bangladesh**  
The Asset Triple A Islamic Finance Awards

**Best CSR Bank in Bangladesh**  
Asiamoney Best Bank Awards

**Leading Partner Bank in Bangladesh**  
Asian Development Bank (ADB) under Trade and Supply Chain Finance Program (TSCFP)

**Product Innovation of the Year**  
Global SME Finance Awards

**SME Financier of the Year**  
Asia – Global SME Finance Awards

**ICMAB Best Corporate Award**  
ICMA Bangladesh



# 2022

# 2023

**Best Bank in Bangladesh**  
Global Finance Best Bank Awards

**Best Premium Banking Services in Bangladesh**  
Asiamoney Best Bank Awards

**Best Innovation in Bank (City Remit)**  
Bangladesh Innovation Award

**SDG Brand Champion in Climate & Environment**  
SDG Brand Champion Award

**Best Islamic SME Bank in Bangladesh**  
The Asset Triple A Islamic Finance Awards

**Honorable Mention for 'Financier of the Year 2023 Asia'**  
Global SME Finance Awards

**Leading Partner Bank in Bangladesh**  
Asian Development Bank (ADB) under Trade and Supply Chain Finance Program (TSCFP)

# 2024

**Best Bank in Bangladesh**  
FinanceAsia Awards

**Bangladesh's Best Bank for SMEs**  
Euromoney Awards for Excellence

**Best Financier for Women Entrepreneurs (Platinum)**  
The Global SME Finance Award

**Best Islamic Retail Bank in Bangladesh**  
Global Islamic Finance Awards by The Digital Banker

**Best Retailer Bank**  
Bangladesh Retail Awards

**Honorable Mention for Climate & Environment**  
SDG Brand Champion Award

**Honorable Mention for Women Empowerment**  
SDG Brand Champion Award

**ICAB BPA Award (Silver)**  
ICAB National Award

**Transformation Excellence (GOLD)**  
Infosys Finacle Innovation Awards

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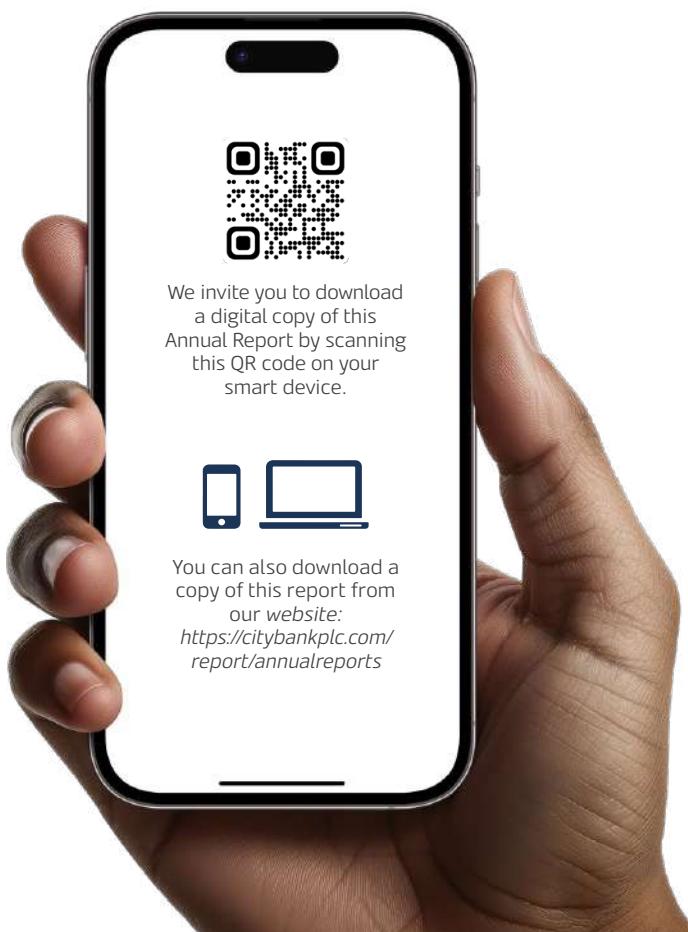
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# LETTER OF TRANSMITTAL

To

The Shareholders of City Bank PLC, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC., Central Depository Bangladesh Limited, Financial Reporting Council, And all other stakeholders of City Bank PLC.

**Subject: Annual Report for the Year Ended December 31, 2024**

Dear Sir/Madam,

The Board of Directors of City Bank PLC is pleased to present the Annual Report for the year ended December 31, 2024. This report includes the Audited Financial Statements (Standalone and Consolidated), comprising the Statement of Financial Position as at December 31, 2024, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Cash Flows, and the Statement of Changes in Equity.

Accompanying these financial statements is the Directors' Report for the year ended December 31, 2024, which provides insights into the Bank's performance, strategic objectives, corporate governance framework, and future outlook. The Notes to the Financial Statements are also included, offering further explanation and detail.

The Standalone Financial Statements of the Bank encompass the operations of City Bank On-Shore and its Off-Shore Banking Unit. The Consolidated Financial Statements include the financial results of the Bank and its subsidiaries: City Brokerage Ltd., City Bank Capital Resources Ltd., CBL Money Transfer Sdn. Bhd. (Malaysia), and City Hong Kong Ltd., whose financial statements are presented separately. Unless otherwise specified, the information contained within this report is based on the Bank's Standalone Financial Statements.

Sincerely,



**Md. Kafi Khan**  
Company Secretary



## THE BOARD'S SUPPORT ON VALUE CREATION

**Esteemed stakeholders,**

Our Integrated Annual Report 2024 demonstrates how our purpose drives our strategy, guides our integrated approach to value creation, and informs how we engage with stakeholders within our operating environment. The report provides material insights into the bank's outlook and articulates why we believe it is a sound long-term investment.

This report was prepared under the supervision of senior and executive management and subject to an internal and external review process. As the Board, we are committed to ensuring the integrity of this report and, accordingly, evaluated the content thereof to ensure it materially complies with the Integrated Reporting <IR> framework.

In our opinion, this report addresses all material matters and presents a balanced, fair and accurate account of the 2024 performance of the bank and its subsidiaries. We are confident that it is a reasonable reflection of the bank's strategic commitments for the short, mid and long-term.

Guided by the Board Audit Committee, the Board approved the 2024 integrated report for public release on 29 April 2025.

**Aziz Al Kaiser**  
Chairman

# CORPORATE PHILOSOPHY

At City Bank, we manage our business and people with the responsibility of delivering sustainable financial returns. A commitment to the principles of good governance and the strategic role of our Board, senior leadership and skilled workforce collectively contribute to shaping a sustainable organization, anchored on the strong foundations of our corporate philosophy.



## 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.



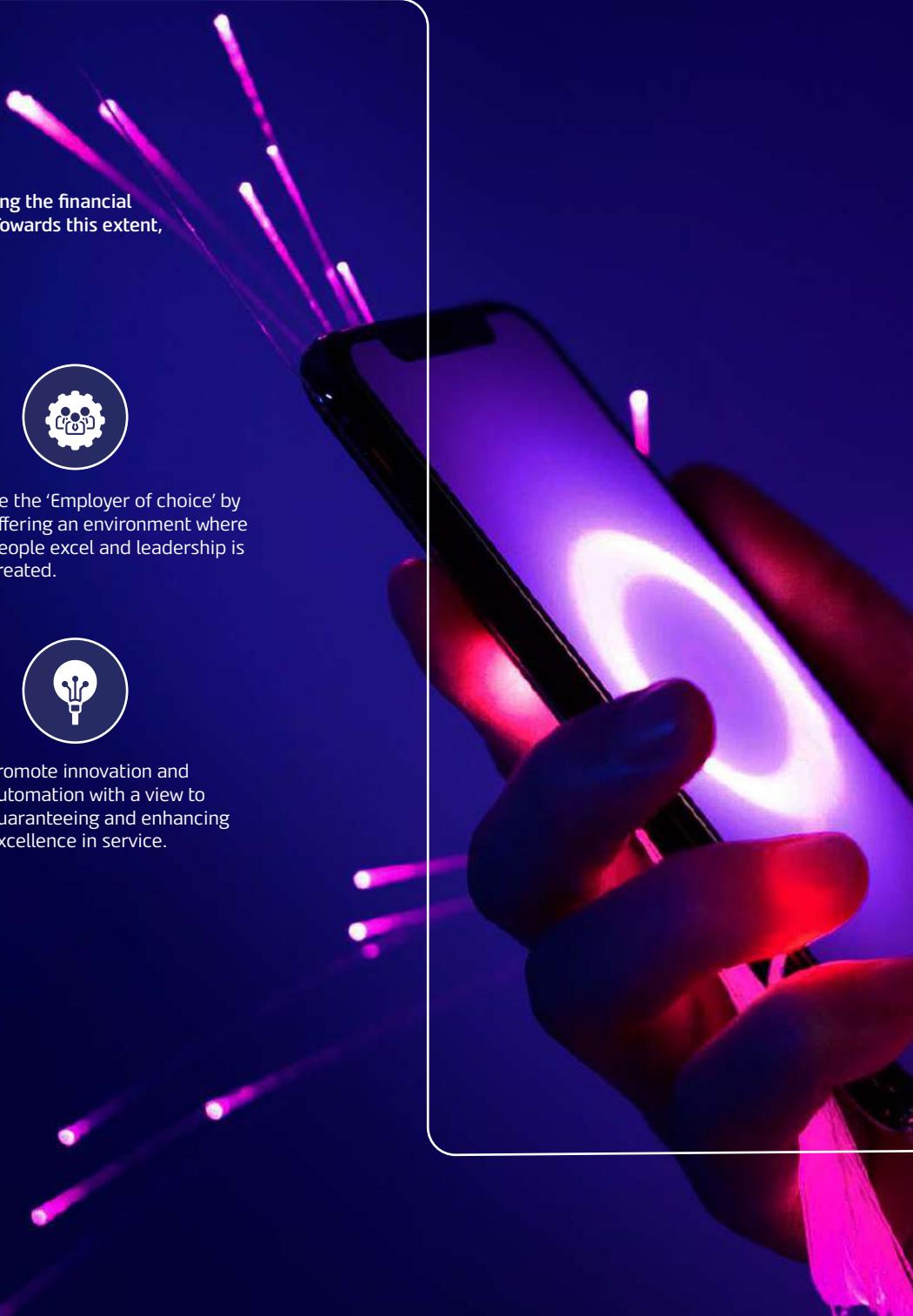
Continuously challenge processes and platforms to enhance effectiveness and efficiency.



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.



# 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 2023, 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.

## VALUES

Our Values define the way we think, work and act. We believe that we can realize our Vision and Mission when the expected behavior 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'.

# DIGITAL HIGHLIGHTS OF 2024



Citytouch

**BDT 1 trillion**

transaction volume

**BDT 28 million**

transactions

**747,549** Users



Smart IVR & Call Center

**5.8 million**

customers reached

**200 agents**

in 24x7 Call Centers



Digital Nano-Loan

**BDT 14.52**

**billion** disbursed

**506,167**

customers



CityLive

**BDT 650 billion**

transaction volume

**2.5 million**

transactions



Instagram

**1.3 million**  
people reached

**100%** increase in  
engagement



Facebook

**36.6 million**  
people reached

**136.9%** increase in  
content interactions



Website

**1.6 million**  
traffic



# CODE OF CONDUCT AND ETHICAL GUIDELINES

For us at City Bank, our code of conduct and ethical guidelines serve as a governing document, fostering trust, integrity and accountability in our operations and across our wider organization. It helps us uphold high standards of behaviour, ensuring fair treatment to customers, compliance with regulations and ethical decision-making. By adhering to our code of conduct, we are able to assuage risks, protect our reputation and maintain stakeholder confidence, ultimately contributing to the long-term sustainability and success of the financial services sector.

## City Bank's code of conduct is embedded in the following doctrines



### Rigorous compliance with laws, regulatory guidelines and internal policies

All employees must follow and comply with the laws of the land, regulatory guidelines and internal policies, procedures and guidelines of the bank.



### Integrity of records

All employees are expected to maintain books and records with integrity and ensure accuracy and timely documentation of all transactions, while maintaining privacy and security of customer data. As per our rules, employees are prohibited from divulging the bank's plans, methods, activities and other such information that is considered to be proprietary, sensitive and classified as confidential, without proper authorization. This helps in safeguarding the integrity of our classified records and documents.



### Misappropriation of assets

Employees of the bank are strictly restricted from converting any funds or property that is not legitimately theirs for their own use or benefit, nor are they expected to deliberately assist any other person in such misuse or exploitation.



### Money laundering and terrorist financing

The bank strongly opposes all forms of money laundering and shall take all necessary steps to prevent its financial channels from being misused by others for the purpose of laundering money. Employees responsible for opening accounts are required to fulfill all KYC (Know Your Customer) formalities and are also mandated to review accounts periodically as per regulatory guidelines. Further, employees are expected to remain vigilant of suspected transactions and are required to report them as soon as they occur as per guidelines, with the aim of combating any sort of terrorist financing or money laundering activity.



### Conflict of interest

Employees must not use their position in the bank for any kind of personal benefit for themselves, together with members of their families or friends. Employees who are members of different school boards, societies or recreational bodies should be aware of conflict of interest and declare upfront about any such conflict.



### Honesty and integrity

Employees are expected to act honestly and with full integrity at all times. They should act in an upright, ethical and equitable manner while dealing with the public and their colleagues.



#### **Gifts, invitations, corruption or bribery**

Employees are discouraged to accept gifts, benefits or any sort of invitations of questionable nature from customers or persons with business interest with the bank. No employee may offer, give or receive any gift or payment which is or may be construed as a bribe or corruption.



#### **Harassment, discrimination and inappropriate behaviour**

City Bank is committed to the principles of meritocracy, diversity, equity, inclusion and belonging in its employment practices and fosters a work environment that respects individual differences. It does not tolerate any discrimination, intimidation, harassment, bias or retaliation, whether direct or indirect, by its employees towards anyone based on their background, gender, religion, race, color, ethnicity, national origin, age, marital status, physical condition, personal appearance or status.



#### **Grievance**

Any employee who has grievance in respect to unfair or otherwise inappropriate treatment, action or conduct, other than any issue relating to employment terms and conditions, and intends to seek redress thereof may submit grievance to the Grievance Committee of the bank.



#### **Diversity**

City Bank respects employees as unique individuals with fundamental human rights, irrespective of background, gender, religion, ethnicity, national origin, age, marital status, physical condition, personal appearance, status, race, sex, etc. It believes that creating a work environment that enables it to attract, retain and fully engage diverse talents leads to innovation and creativity in the services of the bank.



#### **Work environment**

It is expected that employees shall conduct themselves with the highest standards of integrity and professionalism in the workplace, or any other location while on business, and shall ensure that none of his/her actions cause nuisance, disturbance or debase the image, goodwill or reputation of others or of the bank. Employees shall treat all customers, suppliers, colleagues and others with dignity and respect.



#### **Ethical responsibility**

City Bank's goal is to do business ethically and prevent improper business conduct. Hence, the bank gives due importance to ethical validation and appropriate authorization of all decisions and actions of its employees before they are initiated.





# STATEMENT FROM OUR CHAIRMAN



**Being a truly digital bank is critical to serving the needs of our customers and achieving the renewed growth ambitions of Bangladesh.**

**Aziz Al Kaiser**  
Chairman

## Banking made Digital, Dreams made Real!

### Esteemed Shareholders and Stakeholders of City Bank,

We at City Bank are delighted to welcome you to our Integrated Annual Report for the financial year ended 31 December 2024.

This report is our primary communication to our investors and stakeholders and we take meticulous care in preparing this report, ensuring a balance between comprehensiveness and concision. It is our endeavour to serve the disclosure requirements of all concerned stakeholders in the spirit of trust and transparency. This forms the basis of our preparation of this report.

Banking, by its very character, has a profound multiplier effect on the economy. City Bank has been at the forefront of banking in Bangladesh through innovation, accessibility, digitalisation and customer-centricity. This has earned us the distinction of being among the most trusted financial institution in the country and a pillar of support for our customers.

The bank focuses on holistic value creation for stakeholders. It plays a meaningful role in helping people meet their financial goals, fostering business growth, making a difference to society through social citizenship actions, and contributing to the nation's overall progress.

Our underlying strength is identifying promising opportunities and capitalising on them quickly and at scale through our execution skills. Our extensive physical

and digital footprint enables us to extend world-class banking services to even remote corners of the country. Our banking app Citytouch has emerged as a success story in digital financial services and in fact embodies the country's maturing digitalisation journey.

With Bangladesh embarking on a long-term trajectory of inclusive progress and shared prosperity, the banking industry must play a pivotal role. At City Bank, we are well-positioned to contribute to this goal through our balance sheet strength, innovative financial solutions, widespread network, diversified lending book, strong technology platform, robust asset quality and experienced leadership team committed to execution for meeting the goals of the bank.

### Operating Context

The global economy continued to face headwinds in 2024, as geopolitical tensions in Eastern Europe and the Middle East dominated headlines, Chinese growth recovery remained under pressure due to slowing consumption and a subdued real estate market, change of federal government in the US brought greater uncertainty, and inflation remained elevated for longer than anticipated. Further, challenges may be compounded with the supposed US withdrawal from the Paris Agreement due to the new president's climate denialism which does not bode well for the world, especially developing countries that need fiscal and policy support in their decarbonisation journey.



**2.6+**

**Total customers (mn)**



**747,549**

**Total Citytouch app users**



**5,321**

**Total workforce**



The January 2025 edition of the World Economic Outlook (WEO) highlights divergence and uncertainty as the key factors underlying global economic growth. The report projects global growth at 3.3 percent in 2025 and 2026, which is below the historical (2000-19) average of 3.7 percent, underscoring weakening of the global economy. This is attributed primarily to the slowing down of the Chinese and Indian economies that have been the major engines of global growth so far. Escalation in geopolitical tensions, frayed supply chains and dampened consumer sentiment are also factors that have been ascribed to impacting future global growth.

Bangladesh saw a major political upheaval during the year 2024 that triggered days of business disruption due to civil unrest and protests that spilled into the streets. Though a run-in on banks was feared amid the turmoil, credit should be given to the central bank for deftly managing the situation and averting the crisis. This scenario may be likened to the failure of several regional banks in the US and a major one in Europe that stoked fears of a global financial contagion during the last year and yet swift and decisive action by the authorities contained the threat.

So the operating environment of the bank in 2024 was one of both challenges and opportunities. It was also a time when City Bank stood up to be counted as a large and consequential financial institution with strong governance, regulatory and operational standards. The year was really one where the strong grew stronger and City Bank was one such financial entity.

## City Bank in 2024

In an environment of sub-par economic growth, the need for peaceful polity and uninterrupted economic activity is perhaps greater than before. Bangladesh has little choice but to pursue private sector participation as part of the solution to the challenges and efforts towards this participation in banking, infrastructure, manufacturing, trade, etc., are encouraging steps.

At City Bank, we have demonstrated our ability to navigate the challenges and are committed to contribute to national economic development in a responsible manner and as a trusted primary partner to our clients. Being a truly pan-Bangladeshi financial services provider is critical to achieving our commercial ambitions, even as the country presents several growth prospects and opportunities to diversify our revenue streams while reducing market-specific risks.

We have been through a significant and transformative journey over the last few years and the organisation has a solid foundation built to not only withstand the challenges but to advance future growth too. Our view as the Board is that we have a clear and appropriate strategy in place and that the management team has executed against the strategy during the year under review, notwithstanding the challenging macroeconomic environment.

Our headline financial indicators look strong, most notably with our deposits achieving a spectacular 31% YoY growth to BDT 514,204 million at the close of the year 2024, while our loans and advances expanded by 12.3% YoY to reach a size of BDT 444,978 million during the year. The bank achieved its highest-ever growth in deposits in 2024 which was the effect of many marketing and awareness campaigns undertaken to build trust with savers and deposit holders across the country.

Our focus was specifically on underpenetrated regions and on our broader basket of products rather than just CASA (current and savings accounts). Deposit growth was also an upshot of the growing public confidence in City Bank amidst an environment where other banks were pressured by liquidity, financial and regulatory stress. Our key focus on improving primacy and regaining market share is bearing fruit as evidenced by the positive trends in deposit and loan growth during the year.

Determining the pressures of inflation, household debt and cost of living challenges in a sluggish economic environment, we redirected our capital allocation towards corporate loans, more specifically to blue chip companies that remained in a better position to weather the challenges. This was a slight shift from our earlier retail credit focus and is however momentary as we expect to revert back to all our business segments with the economy showing signs of improvement.

This strategy helped protect asset quality reflected in the NPL, which stood at 3.7% in 2024. This compares to 3.6% in the prior year period. Loan recovery received due focus during the year with the bank able to reclaim BDT 1,377 million in bad loans during the year that added to the profitability. We adopt a conservative approach to loan provisioning, as evidenced in our provision coverage ratio of 106.8% during the year.

I also wish to touch upon green and sustainable finance and it is heartening that City Bank has been declared as one of the top sustainable banks of Bangladesh. To us, sustainability is interlinked to our credit

decisions that are judged on the broader lens of ESG impact. Our sector has always believed that banks have an important role to play in the energy transition and I am proud of City Bank's pioneering efforts in this regard.

In a noteworthy occasion of the year, City Bank signed a US\$30 million loan agreement with OPEC Fund for International Development to support international trade by providing financing to import and export companies in the country, particularly in the agriculture and green energy sectors. This will help address food insecurity and climate change challenges while also reducing financing gaps.

## Governance at the Core

At the bank we accord tremendous importance to very high standards of corporate governance. This philosophy rests on the essential principles of independence, accountability, responsibility, transparency, fairness and timely disclosure which have built credibility over the years. Trust of our investors, stakeholders and the public is important to us and determines the basis of our stewardship.

The numerous committees of the Board met throughout the year to take stock of various aspects of importance to the bank. These committees enabled Board members to discharge their governance and supervisory duties with diligence and have an oversight on the performance of the senior management. This ensured the bank would not be buffeted by sudden ebbs and flows of events which in fact characterised the year in review, ensuring resilience and stability.

The bank is governed by robust processes and internal controls that help safeguard operations. Systemic triggers also help identify any non-compliance or malfeasant activities that are promptly redressed by the concerned team. The bank also has a whistleblower policy in place that helps thwart any wrongful acts. Similarly, we have strong cybersecurity measures that enable protection of customer and other sensitive data and ensure operational continuity. We have an experienced IT team that has effective tools and processes at their disposal to protect the bank against any cyberthreats.

The City Bank Board is a collective of persons of eminence who bring varied experiences and insights to the table. This fosters vibrancy in Board matter discussions and helps sharpen strategy and decision-making. The Board has a custodial role to ensure that all of the bank's activities are geared towards value creation. The



Board has ten Directors out of which three are Woman Directors, including an IFC Nominee.

We have always believed that the quality of the bank is equivalent to the quality of its people. Succession thus is an ongoing consideration at the Board and management level. We are an employer of choice and are committed to investing in our talent to deepen our pool of potential leaders and ensure bench strength.

## People Empowerment

We are committed to grow with our people. We foster an inclusive environment where every employee has the necessary tools and resources to succeed. We value diversity and are dedicated to bridging the gender gap, nurturing an atmosphere of mutual trust, support and growth. This reflects our values and commitment to equality and shared progress.

It is incumbent upon us to provide comprehensive support and empowerment to our employees, encompassing every aspect of our organisational culture, talent, processes, people practices and employee experience. By nurturing collective progress we ensure that our employees succeed together and propel the bank forward. We recognise that investing in our employees is not just a responsibility but a strategic imperative for the success and sustainability of the bank. Their dedication, expertise and commitment are the driving force behind our continued growth and excellence in serving our customers and creating value for our investors.

People and culture are important Board matters. Culture transformation is an ongoing agenda and we ensure that our culture fosters an environment of trust, collaboration and innovation, empowering employees to fulfil their potential and drive positive outcomes. Through continuous reinforcement and alignment with our strategic objectives, we ensure that every employee is equipped to succeed notwithstanding the circumstances. It is the cornerstone of our identity and the driving force behind our mutual success. As we embrace new challenges and opportunities, our unwavering commitment to our culture remains steadfast, propelling us towards all-round excellence.

Similar to the past years, we undertook many activities on the HR front in 2024 with the objective of developing individual and team capacity. The idea was to achieve improvement in day-to-day activities and also build new skills and talents to take up new growth challenges. Many learning and training initiatives were planned during the

year and the emphasis was on efficiency and productivity improvement and also identification of new opportunities.

Diversity, equity and inclusion or DEI principles have remained important to the bank. We strive to create a gender-balanced organisation that is inclusive and places emphasis on effort and merit rather than gender. Almost 18.9% of our overall workforce comprises women and though this is better than the industry, we know we have a long way to go.

The other thing that I wanted to talk about is what is often called in general terms as toxic culture. We are clear that while work will be prioritised, work-life balance is also equally important. It is up to each individual at the bank to introspect and achieve a balance between the two. For us, we strive to foster a calm, comfortable and stress-free work environment wherein we have transparency in expectations and decentralisation with an open door policy. Evaluation of KPIs is always conducted in a fair, transparent and non-opaque way and we ensure to benchmark compensation with performance and prevailing economic realities.

## Springboard for Growth

We are cognisant that we are operating in an environment that is still unstable with volatility and uncertainty. Yet, as we look ahead, we remain confident in our strategy with our renewed focus aligned to our long-term ambitions which is to become a better and bigger bank - in that order.

"City Bank has laid a strong foundation that has not only enabled us to overcome the challenges of this past year but has also set the stage for an ambitious leap into the future. The trust of our customers has been pivotal to the bank's success and we are committed to strengthening this trust by continuing to provide a safe, secure and superior banking experience."

Our journey forward is driven by investment in cutting-edge technology, enhanced digital experiences, nurturing talent development and an extensive bank network both in the physical and digital realms. These focus areas will ensure that the bank develops a more capable and resilient ecosystem to drive future growth while ensuring effective risk management and strong regulatory compliance. With a commitment to continually enhancing customer experience, fostering innovation and creating greater on-ground impact, the bank is ready for its next growth phase, leveraging the strong foundations built over the years.

With a growth-supportive balance sheet, the bank starts the new year 2025 from a position of strength. Our total balance sheet grew by a satisfactory 25.5% to BDT 697 billion as of end 2024. While maintaining our regulatory ratios such as SLR (Statutory Liquidity Ratio), we have enough liquidity ready for deployment. This current year, the focus will be on all business segments, including Islamic banking, retail banking, credit cards, green finance and of course, corporate banking.

While fiscal debt challenges, inflation and cost-of-living issues persist, we are cautiously optimistic about long-term growth prospects simply because of strong underlying fundamentals such as a large population, major under-penetration across sectors and categories, and expected revival driven by green shoots such as increase in remittances, stability in forex reserves, etc. Though economic growth in Bangladesh has faltered under the weight of the political challenges, we believe growth prospects can only improve from here. Besides, we have always taken adversity head-on and have emerged stronger on the other side.

## Vote of Thanks

I am grateful to Mashrur Arefin, our Managing Director & CEO, and the management team for leading by example, demonstrating unwavering dedication to the task at hand, even in difficult conditions. The members of the Board have been equally committed to providing guidance and support and I am grateful for this. My appreciation also goes to our employees, partners and all stakeholders who have contributed to the success of the business.

Looking forward, the bank is well-positioned to benefit from the underlying economic growth due to our trusted customer relationships, extensive geographic reach, diversified product portfolio, digital transformation initiatives, strengthened leadership, and steadfastness to financial inclusion, community impact and business sustainability. The focus remains on providing accessible, simple, cost-effective and innovative financial solutions to support the growth aspirations of the country.

In this journey, we thank you for your continued patronage and belief in City Bank.

Warm regards,

Aziz Al Kaiser  
Chairman

,

The bank surpassed an operating profit of BDT 2,000 crore in 2024 to BDT 2,305 crore, which is not just a financial landmark for us but a testament of our commitment to be a trusted bank for the people of Bangladesh.

**Mashrur Arefin**  
Managing Director & CEO





# FROM THE DESK OF OUR MANAGING DIRECTOR AND CEO

**Growing public trust in City Bank is our biggest currency**



**186**

**Branches &  
Sub-Banches**



**23,053**

**Operating profit  
(BDT mn)**



**79.9**

**CSR expenditure  
(BDT mn)**

## Dear Valued Shareholders and all Stakeholders of City Bank,

I am deeply honoured to present my statement to you for the financial year 2024.

Having already dedicated over 18 years to City Bank, I have witnessed firsthand how innovation is woven into the fabric of the bank's identity. Our predecessors revolutionised banking by pioneering financial democratisation, making banking accessible to all generations of customers. Building on this legacy is truly a privilege and is deeply fulfilling as we chart a course towards a future in which the bank plays a more consequential role in the lives of people.

I extend our heartfelt gratitude for your unwavering support and interest in the growth of City Bank. Since inception, we have strived for sustainable performance, guided by our philosophy of making money work for everyone through a focus on innovation and accessibility. In today's evolving landscape, corporates are expected to implement responsible and sustainable management practices. This includes addressing climate crises, fostering governance innovation, advancing digital solutions and executing up-value programs that align to the progressive requirements of customers. Together, at City Bank, we are making progress on each of these fronts.

## My Guiding Light

The journey to reach our aspired future is deeply personal to me. Growing up, I learned the value of resourcefulness and community. My life experiences taught me the importance of collective effort in overcoming adversity and the importance of stewardship.

At City Bank, we face our own set of challenges, both internal and external. Yet, I am confident that with bold, innovative and collaborative steps we can transform these challenges into opportunities. My idea for the bank is to sustainably improve the lives of our customers and communities, empowered by inspired people. This is more than a statement to me; it is a commitment to placing our customers at the heart of everything we do, working together to meet the expectations of our customers and positioning City Bank as their partner of choice.

Central to this approach is our investment in our people. By cultivating a safe and inclusive environment and fostering critical capabilities, we sustain our spirit of innovation. Our proactive engagement with key stakeholders, including regulatory authorities, capital providers and fence-line communities, we are able to balance business needs with broader societal expectations. I refer to this as the opportunity space where sustainable growth and value creation ensure shared progress in the true sense.

What keeps me perpetually going is what Franz Kafka strikingly said, "Believing in progress does not mean believing that any progress has yet been made."

## Our Operating Reality

The year 2024 was one filled with an unprecedented mix of challenges.

High inflation, tighter global monetary policy and the Russia-Ukraine and Israel-Hamas conflicts disrupted the post-pandemic recovery, leading to slow global economic growth, which has been projected at 3.2 percent by the IMF for 2024. From

Bangladesh's perspective, a sluggish global economy exerted pressure on both the key economic pillars - RMG and remittance sectors. The political turmoil during the second half of the year further triggered disruption and exacerbated the challenges. The current interim government is being led by Prof Muhammad Yunus, a Nobel laureate with considerable experience in governance and economy.

While the law and order situation has come under control with the public unrest mostly quelled, Bangladesh must now look forward to restore growth and reclaim its position as among the fastest developing economies of the world. Considering the long-term horizon, the banking sector's fundamentals remain secure due to the significant opportunity in financial intermediation for a vast population that has been dis-included so far.

At City Bank, we have always focused on creating growth opportunities, playing our role as an effective and efficient intermediary supporting the nation's development. We have prioritised service excellence by ensuring seamless integration between online and offline banking services, providing our customers with an enhanced, secure and convenience-driven experience. Our offerings such as the Citytouch digital banking app is a jewel in our crown. The app witnessed a transaction volume of BDT 957 billion during the year, reflecting its profound integration with the lives of our customers through enabling access to all banking facilities digitally and with ease."

In alignment with the central bank's directives, we have taken a leading role in pursuing various sustainable banking initiatives, such as green finance, environmental and social



(E&S) risk management, climate risk funds, energy-efficiency funds, SME financing, green transformation fund refinance and corporate social responsibility activities. These measures have been pivotal in us fostering long-term sustainability and indicate our evolving priorities as a bank at the forefront of financial inclusion in Bangladesh.

City Bank's foundation is rooted in the idea of serving the banking needs of the people. This signifies our commitment to inclusivity, ensuring that our services are accessible and beneficial to all segments of society. We remain strong through our leadership stability, financial acumen, digital transformation and high professionalism and we continue to excel in delivering products that cater to the needs of individuals and businesses alike, promoting all-round economic development and prosperity.

## City Bank in 2024

City Bank performed exceptionally well in the financial year 2024.

Net profit of the bank has grown to a figure of BDT 10,851 million, up from BDT 6,151 million in the prior year. The impressive growth in business levels as well as in profits reflect the success of efficient management and the commitment of our workforce which together improved profitability, asset quality and customer happiness.

I am pleased to inform our shareholders that City Bank's Board has proposed a dividend of BDT 2.5 per share for the financial year 2024, which is a clear signal of the bank's improving profitability and operational efficiency.

Navigating the challenges this past year, the bank became a magnet of public trust. Our strong regulatory standards, sufficient liquidity, market goodwill and pristine reputation magnified our bank's position as a reliable institution amid a weakening banking sector.

This shift in public perception helped attract additional savers and borrowers to the bank that fuelled our deposit growth by a record margin of 31 percent to BDT 514,204 million, while the loan portfolio grew by 12.3 percent to BDT 444,978 million during the year. This momentum gain further added to our standing and boosted our financial performance. City Bank truly contributed to a sound banking system, helping avert a calamitous domino effect.

The bank has been at the vanguard of offering products and services based on the latest technology and keeps improving upon its offerings. Being pioneers, we are second to none in adopting the latest technology-based banking. Our Citytouch mobile banking app is

one of the best in the industry and a success story in digital finance. We strongly believe that our customers always deserve the best and we shall continue to strive for it.

Our success should not be measured by financials alone but should also take into account the quality of the business. In this regard, we are committed to adopting the best recognised governance practices and we are continuously benchmarking ourselves against such standards.

## Key performance review is given below.

### Deposits

As mentioned earlier, City Bank had a remarkably strong deposit growth in 2024 that outpaced the overall banking sector's deposit growth during the year. This was due in part to the outflow of deposits from other banks to us as customers turned wary due to liquidity, credibility issues, etc.

Incidentally, our CASA deposits stood at 45.2 percent in 2024, down from 50.4 percent in 2023. This was due to emphasis on growing our deposit franchise as a whole. However, we kept a lid on our cost of deposit that stood at 4.8 percent in 2024, from 3.5 percent in the previous year.

All banks today are focusing on deposit mobilisation to be able to recharge credit growth that will likely pick up pace with the ongoing sectoral reforms. Under the new Governor Mr. Ahsan H Mansur, Bangladesh Bank has constituted several task forces to assess the health of the banking industry and take corrective steps. Further, international borrowings mobilised to shore up the country's financial profile will create an opportunity for credit intermediation for banks.

Deposit mobilisation is a franchise activity, particularly for a large bank like ours, and our robust network of 134 branches spread in all corners of the country aid this focus. For us, the customer has started gaining increasing attention too, and our value-added services linked to the accounts have gone up, which means we are driving a greater share of business from a single account.

We take pride in our constant endeavour to ensure that the customer is at the centre of our focus. The fact that we have 2.28 lakh people who have opened a savings account with us within this year is ample evidence of this. Further, an average of 633 people open a savings account with us every day.

City Bank is constantly reimagining and reinventing itself. Today, we are a judged one of the most digitally-savvy banks. We handle

76,135 transactions a day through Citytouch, which is among the highest transaction volume for any bank app in the country.

### Loans and Advances

The bank's gross advances grew by 12.3 percent to BDT 444,978 million in 2024, compared to a growth of 11.6 percent in 2023.

Among our business segments, the focus was on corporate loans that registered a respectable YoY growth of 12.9 percent, followed by SME advances which grew by 4.6 percent and retail loans registered a YoY growth of 8.3 percent.

With our focus on growing the retail loan portfolio considering significant market demand, credit card loans crossed the BDT 15,000 million mark, with YoY growth of 11.7 percent.

The focus for the current year is to give a boost to all business segments with, of course, strong credit underwriting and due diligence standards. This emphasis spawns from an anticipated resurgence of the economy after it has scraped the barrel and the fact that we have sufficient liquidity to support our lending expectations.

### Investment

With the interest rate hikes across the globe to tame inflation, the bank's prudent investment decisions helped contain the impact of rising interest rates on the investment portfolio. The bank's investment portfolio increased by 82.9 percent to BDT 133,644 million in 2024. The bank's liquidity position remains comfortable and we are well-placed to handle any moderation in liquidity going forward.

### Profitability

During 2024, the bank optimally leveraged the opportunities inherent in economy. Buoyed by relentless pursuit of best practices and strategies across segments, the net profit during 2024 rose by 76.4 percent to BDT 10,851 million from the previous year's net profit of BDT 6,151 million. The bank registered improvements in other key financial metrics too, including asset quality, provision coverage, RoE/RoA, NII and NIM.

The bank's Net Interest Income (NII) registered BDT 14,490 million in 2024. Lending book grew across almost all segments and remained adequately diversified with traditional bastions like corporate loans, retail loans, etc. Control in slippages and moderation in credit costs showed marked improvements too.



Total provisions made during 2024 stood at BDT 5,254 million as against BDT 2,817 million in 2023. The operating profit stood at a handsome BDT 23,053 million in 2024, registering a marked improvement of 70.8 percent over 2023, catapulting the bank to among a handful of financial organisations in Bangladesh with an operating profit in excess of BDT 2,000 crore. Further, the bank's cost-to-income ratio stood at 41.7% in 2024, compared to 51.1% in the prior year, signalling strong efficiency levels.

## Capital Position

Capital ratios continued to improve during the financial year in review on the back of better planning, plough-back of profit and efficient risk management. The Tier-1 ratio improved by 70 basis points to reach 11.7 percent as of December 2024. The overall Capital Adequacy Ratio (CAR) as at the end of December 2024 stood at 16.0 percent, improving by 20 basis points YoY. With healthy profits in 2024, the bank's capital position remains comfortable to tap into future growth opportunities.

## Balancing ESG Commitments with Strategic Value

In today's environment, an organisation's ESG (environmental, social, governance) performance is as vital as its financial results. We fully embrace the challenge of balancing impactful ESG initiatives with shareholder returns that underscores our commitment to transparency and accountability.

Environmental stewardship remains central to our strategy. We take a balanced approach across our people, planet and profit goals, ensuring every decision supports climate action, social cohesion and shareholder value. Our GRI-benchmarked ESG report that we publish annually shows our commitment to responsibility and stewardship.

We have already made a net-zero commitment by the year 2050 and will take all steps necessary to achieve this goal. We have put in place a mechanism to incorporate ESG considerations into our credit appraisal and risk process. This has led to us becoming more environmentally and socially conscious while enhancing our ability to assess the downside risk of our credit investments in light of the carbon transition and physical risks associated with climate change.

We recognise that ESG transformation goes beyond adapting to change; it is also about seizing new opportunities. For this reason, we are focused on identifying and building scalable growth around new sustainable value pools, creating a more resilient business of tomorrow.

I want to particularly highlight an initiative in this regard. In June 2024, City Bank signed a US\$ 30 million loan agreement with the OPEC Fund for International Development (OPEC Fund) to support international trade by providing financing to import-export companies in Bangladesh, especially in the agri and green energy sectors. This objective will facilitate the flow of goods at a time of supply chain disruptions, thus addressing food insecurity pressures and climate change while helping reduce financing gaps.

It is noteworthy that the OPEC Fund is the only globally-mandated development institution that exclusively provides financing from member to non-member countries. Since inception, it has worked in cooperation with developing country partners and the international development community to stimulate economic growth and social progress in low and middle-income countries.

Moving ahead, we welcome stakeholder input as we refine our approach to transforming the bank into an ESG-first financial institution.

## Responsible Stewardship

City Bank Board continued to intensify its focus on areas with heightened regulatory risks, particularly in cyberthreats and information technology, Shariah compliance, anti-money laundering, counter-financing of terrorism and counter-proliferation financing. All actions taken to manage risks were reviewed to ensure effective and timely resolution. The Board will continue to review and enhance internal controls, policies and procedures in response to developments in the operating and regulatory environment.

By leveraging advanced tools for transaction monitoring and reporting, we ensure that the bank remains agile and responsive to evolving risks. This focus on technological innovation and process improvement reinforces our ability to detect suspicious activity early and maintain high standards of compliance, ultimately contributing to long-term success and stability, which is a key factor determining customer trust and credibility.

The shift towards financialisation of savings is happening slowly but surely in Bangladesh, driven by several factors with technology being a key element. Technology has provided greater access and a better understanding of financial opportunities, making it easier for savers, especially those in the mass-affluent category, to access financial products. Previously, they would have struggled to find such opportunities but with technology and tools it has become much simpler now. We are at the front-step of this revolution and want City Bank to be the first choice of all our customers.

The way things stand, I believe competition is inherently beneficial as it helps differentiate those who truly stand out. In this regard, we have built our niche and follow a philosophy of contiguous branch expansion to develop a robust retail franchise on both asset and liability fronts. Our approach includes local hiring and providing relationship managers for our middle-income customers, along with a comprehensive product suite accessible through a single window service even in remote areas. This strategy instills confidence in our customers, assuring them that their financial needs will be met competitively. In this context I see significant opportunity as the middle-income group in the country continues to evolve - not just in size but also in diversity.

## Summing Up

Overall, 2024 has been a solid year for the bank despite the global geopolitical headwinds and the political upheaval in Bangladesh.

The past financial year nevertheless was not without its share of surprises and challenges, most notably on the asset quality and business disruption fronts. Vulnerabilities may emerge as the country goes through the political transition and any downsides may spawn contagion risks. This will warrant proactive identification and mitigation of risk in the current financial year and we will keep a hawk-eye on the same.

Our conscious strategy to structurally transform the bank through digitisation of systems and processes has progressed well. The bank's digital offerings have shown growth across products and business lines and we aim to remain agile and imaginative so that we become the primary digital bank of choice in the coming years.

Despite the economic headwinds, City Bank has worked well to respond to the challenges posed by the operating environment. I am more than hopeful that the performance achieved in 2024 will continue in 2025.

In closing, I would like to show my gratitude to our shareholders, employees, customers, regulators and partners for your support and cooperation that has been instrumental in the success of the bank this past year. I look forward to your continued trust and cooperation to take the bank to even greater heights.

Yours sincerely,

**Mashrur Arefin**

Managing Director & CEO

# CHIEF FINANCIAL OFFICER'S COMMUNICATION TO SHAREHOLDERS



**Md Mahbubur Rahman**  
Additional Managing Director & CFO



City Bank achieved remarkable financial success during the year 2024, harvesting the benefits of initiatives seeded in the past. This positions us well for the future to achieve our financial expectations for sustainable value creation.

## Springboarding towards our Next Phase on Strong Foundations



**141,610**

Balance Sheet  
Growth (BDT mn)



**5.0%**

Net Interest Margin



**69,369**

Statutory Liquidity Ratio  
(SLR) Surplus (BDT mn)



## Dear Investors,

Thank you for your interest in City Bank. We truly value your trust, support and constructive views that have been instrumental in the growth of the bank.

The financial results of the year 2024 are the outcome of the significant foundational initiatives taken by the bank over the last few years. We have strengthened our balance sheet, reinforced our digital banking initiatives, refined our market strategies, enhanced diversification and continued to focus on efficiency-driven growth.

During the year 2024, there has been an overall consistent improvement across the major parameters of business size, earnings, margins, profitability and asset quality. Most notably, the bank's overall loan portfolio advanced by 12.3 percent in 2024 to reach a size of BDT 444,978 million. Deposits increased from BDT 392,510 million in 2023 to BDT 514,204 million with 31% growth in 2024, which is the highest in the bank's history. Deposits also outpaced credit growth during the year, indicating formation of sufficient liquidity for onward deployment, thus providing credence for future growth.

Our performance for the year is not just an indication of our financial strength but also a testament to the trust and confidence that our stakeholders have in us.

## Strategy and Planning

Strategy and financial planning are core pillars of operational control and value creation.

In recent years, we have navigated challenges and embraced change, attuning to the times and opening doors to new opportunities. Since our beginning, we have prioritised empathetic customer service and innovative, accessible products, which has helped foster a strong brand recall. Our credit underwriting standards, which we have evolved over time and with increasing evaluation from the ESG (Environmental, Social, Governance) standpoint, have helped us remain in good stead. This has not only enabled sound lending decisions but has also gone a long way in preserving asset quality. The bank's NPL levels are tolerable and not a cause of worry. On top of this, we have remained ultra cautious with our loan provisioning standards with our loan provisioning ratio in excess of 100% at 106.8% in 2024.

Our commitment to ethical banking and digital innovation shapes us with our customer-first strategy, guiding our product development and service delivery standards to create a real impact. Further, we provide transparent and affordable services without hidden charges, paired with competitive

interest rates and great customer experience through our top-rated mobile banking app, Citytouch. City touch gives convenience and prompt service for the customers. It also provides cost savings facility for the bank and customers.

Within our assorted offering, just to highlight our wealth management and private banking offering under our Citygem program, we have achieved a strong position that is recognised among HNI clients as a luxury and experiential banking offering. On the other hand, we have also pioneered digital microlending under our digital nano loan platform that has revolutionised low-ticket paper-less borrowings directly credit to the customer's account. This is a very innovative solution for financial inclusion by providing credit facilities to the un-banked population.

We continue to launch innovative products and deliver outstanding digital customer experiences. Our investments in technology have bolstered cybersecurity and facilitated tailored banking solutions. Looking forward, we aim to become a world-class bank anchored in ethics, customer-centricity, digital innovation and financial discipline, driven by our team, customers and shareholders to pursue opportunities with passion and integrity.

## A Force in Finance

City Bank is a force in finance, providing products and offerings that span all generations of customers. Such a diversified platform opens up multiple income lanes, while a largely centralised infrastructure helps contain service costs.

When engaging with our large corporate clients, our bank has become a holistic service provider. We provide a plethora of solutions, including working capital, capex and cash management solutions. Further, for us, a corporate is not just a single entity but also opens up the possibility of employee banking services to employees and supply chain finance solutions to vendors and dealers, thus effectively catering to the whole ecosystem around the corporate customer. On the basis of such an approach, the bank has been adding a growing number of blue chip clients each year.

The bank has built a corporate client portfolio from diversified industries as well as taking advantage of the nature and strength of the garments sector, power sector, large local conglomerates, any other reputed niche player in the market.

Our relationship managers (RMs) are trained to discuss and identify customer needs on all aspects of banking across their ecosystem. They put forth product specialists and tech

solutions to provide a seamless transaction experience to the client's team. This ecosystem based approach of our RMs has helped the bank generate an increasing amount of non-interest income.

Even as we have grown, the bank has enforced bolstered credit processes which ensure that the credit profile of our exposures remain within limits. This has been sacrosanct in maintaining our credit ratings. We have embraced technology to provide best-in-class user interfaces and upgraded technology frameworks for our products. This has helped shorten transaction turnaround time (TAT).

## Prudent Liability Management

At an industry level, while some banks faced deposit mobilisation challenges due to factors such as trust issues, City Bank had an opposite situation with significant net deposit accrual of BDT 121,694 million during the year. As customer confidence shifted away from perceptibly weaker banks to stronger financial institutions, City Bank emerged a beneficiary, witnessing record CASA (Current Accounts, Savings Accounts) and term deposit inflows during the period in review.

We supported this flow through launching new deposit and saving products and further through organising customer campaigns in which we highlighted high effective interest rates offered by the bank and sound credit ratings, thus being a safe and secure shelter for depositors parking their savings and investments. We thus managed to grow deposits following a multi-pronged strategy of offering a diverse and customer-centric savings product suite and introducing attractive tenor deposit products to suit the saving needs of diverse customers.

The bank opened 2.5 lakh new CASA accounts during the year. Spurred by high interest rates, the share of term deposits increased in the overall liability mix during the year, which had a bearing on the CASA despite its volume growth. CASA as a percentage of the overall mix declined YoY from 50.4% to 45.2%. The bank also raised funds through other avenues to complement its overall funds base.

## Advances Growth with a Focus on Corporate Loans

The bank pursued a strategy of calibrating its advances growth with deposits and exercised caution in its lending portfolio, focusing on corporate loans as a secure channel amid an uncertain economic environment.

In 2024, the corporate loan portfolio crossed BDT 200,000 million mark to reach BDT



220,192 million, thus registering a growth of 12.9 percent. The focus was on blue-chip companies that displayed the wherewithal to bear the challenges and in fact emerged stronger from the crisis. Growth in corporate loans also followed our strategy of focusing on relationship management and segmentation approach to offer tailored services to customers.

Notably, the bank achieved trade (import-export facilitation) business of USD 6.8 billion, marking a healthy growth of 27 percent against the previous year. This was following the implementation of robust trade systems and solutions to remain the partner of choice among players for inbound and outbound trade. The bank's trade business is synergistic with the corporate business and a rising tide will lift all boats, thereby further strengthening our position in these segments.

With a thrust on Islamic banking, women banking, credit cards and employee banking, retail loans grew by a conservative 8.3% during the year. Personal and home loans were kept subdued considering high default trends and indebtedness levels.

The agriculture and MSME loan portfolio were also kept restricted with highly selective credit decisions following thorough credit evaluation. City Bank PLC has disbursed BDT 12,374 mn agriculture loan against 108,088 farmers in the year 2024 through bank's own channel and MFI linkage.

This overall portfolio strategy helped secure asset quality with stable non-performing loans (NPLs). Gross NPL (pre-provision) stood at 3.7 percent while net NPL remained almost at previous year's mark at 1.4 percent. A mix of account upgradations, recoveries and some write-offs contributed to the control of slippages.

## Other Financial Parameters

The bank's cost-to-income ratio declined from 51.1 percent in 2023 to 41.7 percent in 2024. This is due to strong efficiency and productivity measures that kept a lid on expenses & continuous process simplification. Exercising vigilance for risk avoidance, the bank remained careful in expanding the branch network. At the end of year 2024, the bank had a total network of 134 branches which are relatively well-spread to serve customers and offer them the convenience of doorstep banking.

Digital banking is a key thrust and the bank is committed to digitalisation. Through this process we continuously strive to migrate transactions to digital channels which leads to better customer experience. The major focus of digital banking is to make the bank's products available to customers through digital and alternate delivery channels. The key instrument in digital banking is our Citytouch mobile banking app and the endeavour is to make more and more of the bank's products and services being made available through this app. Investments in technology and infrastructure remained high, especially digital and cybersecurity measures.

The Net Interest Margin or NIM remained healthy at 5.0% on total assets. We remain well-capitalised, which is reflected in our Capital Adequacy Ratio (CAR) of 16.0 percent. As a responsible bank, we have built a substantial cushion against any adverse impact with a provision coverage ratio of 106.8 percent.

We continued to deliver value to shareholders, with an RoE (Return on Equity) of 26.1 percent. Our earnings per share (EPS) increased by 76.4 percent to BDT 8.06, while dividend per share (proposed) is BDT 2.5 in 2024.

## Being Cognisant of Challenges

Though there are green shoots, the economy is still under stress due to both internal and external factors. This stress may spill into loan slippages and we are aware of this reality. So we will continue to step up recovery efforts. Further, we have systemic tools that trigger warning signals for any account showing early signs of stress. And of course, we will always reevaluate and reinforce credit decisions, making it more stringent and thorough.

We also seek to enhance our enterprise risk management to constantly foster a risk-aware culture that protects the bank against any downsides, especially in an uncertain economic environment. Regulations and compliance is something that we hold to high standards and this has helped the bank remain in a strong position.

We maintain a robust operational risk management framework that emphasises the proactive identification and mitigation of risks across operations. A strong risk culture is designed to reinforce the bank's risk resilience through a rounded approach to management of risk and return and effective management of risk capital. From a financial planning viewpoint, this approach helps maintain a careful risk-reward balance, aiming to protect and advance the interests of all stakeholders.

In closing, I would like to mention that we constantly review our understanding of the dynamic financial landscape and evolving customer needs and are committed to establishing City Bank as a trusted partner for our customers and other stakeholders.

Thank you.

**Mohammad Mahbubur Rahman**  
Additional Managing Director & Chief Financial Officer



# THE VISIONARY CHANGE MAKERS



City Bank acknowledges the untiring efforts of the founding fathers of the institution. It was the visionary entrepreneurship of 12 young businessmen who braved the uncertainties and risks with courage and zeal in order to establish Bangladesh's first private commercial bank back in 1983. They determined early the critical importance of a well-governed bank for all-round progress for everyone. Today, as we focus on accomplishing new frontiers in line with their vision of a vibrant financial institution, we continue to draw inspiration from their indomitable spirit of enterprise and their relentless efforts on excellence.

They are (from left to right) Mr. Monowar Ali, Mr. Ibrahim Mia (Late), Mr. Abdul Hadi (Late), Mr. M.A. Hashem (Late), Mr. Anwar Hossain (Late), Mr. Abdul Barik Choudhury (Late), Mr. Deen Mohammad (Late), Mr. A.B.M. Feroz, Mr. Md. Ali Hossain (Late), Mr. Azizul Haque Chowdhury (Late), Mr. N.A. Chowdhury (Late) and Mr. A. K. Mehmood.

# BOARD OF DIRECTORS

City Bank's Board is lit up by a group of 10 individuals who are driven by self-motivation. The Board is committed to helping the Bank achieve long-term success. The Board provides direction to the management by setting the strategy and overseeing its implementation.



**Aziz Al Kaiser**, Chairman



**Hossain Khaled**, Vice Chairman



**Rubel Aziz**, Director



**Hossain Mehmood**, Director



**Rajibul Huq Chowdhury**, Director



Meetings of the Board of Directors held in 2024



#### Mix of experience

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



**Syeda Shaireen Aziz**, Director



**Saveria H. Mahmood**, Director



**Rebecca Brosnan**, IFC Nominated Director



**Matiul Islam Nowshad**, Independent Director



**Mashrur Arefin**, Managing Director & CEO



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Directors Profile



# OUR DIRECTORS' PROFILE

At City Bank PLC, we have a committed, balanced and diverse Board of Directors comprising 10 (ten) members of which 1 (one) is Independent Director and 3 (three) are Female Directors. During the course of the year 2024, the Board discussed a wide range of issues, including responsible banking, sustainability, human resources and culture, regulatory compliance and non-performing loan provisions and recovery, among others.

## AZIZ AL KAISER

### Chairman

Appointed to City Bank Board on 23 August, 1999

Aziz Al Kaiser is a prominent entrepreneur in Bangladesh. A graduate from the UK, he is involved in a diverse range of businesses, including the manufacturing of electrical cables, particle boards, doors, ready-made garments (RMG), chemicals, telecommunications, banking, leasing, and real estate, among others.

He is the Chairman of Partex Star Group and serves as Managing Director and Director in several of its companies. He is also the Chairman of City Bank's subsidiary in Malaysia – CBL Money Transfer Sdn. Bhd.

Mr. Kaiser takes a keen interest in cricket and has long been a patron of Partex Sporting Club, which plays in the premier division league. He was previously a Director and Senior Vice Chairman of the Bangladesh Cricket Board and also served as Chairman of its Marketing & Commercial Committee.

## HOSSAIN KHALED

### Vice Chairman

Appointed to City Bank Board on 09 November, 2000

Hossain Khaled is a versatile new-age entrepreneur. He obtained his BBA in Accounting from the University of Toledo (Ohio) followed by MBA in International Banking from Texas A&M University (Texas) in USA. Khaled was trained by his father - Mr. Anwar Hossain (founder of City Bank and Anwar Group of Industries) from a very early age, and joined the family conglomerate of Anwar Group of Industries in the year 2000. Since then, he has helmed many group company portfolios and also achieved several milestones, including becoming the youngest President of Dhaka Chamber of Commerce & Industry and also Co-Chairman of Bangladesh Better Business Forum. In fact, he remains as the only President of Dhaka Chamber of Commerce & Industry to have been elected four times. Khaled is now the Group Managing Director of Anwar Group. At City Bank, he is also a member of the Board's Executive Committee and Board's Risk Management Committee of the Board of Directors. He is also the Chairman of City Brokerage Ltd., City Hong Kong Limited-subsidiary of City Bank; and the founding President of Entrepreneurs' Organization (EO) Bangladesh Chapter. Khaled is an avid car enthusiast, collector, and loves adventure!

## RUBEL AZIZ

### Director

Appointed to the Board on 14 December, 1998

Rubel Aziz is a renewed industrialist and entrepreneur. He holds a Bachelor of Business Administration degree from the UK. Aziz has been in business for a long time now, fulfilling a humble role in

the socio-economic development of the nation. He has set up and successfully executed a number of industrial undertakings. He is the Managing Director of Partex Group. Aziz served as the Chairman of the Board of Directors of the bank from December 2011 to October 2016. He is currently Chairman of the Board's Executive Committee of City Bank. He is also President of Banani Club from 2019, founding President of Dhaka Boat Club, member of the Trustee Board of IBAIS University and former Chairman of Janata Insurance Co. Ltd. He is a member of the National Committee of United World College (UWC). He served two terms as elected President of the Gulshan Club, a premium social club of the country. He takes keen interest in the digitalization process of the Bank and also actively participates in discussion with the core team on innovation and strengthening the Bank's sustainability practices.

## HOSSAIN MEHMOOD

### Director

Appointed to City Bank Board on 23 March, 2002

Hossain Mehmood is an industrial entrepreneur and has established a longstanding legacy in business. He successfully set up and executed a number of industrial undertakings. He is Vice Chairman and Director of a number of companies of Anwar Group of Industries and also holds Managing Directorship positions at Hossain Dyeing & Printing Mills Limited, Mehmud Industries (Pvt.) Limited and Anwar Silk Mills Limited. He is the Chairman of Bangladesh Terry Towel and Linen Manufacturer & Exporters Association (BTTLMEA), and Director of Bangladesh Textile Mills Association (BTMA). He is Director of Anwar Galvanizing Limited. He patronizes many educational and social welfare institutions, such as Alhaj Anwar Hossain Foundation, Jamila Khatun Lalbagh Girls High School, Jamila Khatun Red Crescent Maternity Center, Alhaj Anwar Hossain NHN Diabetic Center etc. At City Bank, he is also Chairman of the Risk Management Committee and member of the Executive Committee of the Board of Directors. Mr. Mehmood has sound academic credentials and is a reputed member of society.

## RAJIBUL HUQ CHOWDHURY

### Director

Appointed to City Bank Board on 18 October, 2011

Rajibul Huq Chowdhury is a prominent business entrepreneur of Bangladesh. He is involved in a diverse range of business sectors, including chemicals, printing and machinery. Mr. Chowdhury is a Proprietor, Managing Director and Director of various companies of Aziz Group. At City Bank, he is also a member of the Executive Committee and Board's Risk Management Committee of the Board of Directors. He patronises many educational institutions and is involved with various social forums as well.



## SYEDA SHAIREEN AZIZ

### Director

Appointed to City Bank Board on 14 September, 2015

Syeda Shaireen Aziz, is the Chairman of Partex Petro Ltd. and Sakhi Fisheries Ltd. Director of Partex Group and a trustee member of IBAIS University. She attended her high school at David Game College, London, and studied her LLB at Holborn College, London. At City Bank, she is also a member of the Audit Committee of the Board of Directors.

## SAVERA H. MAHMOOD

### Director

Appointed to City Bank Board on 21 July, 2016

Savera H. Mahmood is also a Director of Partex Star Group. She holds a Master's Degree in Social Studies from University of Chittagong. At City Bank, she is also a member of the Audit Committee of the Board of Directors. She is involved in many social and philanthropic works and committed to make positive changes in the society.

## REBECCA BROSNAN

### IFC Nominated Director

Appointed to City Bank Board on 2 November, 2020

Rebecca Brosnan was appointed on City Bank Board as Nominated Director of IFC (International Finance Corporation). IFC, a member of the World Bank Group, has been holding a 4.95% share of the bank since 2017. She also serves as an INED of Taylor Maritime, an LSE-listed dry bulk shipping company. Previously she served on the board of Grindrod Shipping Holdings Limited, a dual listed NASDAQ and JSE listed company. She also serves on the board of Mother's Choice Limited, a leading NGO in Hong Kong and Generations Christian Education, a school operator in Hong Kong. In addition, Rebecca is the Founder and CEO of the HALO Planner Company Limited.

Rebecca previously served as the CFO & Head of Strategy at Diginex, an ESG technology company and prior to that served as the Chief Operating Officer of Mother's Choice. Prior to joining Mother's Choice in 2016, she served in several senior roles at the Hong Kong Exchanges and Clearing Limited (HKEx), including as its Managing Director - Head of Product Development, and Head of Asia Commodities. Prior to joining HKEx in 2010, Rebecca led the execution and origination of equity, debt, equity-linked and M&A transactions across Asia in the Investment Banking Division of Merrill Lynch. Rebecca is an alumna of the General Management Program at Harvard Business School. She holds an MA in History of International Relations from London School of Economics, and a BA in Economics from Trinity College, USA.

## MATIUL ISLAM NOWSHAD, CMGR

### Independent Director

Appointed to the Board of City Bank on 26 October, 2022

Matiul Islam Nowshad, CMgr, is a seasoned management professional with over three decades of experience across three industry sectors-tea, textiles, and telecommunications-within Bangladesh and the South/Southeast Asia region.

He has held various CxO and board-level positions in reputed multinational organizations, with a proven track record in strategic leadership and transformation. In addition to his executive roles, Mr. Nowshad served two consecutive terms as an Independent Director of IDLC Finance Ltd., where he also chaired IDLC Investments Ltd., IDLC Securities Ltd., and IDLC Asset Management Ltd. at different times until June 2022.

Currently, he is Co-Founder and Partner at ZUNOKS Consulting, At City Bank, Mr. Nowshad is a member of the Audit Committee and the Risk Management Committee of the Board. He also serves as a nominated Director on the Boards of City Bank's subsidiaries: City Bank Capital Resources Ltd., City Brokerage Ltd., and City Hong Kong Ltd.

Mr. Nowshad is a Chartered Manager (CMgr) and a Chartered Fellow of the Chartered Management Institute (UK). He holds a master's degree in business and has completed executive education programs at INSEAD, IMD, Cranfield, and various Indian Institutes of Management (IIMs), among others.

## MASHRUR AREFIN

### Managing Director & CEO

Mashrur Arefin has been the Managing Director & CEO of City Bank Plc since 2019. He began his banking career in 1995 as a management trainee at ANZ Grindlays Bank. Over his 30-year career, he has held key positions at prominent institutions, including ANZ Bank Melbourne, Standard Chartered Bank Qatar, Citibank N.A., American Express Bank, BRAC Bank, and Eastern Bank. A former cadet of Barisal Cadet College, Mashrur is a graduate of Aligarh Muslim University. He holds a Master's degree in English from Dhaka University and an MBA from Victoria University in Melbourne. He later completed an intensive course in advanced financial management at INSEAD Business School in France.

During his tenure as CEO of City Bank over the past six years, he has led the bank to unprecedented growth. The bank's deposits increased from Tk 20,486 crore to Tk 51,436 crore, its loan portfolio expanded from Tk 23,187 crore to Tk 44,576 crore, and its operating profit grew from Tk 699 crore to Tk 2,351 crore in 2024. In the same period, the bank's income-expense ratio improved significantly, dropping from 58% to 42%. The bank also made significant progress in asset quality, reducing its bad loan ratio from 5.3% in 2018 to 3.7% in 2024, while increasing the provision coverage ratio against classified loans from 72.7% to 106.8%

Under Mashrur's leadership, the bank has transitioned from an urban-centric financial institution to a bank for the masses, with financial inclusion being its core agenda. He spearheaded the launch of several initiatives including digital nano loans, agent banking, small and micro-finance business, and City Alo women banking. He also played a pivotal role in popularizing the Citytouch digital banking platform, which facilitated transactions exceeding Tk 100,000 crore in 2024.

Beyond his accomplishments as a banker, he is also renowned as a distinguished novelist, poet, and translator.

# MANAGEMENT COMMITTEE

Our management committee is focused on protecting the health and wellbeing of our colleagues and supporting our customers, clients and other stakeholders, while maintaining the financial and operational integrity of City Bank.



**Mashrur Arefin**  
Managing Director & CEO



**Mohammad Mahbubur Rahman**  
Additional Managing Director &  
Chief Financial Officer



**Mahia Juned**  
Additional Managing Director, Chief  
Operating Officer & CAMLCO



**Kazi Azizur Rahman**  
Additional Managing Director & Chief  
Information Officer



## Deep banking knowledge and experience



More than two-thirds of the Management Committee members are seasoned bankers, while the rest have diversified industry experience.

Average years of experience of the Management Committee



**Faruk Ahmed**  
Deputy Managing Director &  
Head of TSD



**Mesbaul Asif Siddiqui**  
Deputy Managing Director & Head  
of Wholesale Banking



**A K M Saif Ullah Kowchar**  
Deputy Managing Director & Head of  
Internal Control & Compliance



**Md. Arup Haider**  
Deputy Managing Director & Head  
of Retail Banking



**Md. Nurul Azam Mozumder**  
Deputy Managing Director & Head  
of Medium Business



**Mohammad Mahmud Gony**  
Deputy Managing Director & Head of  
Corporate Banking



**Kamrul Mehedi**  
Deputy Managing Director & Head  
of Small, Microfinance and Agent  
Banking Business



**Md. Ashanur Rahman**  
Deputy Managing Director, Chief  
Economist & Country Business Manager



**Mohammad Firoz Alam**  
Chief Risk Officer



**Md. Zafrul Hasan**  
Head of Enterprise Project Management



**Md. Safiul Amin**  
Head of Retail Distribution



**Muhammed Shah Alam**  
Head of Treasury



**Nishat Anwar**  
Head of Human Resources



**Md. Kafi Khan**  
Company Secretary



**Ummay Habiba Sharmin**  
Chief Legal Officer



**Shahriar Jamil Khan**  
Head of Brand & Marketing



# MANAGEMENT COMMITTEE

## Mashrur Arefin

**Managing Director & CEO**

**MA, University of Dhaka**

**MBA, Victoria University, Melbourne, Australia**

Joined City Bank in 2007

Mashrur Arefin became the Managing Director & CEO of City Bank in January 2019, after serving as Additional Managing Director, where he led key sectors such as SME, Retail, Cards, and digital financial services. Since joining City Bank in 2007, he has been instrumental in its transformation into a modern, digitally advanced institution.

He has spearheaded numerous landmark initiatives, including the launch of the retail banking division, the American Express franchise in Bangladesh, Citygem Priority Banking, Small & Micro Finance operations, digital lending, Citytouch digital banking, the bank's remittance subsidiary in Malaysia, and City Alo Women Banking.

Under his leadership, City Bank's net profit tripled, rising from BDT 724 crore in 2018 to BDT 2,287 crore in 2024. The bank has also earned the "Top Sustainable Bank" rating by the central bank for four consecutive years during his tenure.

An alumnus of Barishal Cadet College (1982–1988), Mashrur holds a Master's in English from the University of Dhaka and an MBA in Marketing & Finance from Victoria University, Australia. A celebrated novelist, poet, and translator, he is also a devoted family man with two children.

## Mohammad Mahbubur Rahman

**Additional Managing Director & Chief Financial Officer**

**Fellow Chartered Accountant, The Institute of Chartered Accountants of Bangladesh (ICAB)**

Joined City Bank in 2011

Md. Mahbubur Rahman has a rich experience of working in leadership roles in various multinational, local corporate and development organizations. His proven capability in strategic and financial management enables the Bank to successfully achieve its objectives.

Before joining City Bank, Mahbubur worked for World Bank as Financial Management Specialist. He has also worked in several capacities, including Additional General Manager and Head of Revenue at Grameenphone for five years, and also worked in other organizations in different industries in senior positions.

Mahbubur represents City Bank as one of the nominated directors on the Board of City Bank Capital Resources Limited, and City Brokerage Limited. He has also represented City Bank as Board of Director of IDLC Finance for a significant time.

He is a member of Senior Management Team (SMT) of the bank and in addition to his strategic financial management role he has been contributing as senior member of Credit Committee, Procurement Committee, Special Asset Management Settlement Committee and various standing committees of the bank.

## Mahia Juned

**Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer**

**BBA, Assumption University, Bangkok, Thailand**

Joined City Bank in 2007

Mahia Juned embarked on her professional journey in 1994 at Citibank N.A., Bangladesh and was subsequently promoted to the role of Resident Vice President, where she led various operational teams. Transitioning to City Bank in 2007, she commenced as the Head of Project Management and later on promoted to the role of Chief Operating Officer in 2019. She was promoted to the position of Additional Managing Director in 2023.

In her multifaceted role as AMD, Mahia retains her responsibilities as the Chief Operating Officer and Chief Anti Money Laundering Compliance Officer (CAMLCO). In addition to her primary responsibilities, Mahia has taken on a leadership role in overseeing women's affairs within the organization. Furthermore, she represents City Bank as a nominated director on the Board and the Board's Audit Committee of IDLC Finance Limited. Additionally, Mahia serves on the Board of City Hong Kong Limited, a subsidiary of City Bank in Hong Kong.

## Kazi Azizur Rahman

**Additional Managing Director & Chief Information Officer**

**Bachelor of Science in Engineering (Major Electronics & Communications), Newport University, India**

**Post Graduate Diploma in Computer Programming, Institute of Electronics, India**

Joined City Bank in 2021

Kazi Azizur Rahman, in his diverse and extensive career of more than 30 years, has worked in the banking and technology sectors at home and abroad. Before joining City Bank in 2021, he was the Deputy Managing Director and Chief Information Officer (CIO) at Meghna Bank Ltd. His career began in 1990, working with companies such as Grabowsky & Poort, BIRDEM, British American Tobacco Bangladesh (BATB), and Net-Linx Americas Inc. in Canada. In 2003, Aziz transitioned into banking with Eastern Bank Ltd. and later moved to City Bank in 2007.

Over his decades of stay at City Bank, he played a pivotal role in the organization's growth and developed the IT division to support business expansion. Departing in 2019 as the Deputy Managing Director & Chief Information Officer, he continued to apply his expertise at South East Bank and Meghna Bank before rejoining City Bank in 2021.

## Faruk Ahmed

**Deputy Managing Director & Head of Trade Services**

**Master's in Marketing, University of Dhaka**

Joined City Bank in 2020

Faruk Ahmed started his career at IFIC Bank in 1994, after completing his studies at the University of Dhaka. He is a renowned trade finance professional, enriched with vast knowledge of many trade finance products such as supply chain financing, factoring, reverse factoring, blockchain, and offshore banking.



Faruk was an integral part of the Core Banking Systems (CBS) and Trade Modules System installations in many enterprises, having a keen interest in fintech. He had a long career working for the nation's well-known commercial institutions. In 2024, City Bank handled trade transactions totaling USD 7.20 billion under his leadership. He has successfully led the extended management committee (EMC) of the bank.

Faruk brings over 30 years of professional experience with a specialist understanding of branch banking operations, offshore banking operations, and trade finance operations. He has attended various trainings, seminars, workshops, and conferences in Bangladesh as well as in different countries in Asia, Europe, the USA, and other continents of the world.

### **Mesbaul Asif Siddiqui**

**Deputy Managing Director and Head of Wholesale Banking**

**Master's in Bank Management (MBM), Bangladesh Institute of Bank Management (BIBM)**

**MBA in Finance, University of Dhaka**

Joined City Bank in 2015

Mesbaul Asif Siddiqui is a seasoned banking professional with over 26 years of experiences in Corporate Banking, Credit Risk and Enterprise Risk Managements and International Trade Finance across renowned financial institutions. In March 2025, he was appointed as the Head of Wholesale Banking at City Bank following his earlier role as Chief Risk Officer.

Asif began his career as a Management Trainee at Eastern Bank in 1999. Over the years, he has held key positions in Wholesale Banking at HSBC Bangladesh, Commercial Bank of Ceylon and Eastern Bank before joining City Bank in 2015. He has also worked at HSBC Singapore under STA. He had accumulated over 19 years of experience in Wholesale Banking business before moving as Head of CRM in May 2018 and, subsequently, being promoted to the Chief Risk Officer role in February 2022. He led several strategic initiatives as part of the Risk team, most notably leading City Bank's pioneering efforts in Sustainable & Green Finance. His leadership was central to the bank's enrollment in the UN-convened Net-Zero Banking Alliance and City Bank's recognition by Bangladesh Bank as one of the top sustainable banks in the country for 4 consecutive years, in addition to earning several international accolades for the bank.

Beyond sustainability, Asif has also played a critical role in institutionalizing a robust risk culture in Wholesale, Medium, Small & Microcredit, Retail & Cards Divisions at City Bank. He has consistently promoted capital efficiency through RWA optimization. He has collaborated with the International Finance Corporation (IFC) on projects related to Operational Risk Management Transformation, Talent Management and Cash Management Restructuring, reinforcing his commitment to sustainable, prudent, people-driven bank.

### **A K M Saif Ullah Kowchar**

**Deputy Managing Director & Head of Internal Control & Compliance**

**Associate Chartered Accountant, Institute of Chartered Accountants in England and Wales (ICAEW)**

**Fellow Chartered Accountant, The Institute of Chartered Accountants of Bangladesh (ICAB)**

Joined City Bank in 2019

A K M Saif Ullah Kowchar, FCA, is a senior professional with 24 years of cross-border and multifunctional experience in banking, finance, professional services, and telecommunications experience. He worked in Citibank N.A. (Bangladesh and the Philippines), Pacific Bangladesh Telecom Ltd., and KPMG before joining City Bank.

Saif led assurance and transformation initiatives throughout South

Asia and the Asia Pacific at Citibank N.A. His accomplishments earned him the CCO and Asia CSS Awards. He received the City Bank Board of Directors Integrity Award for his leadership in addressing multifaceted regulatory, compliance, and transformation issues worldwide and locally.

Citibank and SingTel have trained him in ICAAP, Basel II and III, AML, Core Banking, Cash Management, Product Costing, and Leadership Development.

City Bank nominated him to the Industrial and Infrastructure Development Finance Company PLC Board of Directors.

### **Md. Arup Haider**

**Deputy Managing Director & Head of Retail Banking**

**MBA in Finance, IBA, University of Dhaka**

Joined City Bank in 2016

Md. Arup Haider was appointed as Head of Retail Banking at City Bank in 2018, leading a significant shift towards digital empowerment, a crucial element for success in today's dynamic business environment. His instrumental leadership has helped the Bank to become an institution capable of embracing digital advancements. Concurrently, he oversees the operations of City Islamic, the bank's Islamic Banking wing.

Arup started his career as a Management Trainee Officer at Prime Bank Ltd in 2003. His professional trajectory includes noteworthy positions such as Head of Consumer Credit Policy at Standard Chartered Bank and Head of SME Underwriting at BRAC Bank. A distinguished alumnus of IBA, DU, he earned his MBA subsequent to graduating with Honors in Economics from Scottish Church College, Kolkata University.

### **Md. Nurul Azam Mozumder**

**Deputy Managing Director & Head of Medium Business**

**Master of Science, University of Dhaka**

**MBA, University of Dhaka**

Joined City Bank in 1999

Md. Nurul Azam Mozumder joined City Bank in 1999 as Management Trainee. Azam's responsibilities have significantly been expanded during his 25 years' service tenure in the Bank with excellence. He has played different roles and contributed a lot to the Bank as a Business Development Manager, Branch Manager of Principal Branch, Cluster Head of Branches & Acting Head of Branches. He was subsequently appointed as the Head of Medium Business in 2018 and played the pivotal role in restructuring of SME-Medium Division under centralized platform. In recognition of his contribution in the Bank with cross functional leadership, he was rewarded the most prestigious Integrity Award by the Board of Directors in 2022. He has been promoted to Deputy Managing Director in March 2025.

In addition to serving as one of the five value ambassadors of the Bank, Azam is an active member of the Management Committee and is engaged in various core committees within the organization. He is currently the Chairman of Extended Management Committee of the bank.

### **Mohammad Mahmud Gony**

**Deputy Managing Director and Head of Corporate Banking**

**Master of Science in Agricultural Economics, Bangladesh Agricultural University**

**MBA in Marketing, University of Dhaka**

Joined City Bank in 2017

Mohammad Mahmud Gony, an experienced banker with 24 years of diversified banking experience, joined City Bank 2nd time in 2017 while



his maiden career as Management Trainee spanned with City Bank from 2001 to 2010 when he ventured out to another top tier local bank to lend his talent.

He contributed immensely to the transformation of City Bank which envisioned to be a financial supermarket. As a seasoned corporate banker, he has facilitated many corporate houses to enjoy diversified financing options and helped to execute many acquisition deals of local private companies. He has also been successful to take commercial banking division on high growth trajectory. Now, he has been leading 65% of the bank's total trade volume.

### **Kamrul Mehedi**

**Deputy Managing Director & Head of Small, Microfinance and Agent Banking Business**

**MBA, National University**

**Master's in Defense Strategy, National University  
Graduate Degree in Banking Leadership, MIT, USA**

Joined City Bank in 2017

Kamrul Mehedi started his banking career at BRAC Bank in 2011 after a brief stint with Bangladesh Army. He worked in the SME Division and looked after SME funding and management of non-performing loans, with special focus on strategy implementation and credit risk and recovery. In 2017, he joined City Bank as Head of Small & Micro Finance Business and subsequently got promoted to Deputy Managing Director in 2025.

Kamrul secured his MBA from a private university and a Master's Degree in Defense Strategy. He also holds a Graduate degree in Banking Leadership from Presencing Institute, CoLab, MIT, USA.

### **Md. Ashanur Rahman**

**Deputy Managing Director, Chief Economist & Country Business Manager**

**Master's in Bank Management, BIBM**

**Bachelor's in Statistics, Jahangirnagar University**

Joined City Bank in 2019

Md. Ashanur Rahman, Deputy Managing Director, Chief Economist, and Country Business Manager of City Bank, is a distinguished banker with over 20 years of experience in the financial sector, both in Bangladesh and internationally. He holds a Master's degree in Bank Management from the Bangladesh Institute of Bank Management (BIBM) and a Bachelor's degree in Statistics from Jahangirnagar University.

Ashanur began his career as a Management Trainee at Mercantile Bank in 2004, building deep expertise in credit, research, and strategic planning. In 2008, he joined City Bank, where he played a pivotal role in strengthening risk management practices across credit, market, and operational areas. His tenure at the Royal Bank of Canada further enhanced his skills in retail banking, underwriting, and customer service.

Upon rejoining City Bank in 2019, Ashanur has demonstrated outstanding leadership and strategic foresight. He currently spearheads multiple critical initiatives, playing a key role in achieving the bank's business growth targets, meeting its budgetary goals, and driving its broader strategic agenda. His position on the Bank's Senior Management Team and Management Committee further highlights his integral role in shaping governance, ensuring effective execution, and steering the institution towards sustained success.

### **Mohammad Firoz Alam**

**Chief Risk Officer**

**MBA in Finance, University of Dhaka**

Joined City Bank in 2023

Mohammad Firoz Alam has a strong extensive background in Risk having started his career as a Credit Officer in AB Bank PLC in June 2003. In 2006, he moved to BRAC Bank wherein he became the Head of Corporate Credit Underwriting during his 11-year tenure there. During this time, he had significant contributions in policy reforms, process re-engineering, and credit underwriting reforms and had made a notable mark in Basel II and III implementations which in turn played a large part in strategic growth of BRAC Bank Limited. In 2017, he moved to Prime Bank wherein he became the Head of Credit Risk Management and Sustainable Finance. He led an equally prominent role there before joining City Bank in 2023 in the same role.

During his tenure in City Bank, he emphasized a strong culture of credit risk and made significant strides in sustainable finance, which includes spearheading the new Green Banking Product and contributing towards City Bank's recognition as the top sustainable bank by the Central Bank for four consecutive years. Firoz has recently been appointed as the Chief Risk Officer in March 2025. He aims to advocate and enhance the strong risk culture within the bank as part of his new role.

### **Md. Zafrul Hasan**

**Head of Enterprise Project Management Office**

**MCM, University of Strathclyde, UK**

**MBA in International Business, Banaras Hindu University, Varanasi, India**

Joined City Bank in 2019

Md. Zafrul Hasan commenced his professional journey in 1995 as an Area Manager at Sheba Telecom (now Banglalink), culminating in his role as the Manager of Regional Operation & Credit Control. His departure in 2004 was prompted by the prestigious Chevening Scholarship sponsored by Vodafone, allowing him to pursue advanced studies in the UK.

Upon his return, Zafrul joined Pacific Bangladesh Telecom Ltd, ascending to the position of General Manager of Product Development. Subsequently, he joined Robi Axiata and contributed significantly to during an eight-year tenure, showcasing versatility in Marketing, Sales, Supply Chain, Finance, and Technology. His leadership pioneered numerous groundbreaking programs and campaigns, introducing innovative products, services, customer offerings, and voice/data plans to Bangladeshi market.

In 2015, Zafrul assumed the role of Head of Strategy and Business Development at bKash, overseeing the Commercial Division before transitioning to Enterprise Project Management. In 2019, he furthered his career by joining City Bank. Throughout his career, Zafrul has adeptly navigated diverse environments, consistently upholding high work ethics and standards.

### **Md. Safiul Amin**

**Head of Retail Distribution**

**Master of Commerce in Management, University of Dhaka**

Joined City Bank in 2016

Md. Safiul Amin started his career as a Lecturer of Management Department of a govt. university college as a BCS Cadre upon completion of his studies from the University of Dhaka. Later, he started his banking career in Sonali Bank as a Financial Analyst and moved to City Bank in 2003 in the Project and Corporate Finance Division, which was later renamed as Credit Risk



Management Division (CRM). In 2012, he moved to Prime Bank in the Corporate Banking Division. Amin re-joined City Bank in 2016 as a Cluster Head in the Retail Banking Division, and he assumed his present role in 2018.

### **Muhammed Shah Alam**

**Head of Treasury**

**MBA, University of Dhaka**

**Master of Science in Statistics, University of Dhaka**

Joined City Bank in 2013

Muhammed Shah Alam is the Head of Treasury and member of the Management Committee of the bank. He is in charge of managing the Balance Sheet, liquidity and market risk of the bank.

With an illustrious career spanning over 23 years in treasury and market risk related roles, Muhammed Shah Alam became Head of Treasury in 2019. As a seasoned banker working in treasury, he possesses sound understanding of local and global financial markets and treasury products. His core expertise lies in Market Risk Management, Balance Sheet Management, Fixed Income Investment, Foreign Exchange and Money Market Operation. Dealing with large corporate customers, managing exchange and interest rate risk, structuring complex and innovative hedging solutions to drive profitability of the bank and maintaining regulatory and internal compliance are his responsibility as Head of Treasury. As a member of the bank's senior leadership team, Alam serves as member secretary of two of the apex committees, the Asset Liability Committee or the ALCO and Investment Committee. Furthermore, he is a member of the Credit Committee of the bank.

Alam started his career with AB Bank in 2002 and then joined Eastern Bank and finally City Bank in 2013. His core interest areas are macro economy, monetary and fiscal measures. His career reflects a consistent drive for professional growth. He has received advanced functional and leadership training from France, United Kingdom and India.

### **Nishat Anwar**

**Head of Human Resources**

**MBA, North South University**

**Post Graduate Diploma in Personnel Management,  
Bangladesh Institute of Management**

Joined City Bank in 2018

Nishat Anwar has over two decades of extensive experience in strategic HR business partnering, focusing in crafting and implementing People and Culture strategies across diverse organizations in the telecommunications, logistics, and banking sectors.

Commencing her professional journey with DHL Express in 1997, Nishat started as an entry-level officer and progressed to the role of Manager L&D within five years. Transitioning to Standard Chartered Bank in 2002, she assumed the position of HR Business Partner. During her tenure as the Manager of Recruitment and Employee Relations at Banglalink from 2005, Nishat played a vital role in shaping the core team of this telecom company, overseeing recruitment and employee relations functions and contributing significantly to the establishment of a robust workforce.

Since 2019, Nishat has held the position of Head of Human Resources at City Bank, where she stands as a key member of the Bank's Leadership Team. In this capacity, she has been pivotal in driving the implementation of the Bank's comprehensive people strategy.

### **Md. Kafi Khan**

**Company Secretary**

**Bachelor's and Master's in Accounting, University of Dhaka**

**Doctorate of Business Administration (Course work Completed), IBA, University of Dhaka**

**Post Graduate in Human Resources Management**

**LL.B. and LL.M.**

Joined City Bank in 2004

Md. Kafi Khan started his career in 1998 at Monno Fabrics as Manager - MIS and Support Associate to the Management Consulate. A seasoned professional with over 29 years of experience across diverse sectors, his expertise encompasses accounts, costing and budgeting, audit (cost, financial, secretarial), planning and commercial, HR, legal affairs, and company secretarial practices. His previous role was Company Secretary at Apollo Ispat and Group of Companies. Earlier in his career, beginning in 1998, he served as Manager - MIS and Support Associate to the Management Consultant at Monno Fabrics.

Kafi holds Fellow Membership in the Institute of Personnel Management of Bangladesh (IPM), the Institute of Certified General Accountants of Bangladesh (ICGAB), and the Institute of Internal Auditors of Bangladesh (IIAB).

### **Ummay Habiba Sharmin**

**Chief Legal Officer**

**LL.B. and LL.M., University of Dhaka**

**EMBA, BRAC University**

Joined City Bank in 2021

Ummay Habiba Sharmin brings nearly two decades of experience in the country's financial sector, with a distinguished career in legal affairs. She began her professional journey as an Advocate at Lee Khan & Partners, a renowned corporate law firm, where she handled a diverse array of legal matters, including banking law, project financing, labor law, commercial law, litigation, and regulations governing financial institutions. Later, she transitioned to the corporate sector, joining LankaBangla Finance PLC as Head of Legal, where she gained invaluable expertise.

In 2021, she moved to City Bank as Head of Legal, where she played a pivotal role in transforming the bank's legal affairs division, particularly by driving process improvements, automation, and enhanced risk governance.

She is a licensed advocate enrolled with the Supreme Court of Bangladesh.

### **Shahriar Jamil Khan**

**Head of Brand & Marketing**

**MBA, University of Greenwich, UK**

**BBA, North South University**

Joined City Bank in 2013

Shahriar Jamil Khan is a marketing and communications professional with nearly two decades of experience in Corporate Affairs, Public Relations and Brand Strategy. His career spans roles in both multinationals and public sector organizations, with a focus on building effective communication frameworks and brand systems.

Since joining City Bank, he has contributed to shaping the bank's brand and external communications. Currently serving as Head of Brand & Marketing, he leads initiatives across advertising, media and stakeholder engagement. His work has strengthened the bank's positioning, enhanced visibility across platforms, and aligned brand activities with long-term business goals. He also oversees the bank's CSR program, integrating sustainability and social impact into its broader strategy. Shahriar continues to support City Bank's journey toward becoming a more contemporary and purpose-driven brand.





# EXTENDED MANAGEMENT COMMITTEE

## Top row from the left

- |   |   |    |   |
|---|---|----|---|
| 1 | <b>Md. Tauhidul Alam</b> Head of Cards                                    | 7  | <b>Mohammad Mahfuzur Rahman</b> Head of Operations                      |
| 2 | <b>Tahsin Haq</b> Head of Corporate & Institutional Liability             | 8  | <b>Md. Zahirul Islam</b> Head of Cards Operations                       |
| 3 | <b>Sanjoy Kumar Das</b> Head of Organization Development & HR Strategy    | 9  | <b>Saifur Rahman Shawkat</b> Head of Information Technology             |
| 4 | <b>Syed Ibrahim Saajid</b> Head of Digital Banking                        | 10 | <b>Abul Bashar Mohammad Nazrul Islam</b> Regional Head, Medium Business |
| 5 | <b>Khandoker Mostafizur Rahman</b> Unit Head, Commercial Banking          | 11 | <b>Md. Musarrat Hossain</b> Head of Special Asset Management            |
| 6 | <b>Mohammad Mahamudul Haque</b><br>Head of Financial Strategy & Reporting | 12 | <b>Md. Ariful Bari</b> Cluster Head - Manufacturing Management          |

## Middle row from the left

- |   |   |    |   |
|---|---|----|---|
| 1 | <b>Farhad Aziz</b> Head of General Admin  | 8  | <b>Md. Anisur Rahman</b> Regional Head of Branches, Chattogram    |
| 2 | <b>Subir Das Gupta</b> Unit Head 3 - RMG & Textile & Acting Head of Chittagong Corporate Area         | 9  | <b>Md. Mohibur Rahman</b> Head of Agent Banking                   |
| 3 | <b>Md. Shafiqul Alam</b> Head of CAD  | 10 | <b>Hasan Sharif Ahmed</b> Head of Financial Institutions          |
| 4 | <b>Mujtanibul Ahmed</b> Head of Digital Financial Services  | 11 | <b>Md. Afzalul Islam</b> Head of Islamic Banking                  |
| 5 | <b>Mahbub Ahmed Chowdhury</b> Head of Procurement   | 12 | <b>Mohammad Rakib Uddin Ahammad</b> Head of Finance               |
| 6 | <b>Hasan Uddin Ahmed</b> Head of Employee Banking   | 13 | <b>Md. Sajid Iqbal Hossain Chowdhury</b> Head of Foreign Exchange |
| 7 | <b>Mohammed Minhazur Rahman</b> Acting Head of Credit Risk Management & Head of Corporate Credit Risk |    |   |

## Bottom row from the left

- |   |   |    |   |
|---|---|----|---|
| 1 | <b>Mohammad Waliullah</b> Head of Credit & Collection Retail & Small Business         | 6  | <b>Md. Nurul Azam Mozumder</b> EMC Chairman & DMD and Head of SME-Medium Business |
| 2 | <b>Farzana Hoque</b> Head of Enterprise Risk Management                               | 7  | <b>Mohammad Ahtasamul Hoque</b> Head of Audit                                     |
| 3 | <b>Md. Masudur Rahman</b> Regional Head of Branches, Dhaka- South                     | 8  | <b>Mirza Golam Yeahia</b> Head of PR & Media                                      |
| 4 | <b>Subir Kumar Kundu</b> Head of Products, Acquisitions & Chief Bancassurance Officer | 9  | <b>Sayeeda Sajed</b> Head of Customer Experience                                  |
| 5 | <b>Fahria Huque</b> Head of Citygem Priority and Women Banking                        | 10 | <b>Hasan Md. Lablu</b> Head of HR Operations                                      |
|   |   | 11 | <b>Md. Asaduzzaman</b> Head of Exports  |

Not present in this picture

**Mohammad Jahangir Alam** Cluster Head - Public Sector, PPP & Service Sector



# EXTENDED MANAGEMENT COMMITTEE









## Asset Liability Committee (ALCO)

Sl	Name	Designation	Status in Committee
1	Mr. Mashrur Arefin	Managing Director & CEO	Chairman
2	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
3	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
4	Mr. Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Member
5	Mr. Mohammad Mahmud Gony	Deputy Managing Director & Head of Corporate Banking	Member
6	Mr. Muhammed Shah Alam	SEVP & Head of Treasury	Member-Secretary
7	Mr. Md. Afzalul Islam	EVP & Head of Islamic Banking	Member
8	Mr. Mahbub Jamil	EVP & Head of Structure Finance and Offshore Banking Unit	Member
9	Mr. Mohammad Shahazadul Alam Khan	SAVP & Head of Asset Liability Management	Permanent Invitee
10	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member

## Investment Committee (IC)

Sl	Name	Designation	Status in Committee
1	Mr. Mashrur Arefin	Managing Director & CEO	Chairman
2	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
3	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
4	Mr. Muhammed Shah Alam	SEVP & Head of Treasury	Member Secretary
5	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member

## Basel Unit Committee

Sl	Name	Designation	Status in Committee
1	Mr. Mashrur Arefin	Managing Director & CEO	Chairman
2	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
3	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
4	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Member
5	Mr. A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Member
6	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member
7	Mr. Muhammed Shah Alam	SEVP & Head of Treasury	Member
8	Mr. Mohammad Rakib Uddin Ahammad	EVP & Head of Finance	Member

## Executive Risk Management Committee ( ERMC )

Sl	Name	Designation	Status in Committee
1	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Chairman
2	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
3	Ms. Mahia Juned	Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer	Member
4	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Member
5	Mr. Faruk Ahmed	Deputy Managing Director & Head of TSD	Member
6	Mr. A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Member
7	Mr. Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Member
8	Mr. Md. Nurul Azam Mozumder	Deputy Managing Director & Head of SME-Medium Business	Member



Sl	Name	Designation	Status in Committee
9	Mr. Md. Kafi Khan	SEVP & Company Secretary	Member
10	Mr. Kamrul Mehedi	Deputy Managing Director & Head of Small, Microfinance and Agent Banking Business	Member
11	Mr. Md. Ashanur Rahman	Deputy Managing Director, Chief Economist & Country Business Manager	Member
12	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member
13	Mr. Mohammad Mahmud Gony	Deputy Managing Director & Head of Corporate Banking	Member
14	Mr. Muhammed Shah Alam	SEVP & Head of Treasury	Member
15	Mr. Md. Shafiu1 Alam	SEVP & Head of CAD	Member
16	Mr. Mohammad Waliullah	EVP & Head of Credit & Collection Retail & Small Business	Member
17	Ms. Ummay Habiba Sharmin	EVP & Chief Legal Officer	Member
18	Mr. Mohammed Minhazur Rahman	EVP & Acting Head of Credit Risk Management & Head of Corporate Credit Risk	Member
19	Mr. Mohammed Zahed Hossain	SVP & Head of Commercial & SME Credit Risk	Member
20	Mr. Md. Musarrat Hossain	FVP & Head of Special Asset Management	Member
21	Mr. Jahedul Islam	FVP & Head of Money Laundering & Terrorist Financing Prevention & Deputy CAMLCO	Member
22	Ms. Marina Banu	SVP & Head of Operational Risk Management	Member
23	Ms. Farzana Hoque	FVP & Head of Enterprise Risk Management	Member Secretary

### Operation Risk Management Committee (ORMC)

Sl	Name	Designation	Status in Committee
1	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Chairman
2	Ms. Marina Banu	SVP & Head of Operational Risk Management	Secretary
3	Mr. Md. Saiful Amin	SEVP & Head of Retail Distribution	Member
4	Ms. Sayeeda Sajed	SEVP & Head of Customer Experience	Member
5	Mr. Mohammad Mahfuzur Rahman	SEVP & Head of Operations	Member
6	Mr. Shabbir Ahmed	VP & Head of Branch Operations	Member
7	Mr. Khan Ahsan Habib	AVP & Head of Loyalty, Cards	Member
8	Mr. Samiul H. Chowdhury	VP & Head of Customer Service, Cards	Member
9	Mr. Md. Zahirul Islam	FVP & Head of Cards Operations	Member
10	Mr. Khandakar Rafiqul Islam	VP & Head of Information Security	Member
11	Mr. A H M Masum	VP & Head of DFS Tech	Member
12	Mr. Mohammad Rakib Uddin Ahammad	EVP & Head of Finance	Member
13	Mr. Hasan Md. Lablu	EVP & Head of HR Operations and Acting Head of HR Business Partnering	Member
14	Mr. Md. Mohibur Rahman	EVP & Head of Agent Banking	Member
15	Mr. Malik Md. Zagglul Hassan	SVP & Head of Fraud Risk Management	Member
16	Mr. Imtiaz Mahmood	FVP & Head of Policy, Compliance & Risk Operations	Member
17	Mr. Mamun Rahman	SVP & Head of Compliance & Monitoring	Member
18	Mr. Jahedul Islam	FVP & Head of Money Laundering & Terrorist Financing Prevention & Deputy CAMLCO	Member
19	Mr. Md. Shafiu1 Alam	SEVP & Head of CAD	Member
20	Ms. Ummay Habiba Sharmin	EVP & Chief Legal Officer	Member
21	Mr. Priyatosh Gupta	EVP & Head of Imports	Member
22	Mr. Md. Asaduzzaman	EVP & Head of Exports	Member
23	Mr. Md. Ariful Bari	SEVP & Cluster Head - Manufacturing	Member
24	Mr. Abul Bashar Mohammad Nazrul Islam	EVP & Regional Head, Medium Business	Member
25	Mr. Tanvir Shawkat	VP & Regional Credit Head, Region: Dhaka North	Member



## Credit Risk Management Committee (CRMC)

Sl	Name	Designation	Status in Committee
1	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Chairman
2	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member Secretary
3	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
4	Mr. Faruk Ahmed	Deputy Managing Director & Head of TSD	Member
5	Mr. Mohammad Mahmud Gony	Deputy Managing Director & Head of Corporate Banking	Member
6	Mr. Muhammed Shah Alam	SEVP & Head of Treasury	Member
7	Mr. Mohammed Minhazur Rahman	EVP & Acting Head of Credit Risk Management & Head of Corporate Credit Risk	Member
8	Mr. Mohammed Zahed Hossain	SVP & Head of Commercial & SME Credit Risk	Member
9	Mr. Md. Musarrat Hossain	FVP & Head of Special Asset Management	Member

## Procurement Committee (PC)

Sl	Name	Designation	Status in Committee
1	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Chairman
2	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Member
3	Ms. Ummay Habiba Sharmin	EVP & Chief Legal Officer	Member
4	Mr. Mohammad Rakib Uddin Ahammad	EVP & Head of Finance	Member
5	Mr. Farhad Aziz	EVP & Head of General Admin	Member
6	Mr. Saifur Rahman Shawkat	SVP & Head of Information Technology	Member
7	Mr. Mahbub Ahmed Chowdhury	SVP & Head of Procurement	Member Secretary

## Supervisory Review Process (SRP) Team

Sl	Name	Designation	Status in Committee
1	Mr. Mashrur Arefin	Managing Director & CEO	Chairman
2	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
3	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
4	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member
5	Mr. Mohammad Rakib Uddin Ahammad	EVP & Head of Finance	Member
6	Ms. Farzana Hoque	FVP & Head of Enterprise Risk Management	Member Secretary

## Sustainable Finance Committee (SFC)

Sl	Name	Designation	Status in Committee
1	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	President
2	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member Secretary
3	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
4	Ms. Mahia Juned	Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer	Member
5	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Member
6	Mr. Faruk Ahmed	Deputy Managing Director & Head of TSD	Member
7	Mr. A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Member
8	Mr. Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Member
9	Mr. Md. Saifiul Amin	SEVP & Head of Retail Distribution	Member



Sl	Name	Designation	Status in Committee
10	Ms. Nishat Anwar	SEVP & Head of Human Resources	Member
11	Mr. Mohammed Minhazur Rahman	EVP & Acting Head of Credit Risk Management & Head of Corporate Credit Risk	Member
12	Mr. Md. Shafiu1 Alam	SEVP & Head of CAD	Member
13	Mr. Md. Tauhidul Alam	FVP & Head of Cards	Member
14	Mr. Farhad Aziz	EVP & Head of General Admin	Member
15	Mr. Shahriar Jamil Khan	SVP & Head of Brand & Marketing	Member
16	Mr. Md. Musarrat Hossain	FVP & Head of Special Asset Management	Member
17	Mr. Kamrul Mehedi	Deputy Managing Director & Head of Small, Microfinance and Agent Banking Business	Member
18	Mr. Md. Nurul Azam Mozumder	Deputy Managing Director & Head of SME-Medium Business	Member
19	Mr. Mohammad Mahmud Gony	Deputy Managing Director & Head of Corporate Banking	Member
20	Mr. Molla Karimul Islam	AVP & Operational Head of Sustainable Finance Unit	Focal Member

### Process Steering Committee

Sl	Name	Designation	Status in Committee
1	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Chairman
2	Mr. Mohammad Rakib Uddin Ahammad	EVP & Head of Finance	Member
3	Mr. Md. Asaduzzaman	EVP & Head of Exports	Member
4	Mr. Md. Zahirul Islam	FVP & Head of Cards Operations	Member
5	Mr. Mohammad Raihan Hafiz	SVP & Head of Operations Compliance & Bond Management	Member
6	Mr. Saifur Rahman Shawkat	SVP & Head of Information Technology	Member
7	Mr. Sanjoy Kumar Das	FVP & Head of Organization Development & HR Strategy	Member
8	Mr. Faisal Ahmed	SAVP & Head of Retail Process Re-Engineering & Projects	Member
9	Mr. Syed Atif Farhan Elahi	SAVP & Financial Controller	Member
10	Mr. Maruf Morshed	EO & Associate Manager, Cost & budgetary Control	Member

### Cost Control Committee (CoCC)

Sl	Name	Designation	Status in Committee
1	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Chairman
2	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Member
3	Mr. Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Member
4	Mr. Md. Nurul Azam Mozumder	Deputy Managing Director & Head of SME-Medium Business	Member
5	Mr. Kamrul Mehedi	Deputy Managing Director & Head of Small, Microfinance and Agent Banking Business	Member
6	Mr. Mohammad Mahfuzur Rahman	SEVP & Head of Operations	Member
7	Mr. Mohammad Rakib Uddin Ahammad	EVP & Head of Finance	Member
8	Mr. Hasan Md. Lablu	EVP & Head of HR Operations and Acting Head of HR Business Partnering	Member
9	Mr. Shahriar Jamil Khan	SVP & Head of Brand & Marketing	Member
10	Mr. Farhad Aziz	EVP & Head of General Admin	Member
11	Mr. Mahbub Ahmed Chowdhury	SVP & Head of Procurement	Member
12	Mr. Saifur Rahman Shawkat	SVP & Head of Information Technology	Member
13	Mr. Syed Atif Farhan Elahi	SAVP & Financial Controller	Member
14	Mr. Maruf Morshed	EO & Associate Manager, Cost & budgetary Control	Member



## ICT Steering Committee

Sl	Name	Designation	Status in Committee
1	Mr. Mashrur Arefin	Managing Director & CEO	Chairman
2	Mr. Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Member
3	Ms. Mahia Juned	Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer	Member
4	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Member
5	Mr. Mohammad Mahmud Gony	Deputy Managing Director & Head of Corporate Banking	Member
6	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
7	Mr. Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Member
8	Mr. Kamrul Mehedi	Deputy Managing Director & Head of Small, Microfinance and Agent Banking Business	Member
9	Mr. Md. Nurul Azam Mozumder	Deputy Managing Director & Head of SME-Medium Business	Member
10	Mr. A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Member
11	Mr. Md. Ashanur Rahman	Deputy Managing Director, Chief Economist & Country Business Manager	Member
12	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member
13	Mr. Md. Zafrul Hasan	Head of Enterprise Project Management Office	Member
14	Ms. Nishat Anwar	SEVP & Head of Human Resources	Member
15	Mr. Saifur Rahman Shawkat	SVP & Head of Information Technology	Secretary
16	Ms. Ummay Habiba Sharmin	EVP & Chief Legal Officer	Member
17	Mr. Mujtanibul Ahmed	FVP & Head of Digital Financial Services	Member
18	Mr. Khandakar Rafiqul Islam	VP & Head of Information Security	Member

## ICT Security Committee

Sl	Name	Designation	Status in Committee
1	Mr. Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Chairperson
2	Mr. Mohammad Mahmud Gony	Deputy Managing Director & Head of Corporate Banking	Member
3	Mr. Mesbaul Asif Siddiqui	Deputy Managing Director & Head of Wholesale Banking	Member
4	Mr. Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Member
5	Mr. Kamrul Mehedi	Deputy Managing Director & Head of Small, Microfinance and Agent Banking Business	Member
6	Mr. Md. Nurul Azam Mozumder	Deputy Managing Director & Head of SME-Medium Business	Member
7	Mr. A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Member
8	Mr. Md. Ashanur Rahman	Deputy Managing Director, Chief Economist & Country Business Manager	Member
9	Mr. Mohammad Firoz Alam	SEVP & Chief Risk Officer	Member
10	Mr. Md. Zafrul Hasan	Head of Enterprise Project Management Office	Member
11	Mr. Md. Mohibur Rahman	EVP & Head of Agent Banking	Member
12	Mr. Saifur Rahman Shawkat	SVP & Head of Information Technology	Member
13	Mr. Mujtanibul Ahmed	FVP & Head of Digital Financial Services	Member
14	Mr. Khandakar Rafiqul Islam	VP & Head of Information Security	Member Secretary
15	Mr. Mohammad Shamim Ahamed	AVP & Head of IT Governance	Member



## Committee for moral, ethics & integrity

Sl	Name	Designation	Status in Committee
1	Mr. A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Member Secretary and Focal Point
2	Mr. Md. Safiul Amin	SEVP & Head of Retail Distribution	Member
3	Ms. Sayeeda Sajed	SEVP & Head of Customer Experience	Member
4	Ms. Nishat Anwar	SEVP & Head of Human Resources	Member
5	Mr. Mohammad Ahtasamul Hoque	EVP & Head of Audit	Alternate Member Secretary and Focal Point
6	Mr. Mamun Rahman	SVP & Head of Compliance & Monitoring	Member
7	Mr. Mahbub Ahmed Chowdhury	SVP & Head of Procurement	Member
8	Mr. Shahriar Jamil Khan	SVP & Head of Brand & Marketing	Member

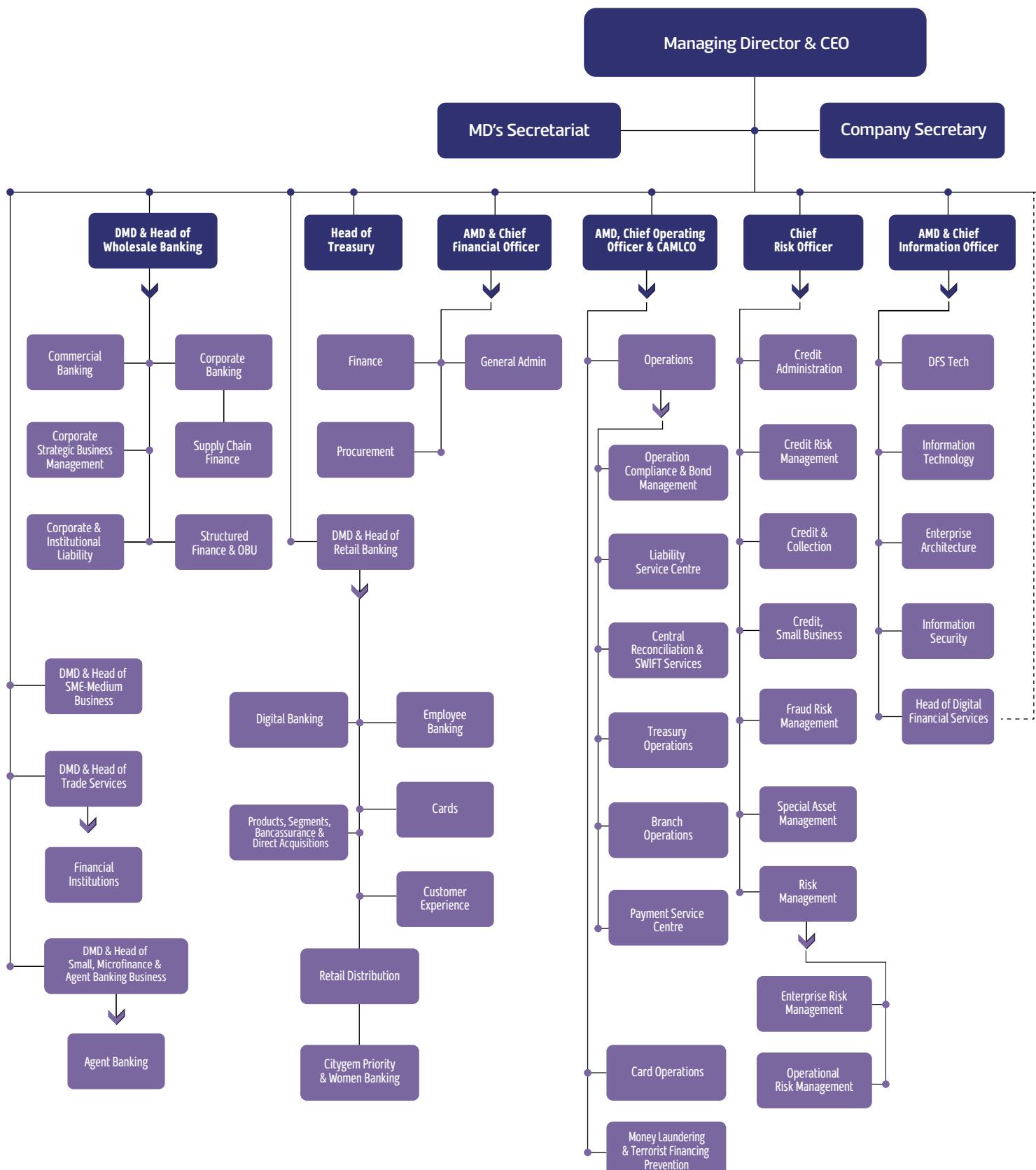
## Central Compliance Committee

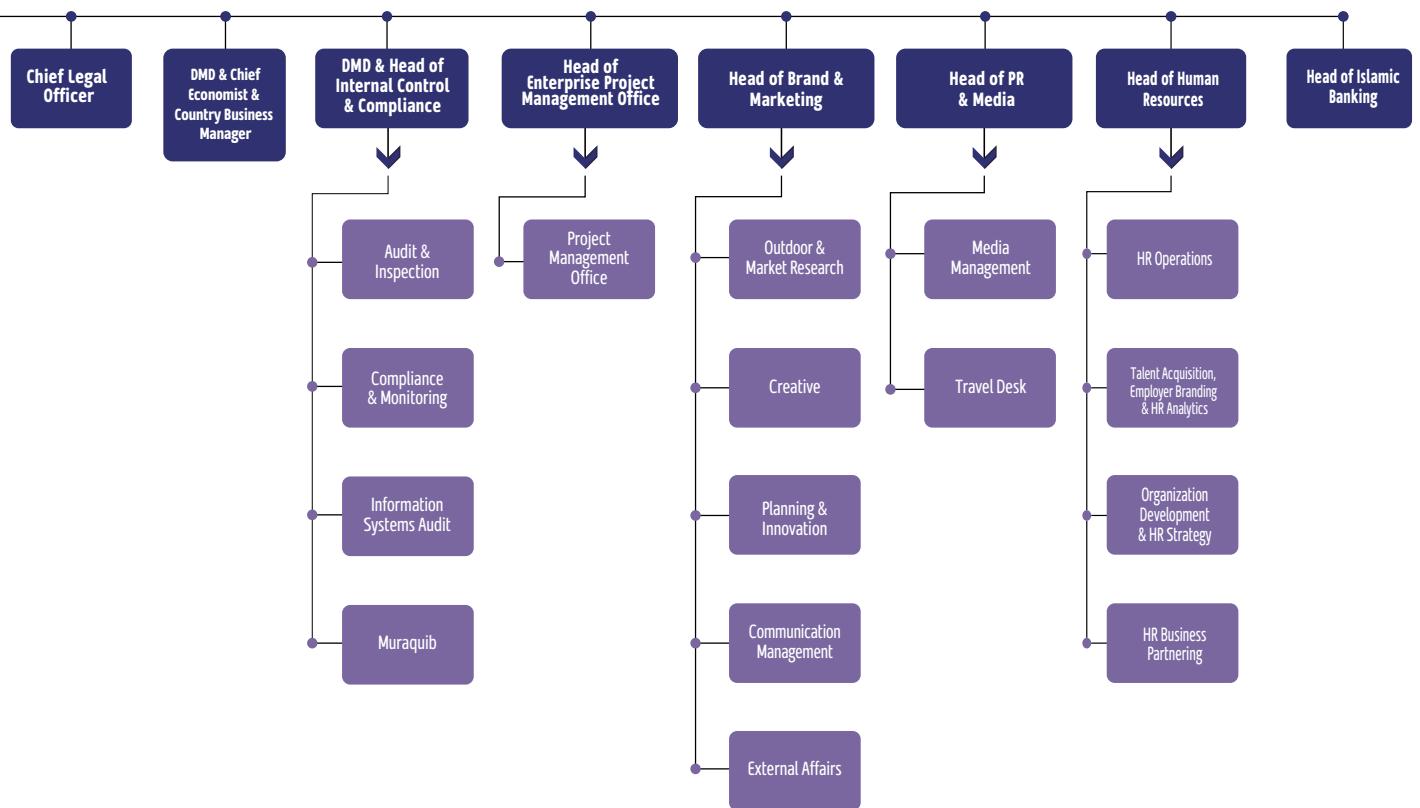
Sl	Name	Designation	Status in Committee
1	Ms. Mahia Juned	Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer	Chairman
2	Mr. Jahedul Islam	FVP & Head of Money Laundering & Terrorist Financing Prevention & Deputy CAMLCO	Member Secretary
3	Mr. Faruk Ahmed	Deputy Managing Director & Head of TSD	Member
4	Mr. Mohammed Minhazur Rahman	EVP & Acting Head of Credit Risk Management & Head of Corporate Credit Risk	Member
5	Mr. Mujtanibul Ahmed	FVP & Head of Digital Financial Services	Member
6	Mr. Md. Safiul Amin	SEVP & Head of Retail Distribution	Member
7	Mr. Mohammad Mahfuzur Rahman	SEVP & Head of Operations	Member
8	Mr. Md. Mohibur Rahman	EVP & Head of Agent Banking	Member
9	Mr. Md. Ariful Bari	SEVP & Cluster Head - Manufacturing	Member
10	Mr. Hasan Sharif Ahmed	EVP & Head of Financial Institutions	Member
11	Mr. Saifur Rahman Shawkat	SVP & Head of Information Technology	Member
12	Mr. Abul Bashar Mohammad Nazrul Islam	EVP & Regional Head, Medium Business	Member
13	Mr. Hasan Md. Lablu	EVP & Head of HR Operations and Acting Head of HR Business Partnering	Member
14	Mr. Malik Md. Zagglul Hassan	SVP & Head of Fraud Risk Management	Member
15	Mr. Mohammad Waliullah	EVP & Head of Credit & Collection Retail & Small Business	Member
16	Mr. Shabbir Ahmed	VP & Head of Branch Operations	Member
17	Mr. Md. Musarrat Hossain	FVP & Head of Special Asset Management	Member





# CITY BANK PLC ORGANOGRAM





#### Notes:

1. DMD & Head of ICC directly reports to Managing Director & CEO. However Head of Audit & Inspection, although being a part of ICC administratively, reports directly to the Chairman of Audit Committee of Board of Directors.
2. Head of Citygem Priority & Women Banking directly reports to Head of Retail Distribution & dotted reports to DMD & Head of Retail Banking & for City Alo-Women Banking, directly reports to DMD & Head of Retail Banking.
3. Head of DFS Tech directly reports to AMD and CIO and dotted report to Head of DFS.
4. Heads of the Enterprise Architecture and Information Security have dotted reporting to Head of Information Technology. Head of Information Security has dotted reporting to Chief Risk Officer
5. Head of Digital Financial Services directly reports to AMD & Chief Information Officer with a dotted reporting to Managing Director & CEO.
6. Head of Digital Banking directly reports to DMD & Head of Retail Banking with a dotted reporting to AMD & Chief Information Officer
7. Head of Talent Acquisition, Employer Branding & HR Analytics directly reports to Head of HR Operations for Talent Acquisition role only.
8. Head of Corporate Strategy & Business Management directly reports to DMD & Head of Wholesale Banking with dotted reporting to DMD & Head of Corporate Banking.



# CORPORATE DIRECTORY

## City Bank PLC and its subsidiaries

**Name of entity:** City Bank PLC

**Year of incorporation:** 1983

**Legal Form:** A public limited company incorporated in Bangladesh on 14 March, 1983 with the primary objective of carrying out banking businesses inside and outside of Bangladesh. The Bank commenced banking operations on 23 March, 1983

**IPO Date:** 1987

### Group composition structure

**Bank:** City Bank PLC

### Subsidiaries:

			
City Brokerage Limited (Stock brokerage)	City Bank Capital Resources Limited (Merchant banking operations)	CBL Money Transfer Sdn. Bhd., Malaysia (Remittance services)	City Hong Kong Limited (International trade)

### Board of Directors

Name	Position
Mr. Aziz Al Kaiser	Chairman
Mr. Hossain Khaled	Vice-Chairman
Mr. Rubel Aziz	Director
Mr. Hossain Mehmood	Nominated Director
Mr. Rajibul Huq Chowdhury	Director
Mrs. Syeda Shaireen Aziz	Director
Mrs. Savera H. Mahmood	Nominated Director
Ms. Rebecca Brosnan	Nominated Director
* Dr. Salim Mahmud	Independent Director
Mr. Matiul Islam Nowshad	Independent Director
Mr. Mashrur Arefin	Managing Director & CEO

Company Secretary: Mr. Md. Kafi Khan

\* Dr. Salim Mahmud, Independent Director, resigned for personal reason from Independent Director and Chairman of the Board's Audit Committee of the Bank on 21.08.2024. His resignation was accepted unanimously by the Board of Directors with effect from 09.09.2024. Now, the bank's Board has appointed Mr. Nazimuddin Chowdhury as independent Director and will be placed in the ensuing 42nd AGM for the approval by the shareholders.

### What sets us apart

City Bank is a leading banking and financial services institution of Bangladesh with a compelling value proposition - to offer digitally-enabled, client-centric, integrated financial solutions that meet the fast evolving needs of Bangladeshis. Our wide presence, dynamic team and strong partnerships place us at the forefront of our competition and enable us to deliver tangible value to all our stakeholders. Some of the major factors that set us apart include:



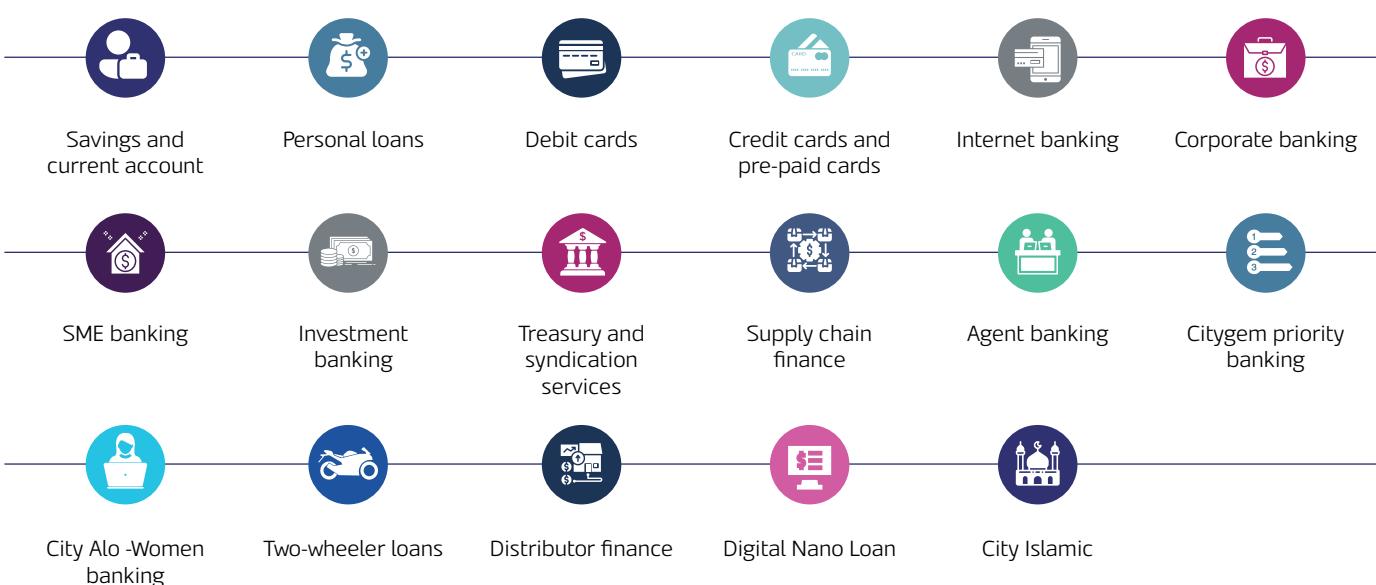
Financial stability	Sustainable operations	Customer-centricity	Wider reach	Strong team
Strong balance sheet, healthy NIM and sound capital ratios.	We generate tangible value for the society and the environment	We offer tailor-made financial products and solutions that meet the personalized requirements of our customers.	We reached 2.6 mn+ customers across the nation.	Our sales force is committed to fulfilling our customer promise of trust, reliability and dependability, as we aim to be the preferred growth partner of our clients.

Branches	
No of Branches	134
No of Sub Branches	52
No of ATMs	453

## Core business

- City Bank is a leading private commercial bank of Bangladesh with established leadership in corporate banking and a robust footprint in SME and consumer businesses.
- The bank is also amongst the few in the country to be offering both conventional as well as Islamic Banking products and services.
- The bank offers a wide range of deposit, loan and card products and a holistic range of services to cater to virtually every customer need and segment.
- From student banking to priority banking to AMEX credit cards, City Bank offers an expansive range of banking products.

On a granular level, the product basket includes



## Network

City Bank's businesses are broadly segmented into the following divisions:

Corporate	Commercial	Retail	Card	SME	Agent Banking

The Corporate Banking division has 3 clusters and under these clusters, there are 12 relationship units - 9 in Dhaka and 3 in Chittagong. To facilitate and comprehensively support the business units, the bank has four product-specific solutions-based units:

- Cash Management and Custodian Cluster (CMCC)
- Structured Finance Unit (SFU)
- Corporate Strategic Business Management (CSBM)
- Financial Institutions (FI)

Though City Bank's operations are geographically centralized in Dhaka and Chattogram, it has nationwide branches, correspondent banks and affiliated networks worldwide to serve the individual, SME and large corporate banking needs of clients located across the country.

Branch Banking customers are served through an expansive countrywide network of 134 branches, 453 ATMs, 232 SME-S Unit

Offices, 480 Agent Outlets and 7 Priority Centers (as on 31 December, 2024).

The bank enjoys a well-entrenched presence in major cities/towns of Bangladesh, including Dhaka, Chattogram, Sylhet, Khulna, Barishal, Rajshahi and Rangpur. Branch Banking covers both SME-S and retail customers.

City Bank is a pioneer in credit cards in Bangladesh. The bank provides a host of credit cards, including AMEX (Platinum, Gold, Green and Blue), Master and VISA cards and is continuously adding value for enhancing product functionality for the satisfaction of its valued customers.

City Bank also has a strong Retail arm, which is not only the major contributor to the Bank's CASA (Current Account Savings Account), but also provides a diversified basket of retail loans, such as mortgage, personal, vehicle loans, etc.

## Credit rating

As per BRPD Circular no. 6 dated 5 July 2006, the Bank has completed its credit rating conducted by Credit Rating Agency of Bangladesh (CRAB) based on the financial statements as at and for the year ended 31 December, 2024. City Bank has also been awarded B2 by Moody's, a renowned rating agency.

**B2**

Rating by Moody's

**AAA**

Outlook  
Stable

Rating by CRAB

## Surveillance ratings by CRAB

Particulars	Base Period	Validity	Long-Term	Short-term
Entity Rating	January to December 2024	30-Jun-26	AAA	ST-1
Entity Rating	January to December 2023	30-Jun-25	AA <sub>1</sub>	ST-1
Entity Rating	January to December 2022	30-Jun-24	AA <sub>1</sub>	ST-1
Entity Rating	January to December 2021	30-Jun-23	AA <sub>1</sub>	ST-1
Entity Rating	January to December 2020	30-Jun-22	AA <sub>2</sub>	ST-2
Entity Rating	January to December 2019	30-Jun-21	AA <sub>2</sub>	ST-2

## Committees of the Board of Directors

### Board's Executive Committee

Name	Status with the bank	Status in the committee
Mr. Rubel Aziz	Director	Chairman
Mr. Hossain Khaled	Vice-Chairman	Member
Mr. Rajibul Huq Chowdhury	Director	Member
Ms. Rebecca Brosnan	Nominated Director	Member

Company Secretary: Mr. Md. Kafi Khan



### Board's Audit Committee

Name	Status with the bank	Status in the committee
* Dr. Salim Mahmud	Independent Director	Chairman
Mr. Matiul Islam Nowshad	Independent Director	Member
Mrs. Syeda Shaireen Aziz	Director	Member
Mrs. Saveria H. Mahmood	Nominated Director	Member

Company Secretary: Mr. Md. Kafi Khan

\* Dr. Salim Mahmud, Independent Director, resigned for personal reason from Independent Director and Chairman of the Board's Audit Committee of the Bank on 21.08.2024. His resignation was accepted unanimously by the Board of Directors with effect from 09.09.2024. Now, the bank's Board has appointed Mr. Nazimuddin Chowdhury as independent Director and will be placed in the ensuing 42nd AGM for the approval by the shareholders.

### Board's Risk Management Committee

Name	Status with the bank	Status in the committee
Mr. Hossain Mehmood	Nominated Director	Chairman
Mr. Hossain Khaled	Vice Chairman	Member
Mr. Rajibul Huq Chowdhury	Director	Member
Ms. Rebecca Brosnan	Nominated Director	Member
Mr. Matiul Islam Nowshad	Independent Director	Member

Company Secretary: Mr. Md. Kafi Khan

### Shariah Supervisory Committee

Name	Position
Dr. Maulana Md. Anwar Hosain Molla, CSAA	Chairman
Principal Md. Zainul Abedin	Member
Dr. ANM Rafiqur Rahman Madani	Member
Maulana Shah Mohammad Wali Ullah, CSAA	Member
Mufti Shahed Rahmani	Member
Dr. Muhammad Yousuf Ibn Hossain	Member
Dr. Muhammad Obaidullah	Member
Dr. Mufti Yousuf Sultan, CSAA	Member

### Executive Risk Management Committee

Executive Risk Management Committee (ERMC) provides oversight and supervision with regards to the identification and evaluation of major strategic, operational and regulatory information and external risks inherent in the Bank's business and the control processes with respect to such risks.

Assistance is extended to review, guide and manage various risks resulting from the implementation of strategies and action plans approved by the Board of Directors.

### Combating corruption

#### Committee on Morals, Ethics and Integrity

As part of the effort of combating corruption, promoting integrity and establishing good governance, the Government

of Bangladesh has adopted a 'Commitment for Golden Bengal: National Integrity Strategy (NIS) of Bangladesh'. A high-level 'National Integrity Advisory Council' has been constituted for its implementation. Bangladesh Bank is entrusted with the responsibility of implementing the National Integrity Strategy (NIS) in the country's financial sector.

In line with the implementation of NIS, the bank has established a 'Committee on Morals, Ethics and Integrity' to implement the NIS directives within the bank. Additionally, the committee is mandated with the task of identifying ways to protect the culture of loan defaults and promote consciousness with a view to reduce frauds, forgeries, irregularities and other sources of corruption across the bank.



## Ownership composition

As of 31 December, 2024, shareholding position of City Bank by the Directors, General Public and Financial Institutions is presented below

Composition	Status	
	No. of shares	Percentage (%) of total shares
General Public	535,554,563	39.76
Directors and sponsors	412,617,909	30.63
Institutions	321,893,167	23.90
Foreign shareholders	77,015,125	5.72
<b>Total</b>	<b>1,347,080,764</b>	<b>100.00</b>



Authorised Capital  
**BDT 20,000,000,000**  
(2,000,000,000 ordinary shares of BDT 10 each)



Paid-up capital  
**BDT 13,470,807,640**  
(1,347,080,764 ordinary shares BDT 10 each)

## Listing dates

- Dhaka Stock Exchange PLC.: 3 February, 1987
- Chittagong Stock Exchange PLC.: 27 December, 1995

## Listing

Ordinary shares of the bank are listed on both the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Shares of City Bank are categorized as 'A' on the stock exchanges, and the stock symbol is CITYBANK

Accounting year-end: 31 December, 2024

## Capital Market Details

Particulars	Dhaka Stock Exchange (DSE)	Chittagong Stock Exchange (CSE)
Stock symbol	CITYBANK	CITYBANK
Company Code	11102	22006
Listing year	1986	1995
Market Lot	1	1
Market category	A	A
Electronic Share	Yes	Yes
Price	22.4	22.3

## Corporate information

Chief Financial Officer

Md. Mahbubur Rahman

## Head of Internal Control & Compliance

A K M Saif Ullah Kowchar

## Auditors

Howladar Yunus & Co., Chartered Accountants

## Tax Consultant

ACNABIN, Chartered Accountants

## Corporate Governance Auditors

ESS & Partners Private Ltd.

## Legal Retainer

Law Valley Bangladesh Bank

License Number- BCD(D)200/37-261 dated 23 March, 1983

## Registered Office/ Head Office

SE (D)- 3,28, Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh  
Telephone No: 880-2-58813126,

Fax: 880-2-9884446 SWIFT: CIBLBDDH

E-mail: [info@thecitybank.com](mailto:info@thecitybank.com) Web: [www.citybankplc.com](http://www.citybankplc.com)



# PERFORMANCE SCORECARD, 2024

## PROFITABILITY

### Profit after taxation (BDT mn)

2022	4,508
2023	6,151
2024	10,851

### Earnings / share (BDT) (earlier year not adjusted to stock dividend)

2022	3.8
2023	5.0
2024	8.1

### Return on assets (%)

2022	1.0%
2023	1.2%
2024	1.7%

### Return on equity (%)

2022	14.1%
2023	17.6%
2024	26.1%

## STABILITY

### Tier-1 ratio (%)

2022	9.6%
2023	11.0%
2024	11.7%

### Capital to risk-weighted assets ratio (CRAR) (%)

2022	14.5%
2023	15.8%
2024	16.0%

### Net stable funding ratio (%)

2022	103.1%
2023	106.5%
2024	108.5%

### Leverage ratio (%)

2022	5.3%
2023	5.7%
2024	5.8%

## CREDIT QUALITY

### Gross NPL ratio (%)

2022	3.9%
2023	3.6%
2024	3.7%

### Net NPL ratio (%)

2022	1.7%
2023	1.4%
2024	1.4%

### Provision coverage ratio (%)

2022	104.7%
2023	110.1%
2024	106.8%

## LIQUIDITY

### Statutory liquidity ratio (SLR) Surplus (BDT mn)

2022	22,079
2023	23,233
2024	69,369

### Liquidity coverage ratio (%)

2022	220.1%
2023	174.6%
2024	194.0%

## SHARE VALUATION

### Dividend / share

2022	10% Cash, 2% Stock
2023	15% Cash, 10% Stock
2024	12.5% Cash, 12.5% Stock

### Market capitalization (BDT mn)

2022	26,173
2023	26,207
2024	30,175

# CITY BANK AT A GLANCE



Employees

**5,321**



Branches & Sub Branches

**186**



SME-S Unit Offices

**232**



No. of Customers

**2.6+ mn**



Priority Centers

**7**



No. of POS

**33,316**



Credit Cards issued

**704,840**



Agent Banking Outlets

**480**

No. of Merchants

**21,000**



Operating Profit

**Tk. 23,053 mn**



Net Profit

**Tk. 10,851 mn**



Earnings per Share

**Tk. 8.06**



Return on Equity

**26.14%**



Return on Assets

**1.73%**



Contribution to national exchequer

**Tk. 13,957 mn**



Loans & Advances

**Tk. 444,978 mn**





Deposits  
**Tk. 514,204 mn**



Market Capitalisation  
**Tk. 30,175 mn**



CBL Money Transfer Sdn. Bhd.  
Malaysia  
15 branches



City Hong Kong Limited  
Hong Kong  
1 representative office



Exports  
**\$3,213 mn**



Imports  
**\$3,608 mn**



Remittances  
**Tk. 131,978 mn**



ATMs & RATMs  
**453**



Dividend\*  
**12.5% Cash**  
**12.5% Stock**



Gross NPL  
**3.7%**



Provision Coverage  
**106.8%**



Total Capital Ratio  
**16.0%**



Tier-I Ratio  
**11.7%**

All figures are for the year 2024 in BDT,  
unless otherwise stated.

\* Subject to approval

# WELCOME TO CITY BANK'S INTEGRATED ANNUAL REPORT!

This report is the bank's primary communication to our shareholders and one of the key communications to all our other stakeholders. It has been prepared with the objective of providing a balanced, transparent and integrated view of the organisation's performance during the 12-month period ended 31 December 2024.

## About this report

This is the Integrated Annual Report (IAR) of City Bank PLC for the financial year ended 31 December 2024 and provides a balanced and concise overview of the bank's performance using financial, environmental social and governance information. This report uses the Integrated <IR> Framework and seeks to provide a fair and balanced account of how its resources were allocated to create value for shareholders and stakeholders.

## Value creation

For us at City Bank, our success is contingent on our ability to create value and thereby serve the matters material to our shareholders and stakeholders. The value created is reflected in our ability to transform our capitals through our business processes and institutional strengths into sustainable outputs and outcomes. We also manage our trade-offs, facilitating value preservation through

ensuring better correlation of our capitals. This concept is further elaborated in our Value Creation Model presented on [page 76](#), Strategy and Resource Allocation section on [page 96](#) and Review of our Capitals on [page 78](#).

## Integrated reporting scope and boundary

We aim to provide our investors with a concise, yet sufficiently informed view of value preservation and creation, together with challenges and trade-offs. The financial information reporting boundary is defined by the operations of City Bank on a solo (standalone) basis as well as with its subsidiary and other entities that form the basis of consolidated reporting. In most cases, geographical boundary encompasses the bank's Bangladesh operations.

We report in a holistic, transparent and integrated manner to assist stakeholders in making informed decisions about our business. We aim to provide them with a focused and balanced report that demonstrates our integrated thinking and our ability to create and preserve value. It describes our progress in executing our strategy and our performance, as measured by the leading indicators associated with our growth levers. It also explains our governance approach and the work we do to guard against value erosion.

Name of the entity	Relationship	Domicile status	Revenue, 2024
City Bank PLC	Parent company	Bangladesh	39,536
City Bank Capital Resources Limited	Subsidiary	Bangladesh	322
City Brokerage Limited	Subsidiary	Bangladesh	431
CBL Money Transfer Sdn. Bhd.	Subsidiary	Malaysia	239
City Hong Kong Limited	Subsidiary	Hong Kong	71

## Our aim

Our objective is to establish a customer-centric, digital and solutions-driven bank that is capable of scalable, diversified and sustainable operations, underpinned by a compelling value proposition. This endeavour is aligned to our vision of a financial supermarket to provide enjoyable banking experiences to our customers and enhancing lives through the provision of financial and allied services. Our strategy is rooted in bank digitalisation to ensure customer convenience and market differentiation.

## Materiality determination

This report uses materiality matters that are significant for reporting and catering to the informational needs of our investors, regulators and other stakeholders. A matter is material if it can significantly affect our ability to create or preserve value over the short, medium and long-term horizons.





In determining the material topics, City Bank took into consideration the current and potential impacts on the broader economy, environment and society in the process of executing its growth strategy, while also taking into account the expectations and requirements of its stakeholders.

Key considerations in selecting material topics for disclosure include:

- Bank's objectives in public value and national obligations
- Government's economic and social policies
- Organisational strategic priorities
- Our operating environment
- Stakeholder feedback and expectations
- Future sustainability of the bank

## Prioritizing material topics

City Bank's priorities were translated into a list of material topics. The bank's priorities were decided primarily based on the level of contribution towards the organisation's long-term sustainability. This requires that the bank remains competitive and stable within a rapidly changing external environment and customer profile.

Although one of the oldest banks in the country, City Bank has stayed with the times, innovating products, services and digital systems and technologies for customer value, thus meeting unmet and unserved needs. Through this, the bank has been able to retain its brand relevance and continue business expansion with the result that it has emerged as a preferred bank for customers in Bangladesh.

## Reporting frameworks

### Regulations:



### Reporting frameworks and guidelines:

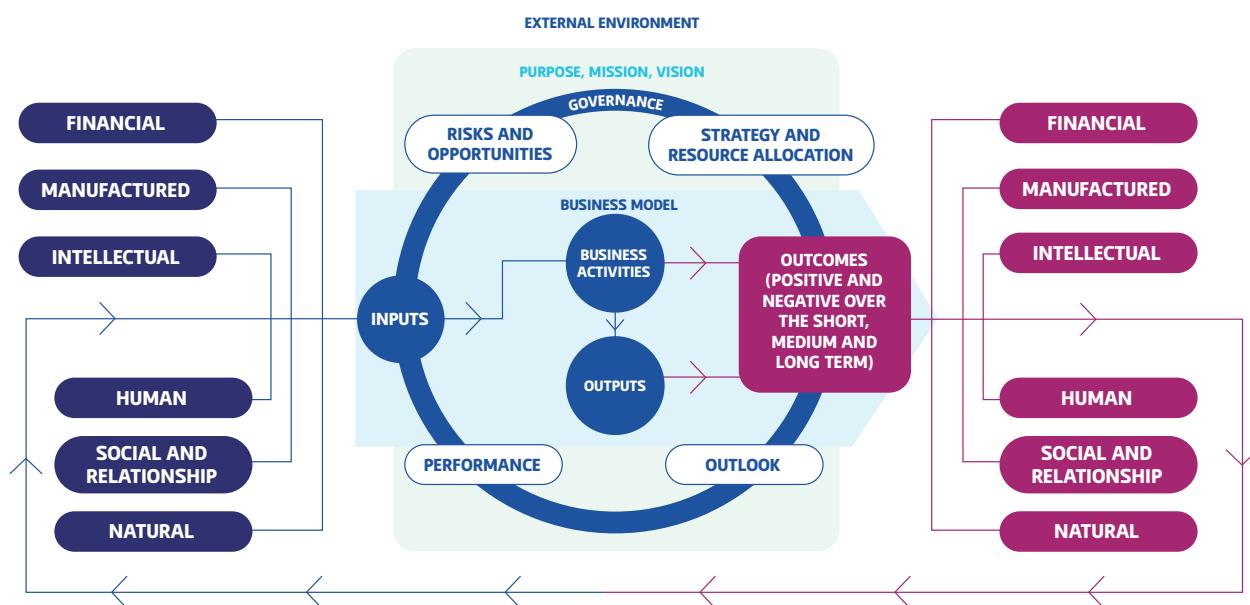
- International Financial Reporting Standards (IFRSs) and related interpretations
- Integrated Reporting Framework issued by International Integrated Reporting Council ("IIRC") and adopted by IFRS Foundation
- SAFA and ICAB reporting requirements
- ICSB Corporate Governance Checklist
- ICMAB Best Corporate Checklist
- Global Reporting Initiative (GRI)
- UN Sustainable Development Goals

### Our approach to integrated thinking and framework process

Our bank's integrated approach to thinking and decision-making, consistent stakeholder engagement process, proactive risk and opportunity identification, strategic capital prioritisation and determined execution against our strategy have propelled us to emerge as among the largest and most respected financial brand of Bangladesh.

We aspire to create measurable and sustainable value for our stakeholders. We are guided by our vision and mission and adopt an integrated approach to the way we think and make decisions. We consider our operating context and emerging trends and the implications thereof on the bank. We consider the individual concerns and the collective interests of our stakeholders. This enables us to identify opportunities, risks and constraints to our strategic delivery and value creation agenda.

Further, the six capitals, which form the bedrock of this integrated report and as defined in the <IR> Integrated Reporting framework are discussed and referenced in various pages of this report. Integrated reporting framework process is given below.





## External assurance

We employ a blended assurance methodology that incorporates assurance from our internal and external assurance suppliers as well as assurance from Management. While the internal audit function, which is supervised by the Audit Committee, evaluates the bank's financial, operational, compliance and risk management procedures, the bank's Audit Committee provides internal assurance to the Board. This IAR's Audit Committee report can be found on [page 333](#).

Reputable assurance providers have externally assured several content components of this AR. The following report sections for the considered reporting period have received external confirmation from the bank.

Report section	External assurance
Financial Statements Audit Report	Howladar Yunus & Co. Chartered Accountants
Certification of Custodian Service	Howladar Yunus & Co. Chartered Accountants
Nostro Certification	Howladar Yunus & Co. Chartered Accountants
Provident Fund Financial Audit	M/S Snehashish Mahmud & Co. Chartered Accountants
Gratuity Fund Financial Audit	M/S Snehashish Mahmud & Co. Chartered Accountants
Entity Credit Rating	Credit Rating Agency of Bangladesh (CRAB) & Moody's Investors Service
Corporate Governance Certification	ESS & Partners Private Ltd.
Gratuity Fund Actuarial Valuation	Willis Towers Watson

## Communication concepts

Strategic focus:	Connectivity:	Stakeholder relationships:	Materiality:	Consistency and comparability:
Demonstrates how our activities are guided by clearly defined strategic priorities	Interrelatedness and dependencies shown through icons and signposting	Chapter on stakeholder engagement, concerns and responses	Systematic materiality assessment process	Comparable information for the previous year provided, wherever relevant

## Report profile

Reporting period: Reporting period for financial reporting and sustainability reporting: Financial year ended 31st December 2024.

**Frequency:** Annual.

City Bank's SDG builder					
<b>17 PARTNERSHIPS FOR THE GOALS</b> 			<b>PARTNERSHIPS</b>	Implement citizenship activities through a partnership-based approach	
<b>7 AFFORDABLE AND CLEAN ENERGY</b> 	<b>8 DECENT WORK AND ECONOMIC GROWTH</b> 	<b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b> 	<b>11 SUSTAINABLE CITIES AND COMMUNITIES</b> 	<b>PROFIT</b>	Deliver shared prosperity and fulfillment in harmony with nature
<b>3 GOOD HEALTH AND WELL-BEING</b> 	<b>5 GENDER EQUALITY</b> 			<b>PEOPLE</b>	Ensure safe, fair and meritocratic working practices and dignity and equality for all
<b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b> 	<b>13 CLIMATE ACTION</b> 			<b>PLANET</b>	Protect the planet's natural resources and climate for future generations



## Icons used in this report

Our Capitals	Stakeholders		Material Issues				
	Financial Capital		Customers		Business Partners		Geopolitical & Economic Trends
	Service Generating Capital		Shareholders		Government & Regulators		Technology & Digital Transformation
	Intellectual Capital		Investors		Community/NGO/Civil Society		Governance & Compliance
	Human Capital		Employees		Suppliers		Customer Satisfaction
	Social & Relationship Capital						Leadership & Talent
	Natural Capital						Environmental, Social & Governance Factors

## Statement of responsibility

City Bank's Board is ultimately responsible for ensuring the accuracy of this IAR. We hereby confirm that the 2024 report addresses all relevant material matters and fairly represents the bank's and the group's integrated performance. We also confirm that the IAR has been prepared in consonance with the guidance provided in the Integrated Reporting Framework of the International Financial Reporting Standards.

## Feedback

We are committed to consistently improving the quality and readability of our corporate reporting and welcome your feedback and suggestions on our Annual Report. Please direct your feedback to:

Md. Mahbubur Rahman

Chief Financial Officer: [mrahman@thecitybank.com](mailto:mrahman@thecitybank.com)

## Forward-looking statements

This report contains forward-looking statements rooted in the beliefs and expectations of City Bank. These statements encompass plans, objectives, goals, strategies and future events and are not historical facts. Based on our current views and assumptions, these forward-looking statements encompass known and unknown risks, uncertainties and other factors. Despite these, we are confident in our ability to manage any discrepancies in actual results or developments from those expressed or implied by these forward-looking statements. Furthermore, the bank stands firm in its commitment to update or revise these forward-looking statements as necessary, following events or circumstances after the report's publication or the occurrence of unanticipated events. It is essential to note that all forward-looking statements have not been reviewed or reported on by the bank's auditors.

## Go digital!



For a digital copy of this report, please visit [www.citybankplc.com](http://www.citybankplc.com)



# NAVIGATING THROUGH THE INTEGRATED ANNUAL REPORT

 <b>Organizational overview and external environment</b>	
What does the organization do and what are the circumstances under which it operates?	
<b>Referred topic</b>	<b>Page no.</b>
Listening to Our Stakeholders	118
Corporate Philosophy	10
Shareholding Structure	130
Principal activities of the bank (Note 1.2)	402
Five Year Performance	144
Performance at a Glance 2024	126
Performance Scorecard 2024	59
Porter's Five Forces Model	135
PESTEL Analysis	138
Economic and operating Landscape and Our strategic Focus Areas and business outlook	101
Economic Impact Creation	103
 <b>Governance</b>	
How does the organization's governance structure support its ability to create value in the short, medium and long term?	
<b>Referred topic</b>	<b>Page no.</b>
Board of Directors, Chairman and CEO	321
Management Committee	32
Extended Management Committee	40
Corporate Governance Report	321
City Bank Plc. Corporate Governance Compliance Checklist 2024	357
Report Of The Board'S Risk Management Committee	329
Report Of The Board Executive Committee	328
Directors' Responsibility Statement	320
Ethics And Compliance	341
Bangladesh Bank Corporate Governance Guidelines	369
Compliance Checklist As Stated In The Companies Act,1994 (As Amended Up To Date)	383
 <b>Business model</b>	
What is the organization's business model?	
<b>Referred topic</b>	<b>Page no.</b>
Our Business Model	76
Multiple Business Model of City Bank	71
Capitals Report	78
 <b>Risks and opportunities</b>	
What are the specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how is the organization dealing with them?	
<b>Referred topic</b>	<b>Page no.</b>
Risk Management Report	229
NPL Management At City Bank	248
 <b>Strategy and resource allocation</b>	
Where does the organization want to go and how does it intend to get there?	
<b>Referred topic</b>	<b>Page no.</b>
Our Strategic Value Drivers & Resource Allocation	96
Continuing Value Creation for Shareholders and Stakeholders	74
Deposit and Advance Strategies and Financial Empowerment	104
Export - Import Strategies and Trade Finance Growth	106
Investment Strategy	108
Capital Planning of City Bank	109
 <b>Performance</b>	
To what extent has the organization achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals?	
<b>Referred topic</b>	<b>Page no.</b>
Financial Statements	386
Capitals Report	78
City Bank at a Glance	60
Performance Scorecard, 2024	59
Quarterly Performance of City Bank	134
Five Year Performance	144
Performance at a Glance, 2024	126



## Outlook

What challenges and uncertainties is the organization likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance?

### Referred topic

- SWOT Analysis
- Economic & operating Landscape & Our strategic Focus Areas & business outlook

### Page no.

142  
101



## Basis of preparation and presentation

How does the organization determine what matters to include in the integrated report and how are such matters quantified or evaluated?

### Referred topic

- Welcome to City Bank's Integrated Annual Report
- Reading this report
- Financial Statements (Accounting policy notes)
- Subsidiaries Financial Statements

### Page no.

62  
68  
409  
489



## Navigating our Report

City Bank Board is committed to lucid and clear reporting with easy navigation to aid information accessibility of our readers.

### Top risks

- Credit risk
- Execution risk
- Growth risk
- Strategy risk
- People risk
- Technology and IT risk
- Business resilience risk

### Economic growth



### Motivated people



### Sustainable finance



### Material Matters



### Digital offerings



### Our stakeholders



Customers



Communities



Regulators



Employees



Investors



Media



## Lines of business

Retail Banking

City Alo

SME Banking

Agent Banking

Islamic Banking

Corporate Banking

Digital Banking

Employee Banking

Offshore Banking

CityGem

# READING THIS REPORT

Our Integrated Annual Report explains how we are fulfilling our purpose, delivering on our strategic priorities and measuring our progress relative to our financial and non-financial targets.

## Reporting period

This report covers the period 1 January 2024 to 31 December 2024.

## Integrated reporting scope and boundary

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Our objective is to establish a customer-centric, digital and solutions-driven bank that is capable of scalable, diversified and sustainable operations, underpinned by a compelling value proposition. This endeavour is aligned to our vision of a financial supermarket to provide enjoyable banking experiences to our customers and enhancing lives through the provision of financial and allied services. Our strategy is rooted in bank digitalisation to ensure customer convenience and market differentiation.

## Materiality determination

This report uses materiality matters that are significant for reporting and catering to the informational needs of investors, regulators and other stakeholders. A matter is material if it can significantly affect our ability to create or preserve value over the short, medium and long-term horizons.



## Our approach to integrated thinking

Our bank's integrated approach to thinking and decision-making, consistent stakeholder engagement, proactive risk and opportunity identification, strategic capital prioritisation and determined execution against strategy have propelled us forward to among the largest and most respected financial brands of Bangladesh.

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Further, the six capitals, which form the basis of this integrated report and as defined in the International Integrated Reporting Framework are discussed and referenced in various pages of this report.



# MATERIALITY REPORT 2024

## Listening to our stakeholders, delivering long-term value

At City Bank, our commitment to delivering long-term value begins with a clear understanding of the matters that shape our operations, inform our decisions, and influence our stakeholders. This report presents an integrated assessment of the most significant Environmental, Social, Governance (ESG), and Economic factors that impact our stakeholders and influence our long-term strategy. Our 2024 assessment aligns with the GRI Foundation 2021, Integrated Reporting (IR) Framework, and the newly adopted IFRS S1 and S2 standards, ensuring transparency, comparability, and relevance in ESG disclosures.

## Our Approach to Materiality

The world around us continues to evolve—socially, environmentally and economically. In this context, City Bank's approach to materiality is not static. It is an ongoing process of listening, learning, and aligning. Our materiality framework is built on four key pillars:

- Identification – Capturing emerging ESG risks and opportunities from stakeholder dialogue, internal analysis, peer benchmarking, regulatory updates, and global sustainability frameworks (GRI, IFRS S1/S2, SDGs).
- Prioritisation – Ranking topics based on their
  - Significance to stakeholders (internal & external)
  - Financial, reputational, and regulatory impacts
  - Long-term value creation
- Validation – Regular review and oversight by the Board Risk Management Committee (BRMC) and Management.
- Integration – Embedding these issues into business strategy, risk management, and performance metrics.

## Stakeholder Engagement

We view stakeholders not as external actors, but as partners in our journey. Their voices directly inform our business strategy and ESG roadmap.

Stakeholder Group	Engagement Channels	Material Themes Identified
	Branch feedback, surveys, CityTouch, grievance desk	Digital banking, data privacy, service quality
	Townhalls, HR touchpoints, career planning, Trainings	Career growth, diversity, wellbeing
	Meetings, compliance reports, BB frameworks	Sustainable finance, risk governance, capital adequacy
	Analyst calls, AGMs, disclosures	Risk-return balance, climate impact, ethical conduct, ROE, ROA
	CSR, NGO collaborations, media	Financial inclusion, green finance, rural development
	Vendor assessments, onboarding dialogues	Ethical sourcing, timely payments
	GHG measurement, climate audits, policy commitments	Carbon reduction, ESG integration, circular economy

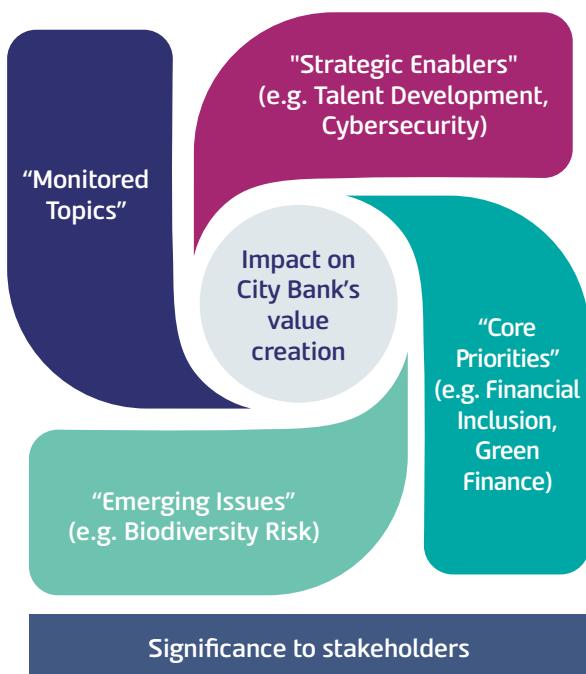


## Our Material Topics

Following an extensive assessment exercise, the following topics were identified as material to City Bank and our stakeholders in 2024. These are aligned with both the Framework's six capitals and the UN SDGs.

Material Topic	Strategic Theme	Related Capitals	Relevant SDGs
Financial Inclusion	Inclusive growth		
Climate and Transition Risk Management	Responsible banking		
Data Security and Cyber Resilience	Digital trust		
Green and Sustainable Finance	Climate action		
Talent Retention and Development	Future-ready workforce		
Governance and Ethics	Strong foundations		
Customer Experience and Innovation	Differentiated engagement		

## Materiality Matrix



## Embedding Materiality in Strategy

City Bank's Board and Management do not treat materiality as a disclosure checklist but as an integral part of corporate strategy. Material topics are embedded into:

- Sustainability Risk Governance: Through the ESRM and ESDD frameworks embedded in all credit proposals

- Strategic Planning: Material topics are integrated into 3-year strategic roadmaps and reviewed at the Management Committee level
- Performance Measurement: ESG-aligned KPIs (e.g. % of green loans, gender ratio in leadership, emissions per loan unit) are tracked

Framework	Compliance
GRI Standards (2021 Foundation)	Full alignment
IFRS S1 & S2 (ISSB)	Disclosed for the first time
SDGs Mapping	Aligned with 10+ SDGs
IIRC	Structure based on six capitals

## Forward Outlook: Materiality in Action

Looking ahead, we will continue to refine and refresh our materiality process to keep it dynamic and stakeholder-driven. Our key commitments include:

- Full IFRS S1/S2 implementation and disclosure alignment
- Deepening the scope of double materiality—addressing financial impact and societal/environmental consequence simultaneously
- Creating public-facing ESG dashboards to enhance real-time accountability

City Bank believes that a responsible bank is one that is attuned to the realities of its stakeholders and the planet. By taking a structured and inclusive approach to materiality, we reinforce our identity as a bank that is forward-looking, transparent, and truly one with Bangladesh's future.



# MULTIPLE BUSINESS MODEL OF CITY BANK

## Main Operation

City Bank's Core Operations Encompass Financial Services, Offering Both Conventional and Shariah-Compliant Products.



### Conventional Banking

Traditional Interest-Based Banking Services Including Loans, Deposits and Credit Facilities



### Islamic Banking

Shariah-Compliant Banking Based on Profit-Sharing Principle



### Offshore Banking

Banking Services for Foreign Clients, Facilitating International Trade and Finance

## Alternative Banking Operation

City Bank's Alternative Operations focus on expanding financial access through Agent Banking, Digital Platforms and Financial Literacy Initiatives. It aims to reach the unbanked populations and enhance customer experience through Modern Delivery Channels and Education



### Agent Banking

Banking Services Delivered through authorized agents in remote and rural areas



### Alternative Delivery Channel (ADC)

Digital and Self-Service Platforms like CityTouch, ATM's, Citylive, etc.



### Financial Inclusion and Financial Literacy

Promoting access to Banking Services to Underserved Population and Educating Customers on better Financial Management

## Subsidiaries Operation

City Bank Operates various subsidiaries to diversify its services across Investment Banking, Capital Markets, Remittances, and International Trade Support. These entities strengthen the bank footprint locally and globally



### City Bank Capital Resources Ltd

Offers Investment Banking, Asset Management and Capital Market Services



### City Brokerage Ltd

Provides Brokerage Services for Trading



### CBL Money Transfer Sdn BHD

Facilitates Secure and Fast Remittance Services for Expatriates



### City Hong Kong

Supporting International Banking and Trade Finance Operations

# PAN-BANGLADESH DIGITAL DIVERSIFIED CUSTOMER-CENTRIC

## WELCOME TO THE WORLD OF CITY BANK!

At City Bank, we are more than just a bank. We are a united team inspired by our profound purpose of empowering Bangladesh's future.

It is this purpose that guides us every day, helps us create value, manage and grow our business, partner with our customers to help them achieve their aspirations, and impact the communities we operate in.

One of the pillars in our strategy focuses on what it means to be an active force for good in everything we do. This commitment inspires our continued efforts towards the important goals of financial inclusion, gender equality, employment generation, small business empowerment, climate action and economic financialisation.

Our Integrated Annual Report for the year 2024 tells our holistic value creation story to investors. It highlights how our strategy, governance, performance and prospects lead to the creation of value over time. It demonstrates how we integrate considerations around prosperity, people and the planet into our business activities, examine our external environment and take a holistic view of factors that sustain value.

Considering our reliance on a wide range of tangible and intangible resources, integrated thinking is critical to ensure integrated decision-making and responsible capital allocation. Ultimately, integrated thinking helps us balance the short, medium and long-term outcomes, fundamental to our ability to counterbalance trade-offs and create sustainable value.

## City Bank's Strategic Focus Areas



**City Bank contributes to important national goals that support bangladesh's growth trajectory**

Financial inclusion



Gender equality



Employment generation



Small business empowerment



Climate action



Economic financialisation



# CONTINUING VALUE CREATION FOR SHAREHOLDERS AND STAKEHOLDERS

## ONE WITH BANGLADESH'S FUTURE

### A bank built for Bangladesh

Navigating the financial services sector can be complex, given the volatility and uncertainty of the macro environment in which we operate. This landscape is influenced by internal and external factors such as political events, regulatory changes, climate and societal shifts and economic uncertainties, presenting us with both challenges and opportunities. Our aim is to capitalise on opportunistic shifts, convert trends early into monetizable avenues and ensure customer service excellence at all times. This forms the basis of our sustainable value creation agenda.



Organisational overview

### An adaptable business model

Adapting our business model to external trends and operational shifts is essential to remain relevant and is necessary to win in a competitive market. We create value as our capital stocks increase over time. While we utilise all six capitals in our value creation process, our business model is most reliant on financial and human capital, followed by intellectual, manufactured and social and relationship capital and, to a lesser extent, natural capital. Despite not being a major consumer of natural capital however, our pioneering position in sustainable and green finance allows us to generate significant natural capital value that aligns with the country's decarbonisation and sustainability goals.



Business model



Review of our capitals

### Adding value to finance

We generate competitive advantage through product and service innovation, our unique understanding of Bangladesh's socio-economy, our ability to serve varied customer needs through both digital and physical touchpoints, and our deep commitment to governance and regulatory standards.

We provide payment services and a safe place to save and invest, funds for purchases and growth, financial and business support, protection against risk (bancassurance) and the management of business and financial risks. Our business model outcomes also represent Sustainable Development Goal (SDG) contributions:

### Adding value to finance

- Market-leading growth for shareholders
- Primary partnership approach for our clients
- Digitally-powered, secure and regulatory-compliant banking platform
- High quality talent, where our people are committed to execution
- Strong and growing position in sustainable finance
- Commitment to net-zero by 2050
- Strong position on governance and compliance



Chairman's report



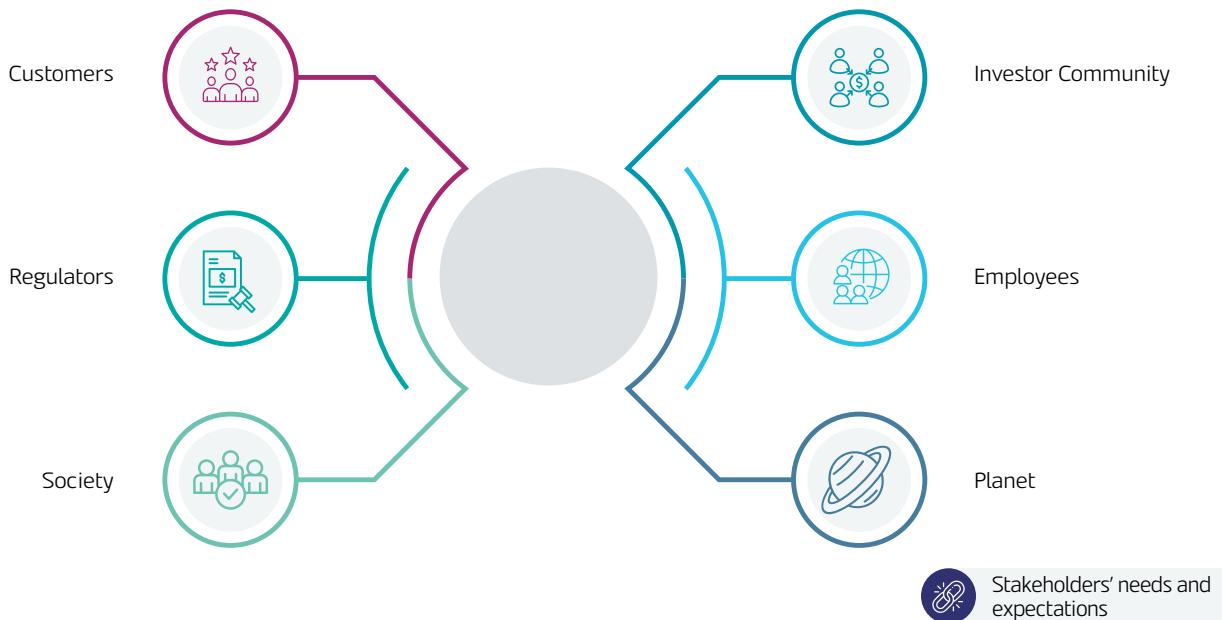
MD and CEO's statement



## A bank for all stakeholders

We recognise that the quality of our relationships with our stakeholders impacts our ability to fulfil our purpose. We are committed to an institution that fosters a multistakeholder approach to value creation and are proud, yet humbled by the value we created in 2024.

A sum of BDT 43,441 million in total financial value was distributed during the year, with BDT 8,935 million to employees, BDT 13,957 million to government exchequer, BDT 3,400 million to shareholders as dividend (proposed), and BDT 17,149 million retained for growth. Further, a sum of BDT 402,340 million was disbursed in sustainability-linked financing towards climate and financial inclusion.



## Bolstering our performance

With a keen understanding of how changes in our operating environment impact our business model, risk management and control, we set a directional ambition of performance reinforcement through our medium-term strategy and resource allocation plans.

The specific risks and opportunities that affect our ability to create value over time, as determined through our materiality determination process, are:

- Accelerating economic momentum
- Supporting social cohesion
- Enhancing our position as a preferred digital bank
- Enabling climate change and a just transition towards decarbonisation
- Upholding regulations
- Evolving employee value proposition

Our set risk appetite thresholds define the nature and amount of risk the bank is willing to take to achieve our strategic objectives.

## Augmenting our financial performance

The bank's financial performance improved considerably in 2024 compared to 2023, with growth in all key financial indicators. This performance unlock comes on the back of many strategic initiatives undertaken by the bank on both the deposits and advances side. Strong management focus on business growth and productivity improvements led to a sharp decline in cost-to-income from 51.1 percent in 2023 to 41.7 percent in 2024. Furthermore, the bank reported operating profit in excess of BDT 23,053 million, joining the exclusive club of banks in Bangladesh with this coveted financial indicator. The bank's proven strategy and strong balance sheet continues to support its medium-term financial ambitions.



Enterprise risk management



CFO's communication to shareholders



# OUR BUSINESS MODEL

## Capital Inputs



### Human

- Full Time Employees: 5,321
- Women in Workforce: 1,193
- Average Training: 27 Hrs/Employee
- Salaries and Benefits: BDT 8,935 mn



### Financial

- Balance Sheet Size: 697,349 BDT mn
- Shareholders Equity: BDT 45,818 mn
- Total Deposits: BDT 514,204 mn
- External Borrowings: BDT 26,063 mn



### Intellectual

- Trusted Bank for 3 Generations
- Strong Digital Footprint
- Recognized Brand Image
- In House Innovation Competitions



### Infrastructure

- Number of Branches: 134
- Sub-branches: 52
- SME unit Offices: 232
- ATM/CDM: 453
- Agents Outlets: 480
- Digital Banking Ecosystem: CityTouch for individual customers and City Live for Corporate Customers



### Natural

- Consumption of Natural Energy
- Solar Energy Capacity in 2024: 50.02 kW



### Social and Relationship

- Investment in CSR: BDT 79.9 m
- Partnership with Government entities
- Valuing both internal and external stakeholders
- Strong relationship with clients

### Key Driving forces of the Business Model

- Macroeconomic Environment
- Digital Landscape
- Regulatory Impact
- News and Public Perception
- Knowledge Based Skills Development
- Governance, Compliance and Conduct
- Environmental, Social and Governance (ESG) Factors

### Key Risks

- Credit Risk
- Market Risk
- Operational Risk
- Liquidity Risk
- ML&TF Risk
- Cyber Security Risk

### Strategies and Resource Allocation

- Credit Risk Mitigation Strategy
- CASA Focus
- SME Portfolio
- Technology Driven
- Green Finance
- Cross Selling

**Outlook**  
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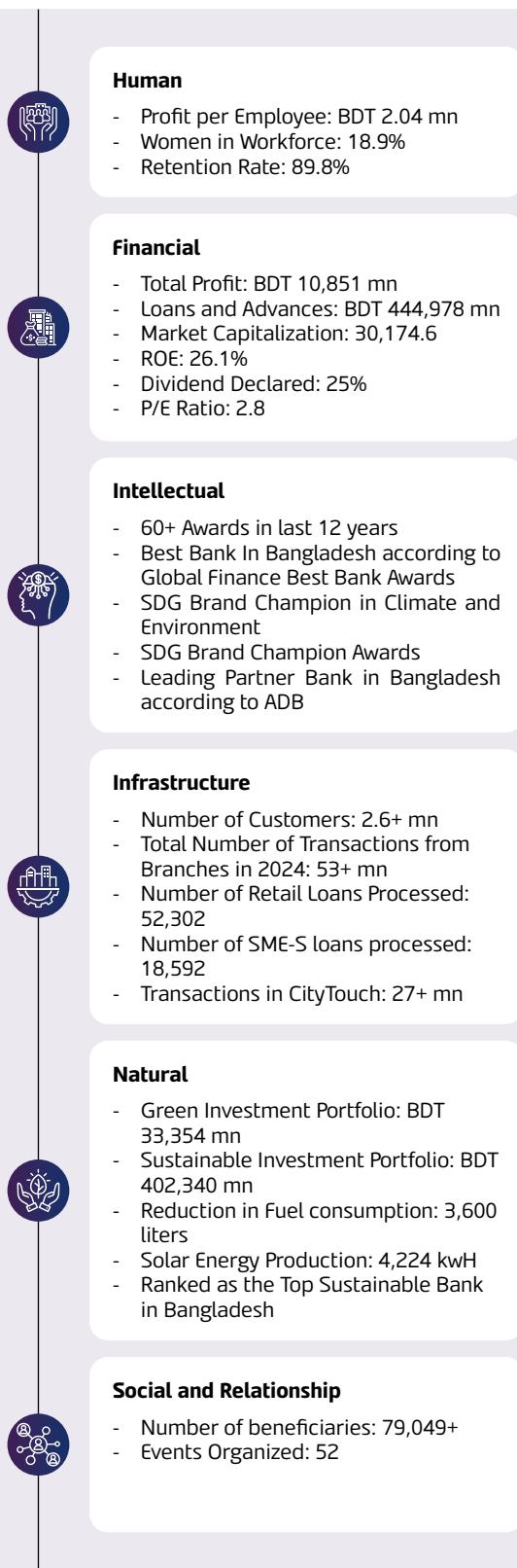
**Strategy & Resource Allocation**  
Page: 96

**Risk Management**  
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## Our Outputs



## Stakeholders Impacted



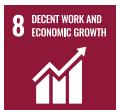
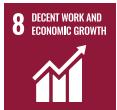
## SDG IMPACTED





# CAPITALS REPORT

## Bank's Capitals at a Glance

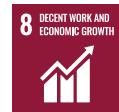
CAPITAL DESCRIPTION	MANAGEMENT APPROACH	MATERIAL TOPICS	STRATEGIC AREAS OF FOCUS IN 2024	KEY SDGs IMPACTED
 <b>FINANCIAL CAPITAL</b>  Financial capital provides the foundation for the bank to achieve customer and stakeholder value.	The bank's approach to managing financial capital is underpinned by: <ul style="list-style-type: none"><li>• Financial inclusion and participation</li><li>• Shareholder value creation</li><li>• Contribution to public service and welfare</li></ul>	<ul style="list-style-type: none"><li>• Shareholder value</li><li>• Growth with caution</li><li>• Stringent underwriting while also considering E&amp;S risks</li></ul>	<ul style="list-style-type: none"><li>• Rigorous surveillance on asset-liability portfolios</li><li>• Liquidity enhancement</li><li>• Prudent loan portfolio enhancement</li><li>• Green and sustainable finance</li></ul>	 <b>8 DECENT WORK AND ECONOMIC GROWTH</b>  <b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>
 <b>HUMAN CAPITAL</b>  Human capital is the bank's biggest and most valuable asset. The bank's success over the past years is built on its people and their commitment to meeting the objectives of the bank.	The bank's approach to managing human capital is underpinned by: <ul style="list-style-type: none"><li>• Continuous investment to create a robust work environment that will equally challenge and motivate employees</li><li>• Constant exposure to best practices through training and upskilling exposures</li><li>• Performance and compensation benchmarking</li></ul>	<ul style="list-style-type: none"><li>• Talent management</li><li>• Learning and development</li><li>• Employee engagement</li><li>• Employee financial security and wellbeing</li><li>• ABAC practices</li></ul>	<ul style="list-style-type: none"><li>• Career advancement</li><li>• KPI mapping and productivity</li><li>• Strengthening gender diversity</li><li>• Ensuring transparency and inclusivity</li></ul>	 <b>5 GENDER EQUALITY</b>  <b>8 DECENT WORK AND ECONOMIC GROWTH</b>
 <b>INTELLECTUAL CAPITAL</b>  Intellectual capital constitutes the bank's depth of experience that creates strategic brand differentiation and adaptability to varying market conditions. It also comprises brand goodwill as a highly valuable intangible asset of the bank.	The bank's approach to managing intellectual capital is underpinned by: <ul style="list-style-type: none"><li>• Development of new marketable products and services</li><li>• Delivering of strategic action against specific events</li><li>• Strong IT security for business and operational continuity</li></ul>	<ul style="list-style-type: none"><li>• Corporate brand image and goodwill</li><li>• Information security</li><li>• Business continuity planning</li></ul>	<ul style="list-style-type: none"><li>• Bolstering brand positioning as a stable and reliable bank for the public</li><li>• Improving alignment with best practices in ESG</li><li>• Strengthening IT systems with redundancy</li><li>• Network security through advanced surveillance tools and techniques</li></ul>	 <b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>



CAPITAL DESCRIPTION	MANAGEMENT APPROACH	MATERIAL TOPICS	STRATEGIC AREAS OF FOCUS IN 2024	KEY SDGs IMPACTED
 <b>MANUFACTURED CAPITAL</b> <p>Manufactured capital represents the infrastructure and interface points that enable the bank to deliver its products and services that create customer and financial value.</p>	<p>The bank's approach to managing manufactured capital is by:</p> <ul style="list-style-type: none"> <li>• Widening its branch and service footprint</li> <li>• Strengthening backend technology to securely cover the network</li> <li>• Advancing digitalisation to provide customer convenience and bank access even in remote areas</li> </ul>	<ul style="list-style-type: none"> <li>• Physical channels, including branch, sub-branch and ADC network</li> <li>• Digitalisation agenda anchored on modernisation, innovation and customer convenience</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening core IT infrastructure</li> <li>• Adding new features and functions to the Citytouch app and internet banking</li> <li>• Digital customer on-boarding</li> <li>• Organising financial literacy and awareness drives</li> </ul>	 <b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>
 <b>SOCIAL AND RELATIONSHIP CAPITAL</b> <p>Social and relationship capital refers to the essential stakeholder relationships that are necessary for mutual benefit and which give us the right to operate.</p>	<p>The bank's approach to managing social and relationship capital is underpinned by:</p> <ul style="list-style-type: none"> <li>• Investing time and effort to build and maintain strong relationships with all stakeholders</li> <li>• Earning the respect of the community and wider society through effective CSR and other interventions</li> </ul>	<ul style="list-style-type: none"> <li>• Financial inclusion</li> <li>• Digitalisation</li> <li>• Local procurement</li> <li>• Citizenship and community uplift</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing customer access and convenience</li> <li>• Improving customers' digital experiences</li> <li>• Creating opportunities for new suppliers</li> <li>• Community empowerment and support</li> </ul>	 <b>17 PARTNERSHIPS FOR THE GOALS</b>
 <b>NATURAL CAPITAL</b> <p>Natural capital comprises the bank's use of natural resources. The bank however has a minimal impact on the environment as its activities are largely carbon non-intensive.</p>	<p>The bank's approach to managing natural capital is underpinned by:</p> <ul style="list-style-type: none"> <li>• Maintaining strong advocacy for sustainability and climate action despite a negligible carbon footprint</li> <li>• Making further progress in green and sustainable finance</li> <li>• Creating customer and employee awareness on environment-friendly practices</li> </ul>	<ul style="list-style-type: none"> <li>• Stringent management of the bank's own carbon footprint</li> <li>• Commitment to net-zero by 2050</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerating focus on ESG issues</li> <li>• Prioritising lending for decarbonisation of sectors and industries</li> <li>• Ensuring E&amp;S risk integration into credit decisions</li> <li>• Securing credit funds from multilateral and other institutions for channelling into green industries, etc.</li> <li>• Process automation for reduced paper use</li> </ul>	 <b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>  <b>13 CLIMATE ACTION</b>



# FINANCIAL CAPITAL



## Key themes addressed



Financial inclusion



Monetary policy transmission



Savings and investment



Industrialisation and economic growth

## Major Opportunity



Large unserved population



Product cross-selling



Fee and non-fund based income

## Key outcomes

**BDT 10,851 mn**

PAT

**26.1%**

ROE

**1.7%**

ROA

**BDT 8.06**

EPS

## Way forward

- Boost interest and fee-based income and strengthen the asset base
- Minimise maturity mismatches between assets-liabilities to optimise liquidity and control fund cost
- Reduce operating expenses through measures such as automation, productivity enhancement, etc.
- Safeguard quality of the asset portfolio through enhanced surveillance and intensified collections



S1 and S2 disclosures are given on pg 268



## FINANCIAL ANALYSIS

### GROSS INCOME

#### Net interest income (NII)

City Bank's net interest income (NII) stood at BDT 14,490 million in 2024. While this reflects a moderation compared to the previous year, it comes against the backdrop of a challenging interest rate environment and regulatory tightening. Despite these headwinds, the Bank's strategic asset-liability management helped mitigate the impact of rising funding costs.

Interest income remained resilient due to timely re-pricing strategies and selective asset growth, partially offsetting the increase in interest expenses. As a result, the bank was able to expand its Net Interest Margin (NIM), which improved to 5.0% in 2024—up from 4.5% in 2023—demonstrating enhanced operational efficiency and a stronger focus on high-yielding assets. This reflects the Bank's ability to sustain profitability and asset quality, even in a high-rate cycle.

#### THREE-YEAR NII AND NIM TREND

Indicator	2024	2023	2022
NII (BDT mn)	14,490	15,831	12,359
NIM (%)	5.0	4.5	3.7

#### Fee and commission income

Fee and commission income (non-fund based income) increased by 19.4% in 2024 in comparison to the previous year due to higher income from credit and trade-related activities. Fees earned from credit increased due to market demand, while the expansion in trade-related income is attributable to the combined impact of the buoyant commission rates applied to import-related transactions as well as the appreciation of the BDT against the USD. Meanwhile, fees generated through cards, electronic channels and remittance-related activities recorded strong growth too as compared to the previous year. Fees from trade-related activities remained among the largest contributor to net fee and commission income, followed by cards.

#### Investment income

The bank registered investment income of BDT 16,615 mn in the year under review, reflecting over 200% increase over the prior year due to prudent management of Treasury bills and bonds.

#### Total operating income

Total operating income of BDT 39,536 mn in 2024 implied a 43.2% increase compared to the previous year, mainly as a consequence of higher NII and improved exchange-related income owing to the aforementioned reasons.

#### Three-year operating income trend (BDT mn)

2024	2023	2022
39,536	27,606	24,588

### Net operating income

The bank's net operating income experienced a notable improvement of 70.8% from BDT 13,498 mn in 2023 to BDT 23,053 mn in the year under review.

#### Three-year net operating income trend (BDT mn)

2024	2023	2022
23,053	13,498	11,827

#### Operating expenses

Operating expenses witnessed a YoY increase of a controlled 16.8%, primarily driven by higher overhead costs stemming from inflation-induced cost hikes. Employee costs grew by 14% during the year owing to the annual salary increase. The bank's cost-to-income ratio reduced considerably from 51.1% in 2023 to 41.7% in 2024, led by much higher growth in income over expenses. Cost-to-income is a key ratio that determines the strength of the bank and reflects efficient management of all organisation parameters.

#### Three-year operating expenses trend (BDT mn)

2024	2023	2022
16,483	14,108	12,761

#### Taxation

Tax expenses saw an increase of BDT 2,419 mn, rising from BDT 4,529 mn in 2023 to BDT 6,948 mn in 2024. This growth is attributed to the impact of the overall expansion in the taxable value of income. The bank's tax rate stood at 39% during the year in review.

#### Profitability

Profitability remained strong as the bank's total profit before tax increased by 66.6% to BDT 17,799 mn. Despite the impact of higher tax expenses, the profit after tax (PAT) came in strongly for the bank, increasing by a substantial 76.4% to BDT 10,851 mn in 2024, up from BDT 6,151 mn in 2023. While higher net profit is due to improved performance of the bank, it is also ascribed to release of additional provisions during the year.

#### Three-year PAT trend (BDT mn)

2024	2023	2022
10,851	6,151	4,508

#### Assets

The bank's asset base experienced a YoY increase of 25.5%. The composition of the asset book shifted in the financial year in review due to the bank's strategic decision to adopt a cautious lending approach to the non-corporate segment. This remained a key de-risking measure to safeguard asset quality in a weak economic environment with elevated household/personal indebtedness and credit risk.

The bank's gross loan portfolio increased to BDT 444,978 mn as of the end of 2024, registering a 12.3% YoY growth. This was primarily due to increase in the corporate credit focus of the bank during the



year. The avg loan ticket size being higher in corporate segment was also a reason for the growth in the overall loan portfolio of the bank during the year.

Funds mobilised through deposits were directed towards short-term financial instruments, including government securities that helped the bank shore up its investment income. This strategy also helped the bank effectively deploy additional liquidity that enabled the accrual of sound yields.

## Liabilities

Overall liabilities witnessed a YoY increase of 25.7%, primarily driven by a sharp growth in the bank's deposit base, which expanded from BDT 392,510 mn in 2023 to BDT 514,204 mn in 2024. This growth mirrored the broader trend of strong banks attracting higher depositor funds in the wake of operational issues with weaker banks. The public perception of collapse remained high for some banks. Measures taken by Bangladesh Bank were noteworthy to prevent failure and bank run in.

City Bank's CASA (current account-savings account) ratio demonstrated strength, standing at a healthy level of 45.2% in 2024 (2023: 50.4%), reaffirming the success of initiatives to attract low-cost deposits. The decrease in total borrowings from BDT 59,504 mn to BDT 58,572 mn through diversified sources also played a role in the overall management of liabilities for the year under review.

Overall, success on the liabilities front is visible in the bank achieving significant growth in deposits that grew by BDT 121,694 mn while the cost of deposits stood 4.8% (2023: 3.5%).

## Equity

The bank's total equity strengthened in 2024, increasing by BDT 8,598 mn to reach BDT 45,818 mn as at 31st December 2024, mainly due to improved profitability recorded during the year.

## Dividend

The Board of Directors of City Bank recommended a dividend of BDT 2.5 per share for the financial year ended 31st December 2024, subject to the approval of shareholders at the forthcoming Annual General Meeting (AGM) to be held on 29th June, 2025.

## Capital and liquidity

The bank concluded the past financial year with all capital ratios showing improvement, as compared to the previous year. As at 31st December 2024, the bank's Tier-I and Total Capital ratios stood

at 11.7% and 16% respectively, compared to 11.0% and 15.8%, respectively, at the end of 2023. These improved ratios are due to enhanced profitability and reduction in risk-weighted assets.

All capital adequacy ratios (CAR) of the bank remained comfortably above the regulatory minimum requirement throughout the year. Similarly, with a liquidity ratio at 26.9% as at 31st December 2024, the bank exceeded the regulatory minimum requirement of 13%.

For more information, refer to Basel-III disclosures on [pg 250](#)

## Ratings

### Group performance

As a group, consolidated profit before tax for the year under review amounted to BDT 17,229 mn, with a profit after tax of BDT 10,143 mn, compared to BDT 11,086 mn and BDT 6,385 mn, respectively, in 2023. This reflects satisfactory performance by the subsidiaries of the bank during the year.

For more information, refer to the chapters on subsidiary performance on [pg 490](#)

### Preparedness towards IFRS S1 and S2 disclosures

ISSB (International Sustainability Standards Board) had issued its first two sustainability reporting standards in mid-2023, outlining the following for disclosing sustainability information:

- General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1), which establishes the core framework for the disclosure of material information on sustainability-related risks and opportunities across an entity's value chain
- Climate-Related Disclosures (IFRS S2), which is the first thematic standard and sets out requirements for entities to disclose information about climate-related risks and opportunities

City Bank has been declared among the top sustainable banks in Bangladesh for three years in a row. This reflects our commitment to sustainability and inclusive finance. Further, we are desirous of disclosing our sustainability standards and workings as per international frameworks and to this extent we have reported on S1 and S2 standards in this Annual Report. As we make progress and build further capacity on sustainability, we stand committed towards full disclosures in the spirit of achieving progress and information transparency.



# MANUFACTURED CAPITAL

## Key themes addressed



Digitalisation and  
digital innovation



Bank access to  
customers



Local economy  
development

## Major opportunities



Network consolidation  
and productivity



Acceleration of digital  
adoption

## Key outcomes

**134**

Branches

**52**

Sub-branches

**453**

ATMs & RATMs

**480**

City Agent outlets

## Way forward

- Enhance reach through augmenting bank network
- Focus on network productivity and consolidation
- Reinforce branch surveillance for safeguarding against any ABAC breach, etc.
- Ensure modern and secure experience on digital app

## Branch network

City Bank's branch network comprises 134 full-service branches spread across 64 districts of the nation and forms the foundation of the bank's operations. Having invested in optimising its country-wide branch footprint over the years, the bank has maintained a conservative approach towards branch expansion, focusing rather on consolidating and strengthening the existing network through strategic adjustments and efficiency improvements across both backend and frontend operations.

Ongoing efficiency improvements undertaken during the year were aimed at further enhancing digitisation and automation across the branch network with a view to improving the customer experience while ensuring safe and secure financial operations. Consequently, investments were made under branch digitisation, especially those with high daily footfall.

The initiative to further streamline branch back-office functions also gathered momentum this past year with upgradation to technology. This allowed branch front office teams to expedite account opening,

which cut down the time spent by customers at the branch to complete the required paperwork and process. This also aided the financial inclusion agenda.

City Bank has a large network of sub-branches too that brings banking services to people's doorstep and represents a step forward in financial inclusion. The bank's sub-branch network primarily comprises a business centre that is similar to a bank branch but on a smaller scale and provides a limited range of banking services. It constitutes a low-cost business hub operated under the control of a full-fledged branch of the bank. As a result, through the sub-branch network, the bank is also able to dispense low-cost banking services to different corners of the country, adding a new dimension to banking. Through this network, the bank has been able to develop new customer segments, hence increasing the flow of deposits, investments and remittances.

The bank has 7 Citygem centers located in Dhaka and Chattogram. These centers have been exclusively created for Citygem customers and comprise plush experiences suited to this customer set. The Citygem program had around 9,581 customers at the end of the year 2024, growing upwards from 8435 customers in the previous year.



## Physical network

Network	2024	2023	2022
Branches	134	134	133
Sub-branches	52	40	12
Citygem centers	7	7	7

## ATM/RATM network

Over the years, City Bank has systematically grown its bank network through a combination of on-site ATMs at branches and off-site ATMs anchored in strategic locations around the country. Today, ATMs are an indispensable customer touch-point and has proven to be a highly effective source for delivering the bank's value proposition to the mainstream market.

Given that ATMs are playing an increasingly important role as a distribution channel, the bank places strong emphasis on continuously upgrading and expanding this network. City Bank was also the first bank in Bangladesh to install an RATM back in the year 2020. Through this infrastructure, both customers and bearers can deposit money in real-time at any City Bank account on a 24x7 basis. In 2024, the bank had a total of 453 ATMs & RATMs spread throughout the country, with 38 new ATMs & RATMs installed during the year. This establishment took the bank further towards the doorstep of customers.

## ATM/RATM network

Infrastructure	2024	2023	2022
ATM & RATM	453	415	351

## ATM/RATM transaction volume (BDT bn)

Infrastructure	2024	2023	2022
ATM & RATM	371	295	168

## City Agent banking

The agent banking model is the latest addition to City Bank's channel architecture. As at 31st December 2024, the bank had 480 Agent Banking outlets that were authorised to engage in providing basic banking services to the unbanked and underbanked rural populations of the country. This network is present across all 64 districts of the nation.

Since its launch, the agent banking network has been well-received by the target market and has continued to gain traction and acceptance, as evidenced by the improving performance observed every year. While total deposits have grown at a 22.2% three-year CAGR, loans disbursed has expanded to 15.8% over the same period. The bank's agent network is also a crucial channel for remittances due to its hinterland location that is the destination of much of the remittances coming into the country. The network has thus played a role in government thrust on channelising remittances through the legal route, while it has also ensured greater financial participation of recipients through offering loan against remittances, etc.

Through the City Agent Banking network, the bank is striving to position the service as a key touchpoint where customers, especially those who are financially dis-included, can easily obtain basic banking services such as cash deposits, withdrawals, remittances, etc.

## Digital banking

Our focus on digitalisation and digital banking contributes significantly to the future of banking in Bangladesh by shaping the innovative

processes that underpin our operations, fostering a culture of continuous improvement and adaptability and enriching customer experiences.

Due to the growing demand for online banking, the expectation from the banking industry to enhance customer experiences through digital innovation has progressively increased. This is more pronounced in Bangladesh as the nation has just embarked on the digital highway. To meet these expectations, City Bank has adopted a digital-centric approach by simplifying the digital banking experience and creating a seamless interaction between the human and digital banking platforms

In this regard, the Citytouch digital app and internet banking platform is a seamless, simple, swift and secure ecosystem that offers corporate and consumer banking customers with easy access to a wide range of banking transactions, information and customer-centric products while empowering our staff through digital applications which can provide customer resolutions faster.

Launched in the year 2013, Citytouch is the first mobile banking app of Bangladesh and has evolved today as a one-stop digital banking solution for customers throughout the country. Customers can avail many transaction-related services, such as fund transfer to any bank account, fund transfer to major MFS wallets, mobile recharge, utility bill payment, Bangla QR merchant payment, cardless ATM withdrawal, etc. Besides this, many account and card-related services have also been digitized through Citytouch, including FDR and DPS opening, cheque book requisition, cheque stop instruction, card activation, card PIN reset, contact information change and more.

City Bank has always prioritised the security of applications used by its customers while developing any digital product. Citytouch ensures the highest level of Information security through multi-factor authentication for every transaction.

Citytouch is used by 55,733 customers daily with high frequency, indicating increasing habituation with the service. The app provides a plethora of services and has also been integrated with several third-party APIs that opens up further convenience to customers. Moreover, the bank has also developed a number of other innovations that ensure high customer convenience while also ensuring cashless payments, etc. More than 76,135 transactions take place every day through Citytouch comprising a transaction volume of BDT 2,659.6 mn. Moreover, till date, 106,644 DPS and 62,280 FDRs have been opened through Citytouch, saving significant paperwork for the bank.

Our focus on digital further serves as the linchpin in our organisational framework, exerting a significant influence on numerous critical components. It plays a pivotal role in nurturing our human capital, while empowering our workforce with the skills and knowledge required to navigate the evolving digital landscape.

Our robust digital feedback systems and journey management processes tagged to all our digital solutions ensure meticulous evaluation of customer feedback and behaviour, empowering our customers to enhance productivity and thrive with our continuously improving digital solutions.

	Citytouch digital app
	Citytouch internet banking
	Smart ATMs
	Smart statements



# HUMAN CAPITAL



## Key themes addressed



Employment generation



Upskilling and specialisation



Diversity and inclusion



Wellbeing, health and work-life integration

## Major Opportunity



Employment formalisation



Talent specialisation



Productivity enhancement

## Key outcomes

**5,321**

Total permanent employees

**1,193**

Female employees

**BDT 8,935 mn**

Value disbursed to employees

**89.8%**

Staff retention

**185,703**

Total training hours

**1,115**

Employee promotions

**38**

Avg. organisational age

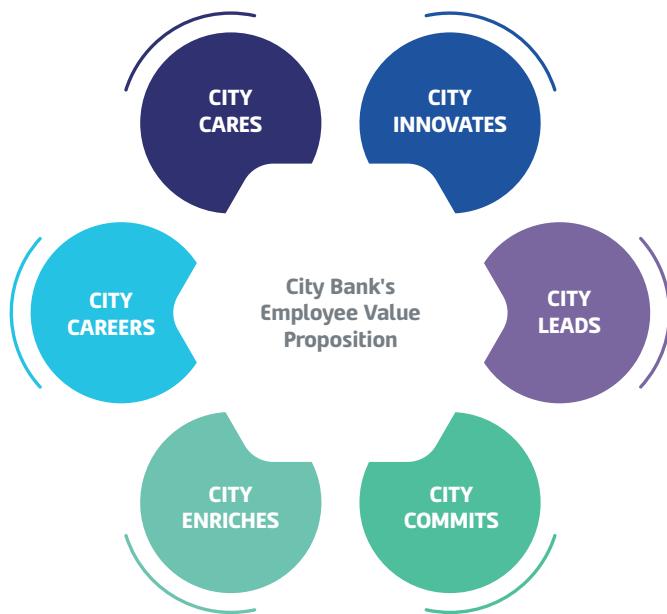
## Way forward

- Increase training and capacity building to strengthen the customer-first culture across the bank
- Undertake continuous improvement of employee value proposition
- Strengthen the performance-based culture across the bank and provide growth opportunities for career advancement
- Invest in building talent pipeline
- Focus on diversity, inclusivity and equal pay for all

## Powering Growth, Empowering Excellence

At City Bank, our employees are the foundation of our success. We are committed to fostering a workplace that not only attracts top talent but also nurtures and retains it. In this regard, our Employee Value Proposition (EVP) is built upon six foundational pillars, each reflecting our commitment to creating an environment where our team members can thrive, both personally and professionally. This is the basis of our focus on powering the bank's sustainable performance and growth through empowering excellence in everything we do.

### City Bank's Employee Value Proposition



#### City Cares

We prioritize the well-being of our employees and their families. Recognizing that a supportive environment is crucial for personal and professional growth, we have instituted comprehensive wellness programs. These initiatives are designed to promote physical health, mental well-being and work-life balance, ensuring our team feels valued and supported in all aspects of their lives.

#### City Innovates

Innovation is at the heart of City Bank. We cultivate a culture where creativity and forward-thinking are encouraged. Employees are empowered to voice their ideas and contribute to projects that are not only milestones for the bank but for the nation too. By providing platforms for experimentation and continuous learning, we ensure that innovation thrives, keeping us at the forefront of the banking industry.

#### City Leads

Leadership development is a priority at City Bank. We believe in inspiring leadership from within by offering mentorship programs, leadership training and clear career progression pathways. Our decentralisation and open-door policy ensures that all employees have access to the senior leadership, fostering transparency and collaborative decision-making.

#### City Careers

We believe in empowering our employees by providing a structured career development framework that nurtures growth and progression. We offer diverse opportunities for professional advancement through leadership programs, skill-building initiatives and cross-functional exposures. Our internal mobility policies ensure that employees can explore new roles within the organization through lateral placements, aligning with their aspirations and potential. With a culture of meritocracy and continuous learning, we are committed to shaping long-term careers, enabling our people to thrive in a dynamic banking industry environment.

#### City Enriches

City Bank is dedicated to enriching the professional lives of our employees through providing continuous learning and development tools and opportunities. We offer a wide array of educational programs and resources. These initiatives are designed to enhance skills, foster personal growth and ensure our team remains competitive in our bid to always remain prepared for the future.

#### City Commits

Our commitment extends beyond banking. We are dedicated to upholding our organizational values, empowering female leaders and promoting sustainability. Through various CSR initiatives and a focus on ethical practices, we strive to make a positive impact on our community and the environment around us.

City Bank's EVP is more than a statement; it is a promise to our employees. By embracing these six pillars, we create a dynamic and supportive environment where excellence is nurtured and careers are built. Together, we are not just building a bank; we are building a community committed to innovation, leadership and positive change.

#### Human Capital Management

City Bank's strong corporate governance standards are supported by effective Human Capital Management, resulting in a skilled and strategically-aligned workforce that values ethics and integrity above all else.

By attracting, retaining and developing top talent, the bank ensures that employees have the expertise needed to navigate job complexities, comply with regulations and prioritize ethical behaviour. Moreover, Human Capital Management practices ensure that employee goals align with the bank's long-term vision, fostering a culture of transparency and accountability. This alignment helps employees understand their roles in upholding City Bank's governance framework. Investing in our workforce facilitates the bank to make informed decisions, manage risks effectively and operate within the perimeter of its governance framework. This approach builds trust with stakeholders and ensures the bank's long-term performance and sustainability.

#### Merit Based Recruitment

City Bank has implemented several innovative programs and initiatives designed to cement its employer brand and attract the right talent. Such signature programs include campus hiring events, management trainee recruitment, intern recruitment, "Meet the CEO" program, "Spotlight", "Ace the Interview", etc. These programs not only help in facilitating talent recruitment but also in building a strong connect with people while providing them a clear pathway for career progression.



## Management Trainee Program

The bank's Management Trainee (MT) program is essential for developing future leaders. In 2024, the bank recruited 36 Management Trainees. Key objectives of the program include:

- Building a consistent pool of leadership talent
- Attracting top graduates to enhance the bank's reputation as an employer of choice

## Succession Planning

Our succession planning strategy is anchored on nurturing talent and grooming them for the future. As part of this process, we look for talent from within via ensuring efficient job design, providing multiple internal development opportunities and also through a smart organizational structure to maintain the succession planning process. Our objective is to have a well-designed succession planning framework for the employees, as discussed below:

### Successor identification process:

- Managing Director & CEO: Managed by the Board of Directors
- Senior Management Team (SMT) and other Management Committee (MANCOM) members: Managed by the Head of HR with guidance from the MD & CEO
- Other Functional Heads:
  - Key roles in the top and senior levels: Managed by HR in consultation with the respective Divisional Head with approval from the MD & CEO (till divisional head -1 level)
  - Any other key roles: Managed by the respective Divisional Head in consultation with HR with approval from the MD & CEO

### Factors considered for succession planning:

- Unique role vs multiple incumbents
- Cost of filling the vacancy in terms of time and hiring cost considering:
  - Internal bench strength
  - Availability / demand of the skill or experience externally

### Other factors that are considered:

- Impact on the business, e.g. revenue, customer service or day-to-day operations. For e.g., if this role is vacant, what would be the impact on relevant tasks
- Classify the impact based on extent such as high, medium and low.

## Performance Management and Promotion

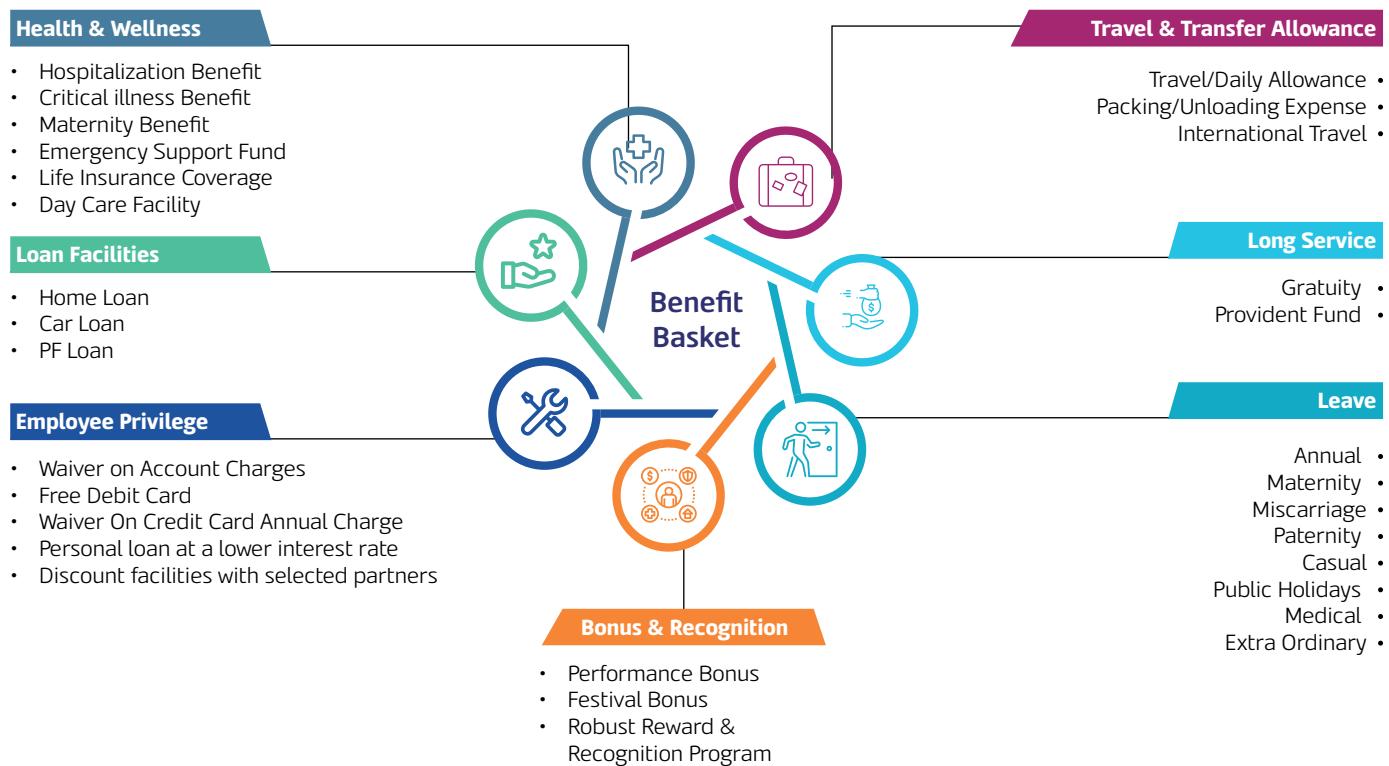
At City Bank, we are committed to fostering a "result driven" culture, ensuring that high performance is recognized and rewarded. Our performance management process aims to:

- Acknowledge exceptional performance to drive a culture of excellence
- Provide ongoing support to enhance employee performance through continuous feedback, coaching, counselling and training
- Address consistent underperformance according to the organization's established performance management standards and policies

Further, promotions at City Bank are based solely on merit, driven by role expansion, increased responsibility and greater scope of work.

## Employee Benefits

City Bank emphasizes fair compensation standards and comprehensive benefits for employees, continuously aligning packages with industry standards. Key offerings include:





**Hospitalization Insurance:** All permanent employees, their spouses (up to age 59) and children (up to age 22) are covered under the Group Hospitalization Insurance Plan. Claims can be processed through a Guarantee of Payment or online, with an average settlement time of 15 days. As of December 31, 2024, a total of BDT 54.04 million had been disbursed in claims.

**Critical Illness Coverage:** The bank launched critical illness coverage for employees in 2024, offering protection against 18 critical diseases. This benefit provides a one-time payout of BDT 5 lac, ensuring that our employees feel supported and cared for during life's unforeseen challenges.

**Group Life Insurance:** From the date of joining the organisation, all permanent employees are entitled to Group Life Insurance coverage. In the unfortunate event of an employee's death, benefits are paid out to the designated nominee(s). For accidental deaths, the benefit amount is doubled with regular coverage. Coverage ranges from BDT 6 to 30 lakhs. Additionally, COVID insurance benefits are provided too, ranging from BDT 25 to 50 lakhs depending on job grade.

**Emergency Support Fund (ESF):** ESF provides financial assistance for 16 critical health emergencies, such as cancer, heart attack and major organ transplants. While membership is optional, it is necessary to access the funds. ESF is contributory, with the bank contributing double the amount that employees contribute. In 2024, the bank disbursed BDT 57.35 mn, bringing the total expenditure under ESF to BDT 189.46 mn since 2020.

**Staff Loans:** Staff loans offer financial assistance to employees through various schemes, such as car loans for purchasing vehicles, home loans for constructing or buying homes and Provident Fund loans that allow borrowing against their saved Provident Fund. These loans can be availed at favourable terms, lower interest rates and flexible repayment options, designed to support employees' financial goals and stability. By availing these benefits, employees can achieve significant milestones in their lives while still ensuring effective financial management.

**Health and Wellness:** Under this, the bank provides regular sessions on physical and mental health awareness, periodic blood donation camps and telemedicine services.

**Sports and Activities:** In 2024, the bank organised a variety of sports and recreational activities to foster teamwork, wellness and employee engagement. We organized our own internal football and indoor games tournaments, providing employees with a fun and competitive platform to showcase their talents. These events helped to promote a sense of unity and healthy competition within the organization.

Additionally, the bank took part in 10 corporate tournaments throughout the year, competing against other teams and strengthening our presence in the corporate sports scene. These tournaments not only allowed us to represent our bank on a broader stage but also facilitated networking opportunities and encouraged

collaboration with other industry professionals.

**Employee Engagement:** The bank organizes regional meetups, prioritize leadership accessibility through an open-door policy, offer continuous learning opportunities, support work-life balance initiatives and promote diversity through targeted workshops and feedback sessions.

**Maternity Leave:** The bank offers 6 months of full-pay maternity leave, available twice, providing new mothers with ample time for recovery and bonding with their newborns.

**Day Care Facilities:** Conveniently located in the Gulshan, Niketan and Motijheel, we have partnered with professional daycare services to provide a safe and nurturing environment for employees' children. The bank covers 65% of the daycare costs. We are also actively seeking partnerships to expand these services to more locations, ensuring that more parents have access to quality childcare facilities near their workplace.

**End Service Benefits:** End service benefits include Provident Fund, Gratuity Fund and Leave Encashment, which are designed to provide financial security to employees after their service ends with the bank.

**Rewards and Recognition (R&R):** In 2024, the Bank honoured as many as 4,677 employees for their exceptional contributions and achievements through the R&R program. This initiative was specifically designed to enhance employee morale, encourage outstanding performance and foster a culture of excellence. By acknowledging the hard work and dedication of its employees, the program aims to motivate employees to continue performing at their best. To support these efforts, the bank expended BDT 32.10 mn in 2024 in R&R, underscoring its commitment to employee satisfaction and overall organizational success.

## Coaching Counselling Culture

City Bank promotes a holistic approach to people management that balances fairness and compassion with sustained high performance. Line Managers support employees whose performance is declining, helping them get back on track. In 2023, the bank updated its performance management policies, including the Performance Improvement Policy, and revamped processes for goal-setting and evaluation. This has fostered a culture of fairness and improved performance across the organization.

## Learning & Development

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

## City Shikhi: Digital Learning Management System

The bank has developed its own Digital Learning Management System, "City Shikhi", to promote digital learning among employees. It also empowers employees by providing them with access to a wide range of training content through a single platform. City Shikhi can be accessed from even the outside networks of City Bank, hence ensuring that learning can happen at employees' comfort and pace in respect to time and venue. City Shikhi also accommodates a knowledge library with numerous banking books, journals, regulatory circulars and internal process documents to keep employees updated as well as to upskill them to meet the evolving 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 mark of recognition. By utilizing this platform, we aim to empower our workforce with the knowledge and skills necessary to enhance their performance and contribute to the overall success of the bank. This initiative reflects our commitment to investing in our employees' growth and fostering a culture of learning and innovation within the bank.



## Area Specific Training Programs

Sl.	Area of Training	No. of Participants in 2024
1	Foreign Trade	1,208
2	Anti-Money Laundering	4,219
3	Information & Communication Technology	1,404
4	General Banking & Cash	968
5	Shari'ah Compliance	2,018
6	Banking Laws and Regulations	240
7	Banking Operations & Compliance	1,782
8	Investments	680
9	Foundation Course	871
10	ISS Reporting	1,178
11	Others	30,524
<b>Total Number of Participants</b>		<b>45,092</b>

## Area Specific Training Programs

	2024	2023
Training Hours	185,703	101,930
No. of Participants	6,848	6,217
Average Training	27 hours/ employee	16 hours/ employee

## Diversity in Workforce

At City Bank, fostering an inclusive and enriching workplace is a top priority recognizing the uniqueness of each team member. The organization is dedicated to promoting diversity and inclusion (D&I) as a strategic cornerstone, cultivating a sense of belonging and empathy. Efforts in this regard include implementing flexible work arrangements to attract individuals from diverse backgrounds, thereby facilitating a wide range of perspectives and ideas for improved decision-making.

The D&I agenda extends beyond employees to encompass customers, suppliers and communities too, ensuring equal opportunities and representation. City Bank aims for 20% female representation in its workforce by 2027; in 2024, female representation reached almost 20% (1,193 females), up from 18% (1,044 females) in 2023. Additionally, among its 5,321 employees, 88% identify as Muslims and 12% belong to other religions, contributing to a copious diversity mix that mirrors its customer base.

City Bank empowers people from all aspects of life to bolster a more diversified and inclusive workforce. In this regard, the bank hires especially-abled and from the ethnic minority groups, providing them equal opportunity to thrive in a fast-paced organization. City Bank is also committed to implementing a comprehensive set of standardized HR policies and procedures that cover all aspects of HR management. These regulations provide a well-defined framework for HR operations and decision-making, making internal procedures easier to manage.

## Governance and Justice System

City Bank's HR policies encompass a broad spectrum of areas, focusing on creating a fair, supportive and growth-oriented work environment. These include transparent recruitment processes

aimed at attracting diverse, qualified talent, and effective retention strategies that prioritize employee development, recognition and competitive compensation.

The bank emphasizes on continuous training and development to enhance both technical and leadership skills, while its performance management system aligns individual goals with organizational objectives through regular feedback and reviews. Employees receive competitive salaries, multiple allowances and comprehensive benefit packages.

The bank upholds a strong ethical framework through its Code of Conduct (CoC), ensuring integrity and professionalism. Additionally, the disciplinary and grievance management policies ensure fair handling of performance issues and complaints. The bank also maintains a zero-tolerance stance on sexual harassment through its Prevention of Sexual Harassment (POSH) policy, and supports whistleblowing with a secure mechanism for reporting unethical behaviour without fear of retaliation. These policies collectively promote an inclusive, respectful and thriving workplace.

## Health and Safety

At City Bank, we prioritize the health and safety of our employees as a core aspect of our operational responsibility. In 2024, we formulated Occupational Health, Safety & Environment (OHS&E) Framework in the bank. This ensures comprehensive safety measures are in place, including both physical and technical surveillance systems across all premises to mitigate potential security threats. To reinforce a culture of vigilance and proactive safety, we conduct regular mock drills aimed at enhancing our employees' preparedness and response to any security threats.

Our approach integrates health and safety as critical business functions, with continuous assessments and improvements to safeguard the well-being of all employees. This includes maintaining high standards of hygiene and ensuring clean and sanitary work environments to promote employee health. Through consistent monitoring, reporting and rolling evaluations, we remain committed to fostering a safe and secure workplace.

## Digitalization of HR Processes

City Bank is committed to fostering a paperless and high-tech office environment.

To streamline the onboarding experience, we have developed a dedicated employee onboarding portal that accelerates the joining process, ensuring a seamless and positive experience for new hires. For our employees, we continually strive to enhance the efficiency of HR processes, offering user-friendly, fast and effective services.

Key HR functions, such as leave management, attendance, transactional services and employee separations are fully automated through PeoplesHR, our HRMS software, enabling a self-service model. Additionally, our payroll process, PF fund management and employee tax card systems are entirely automated, ensuring smooth and accurate operations. We have also digitalized all HR policies and made them available online, ensuring quick, easy and anytime access for our employees.

We have developed and fully implemented an advanced, automated employee learning portal, City Shikhi, which is designed to provide seamless access to training and development resources. This platform can be accessed from any location, network, or device, ensuring that employees have the flexibility to learn at their own pace. The purpose of City Shikhi is to foster continuous professional development by offering a wide range of learning modules, courses and resources tailored to the needs of our employees.



## Employee Position

Management Group	2024	2023	2022	2021
Top Management (MANCOM)	21	19	19	19
Senior Management (VP-SEVP)	332	284	227	198
Mid Management (SEO-SAVP)	1,258	1,181	1,168	1,085
Junior Management (AO-EO)	3,484	3,227	3,181	2,945
Support Staff	226	250	269	290
Grand Total	5,321	4,961	4,864	4,537

## Employee Type

Year	2024			2023			2022			2021		
Employee Group	Male	Female	Total									
Top Management (MANCOM)	18	3	21	17	2	19	17	2	19	17	2	19
Senior Management (VP-SEVP)	304	28	332	262	22	284	213	14	227	185	13	198
Mid Management (SEO-SAVP)	1,079	179	1,258	1,008	173	1,181	1,016	152	1,168	951	134	1,085
Junior Management (AO-EO)	2,842	642	3,484	2,686	541	3,227	2,664	517	3,181	2,457	488	2,945
Support Staff	226		226	250		250	269		269	290		290
Grand Total	4,469	852	5,321	4,223	738	4,961	4,179	685	4,864	3,900	637	4,537

## Gender-wise Employee Position

Particular	2024	2023	2022	2021
Total employees	5,321	4,963	4,866	4,539
Growth	7%	2%	7%	-
Women in the workforce (%)	18.9%	18%	17%	17%

## Employee Distribution:

a. Region-wise position:

Region	No. of Offices	Employees	(%)
Dhaka Division	130	3,641	68%
Outside Dhaka Division	128	1,680	32%
Total	258	5,321	100%

b. Branch Vs Corporate Head Office:

Employee Group	Head Office	Branches	Grand Total
Top Management (MANCOM)	21		21
Senior Management (VP-SEVP)	215	117	332
Mid Management (SEO-SAVP)	560	698	1,258
Junior Management (AO-EO)	1,255	2,229	3,484
Support Staff	57	170	226
Grand Total	2,108	3,213	5,321

## Age Group-Wise Position:

Age Group	Male	Female	Total-2024	Total-2023
Below 30 Years	762	288	1,050	950
31 to 35 Years	1,207	253	1,460	1,339
36 to 40 Years	950	140	1,090	1,022
41 to 45 Years	746	84	830	780
46 to 50 Years	364	68	432	374
51 to 55 Years	226	16	242	251
56 to 60 Years	214	3	217	199
Total	4,469	852	5,321	4,963



# SOCIAL AND RELATIONSHIP CAPITAL

## Key themes addressed



Economic value



Community uplift

## Major opportunities:



Reinforcing stakeholder trust

## Key outcomes

**BDT 79.9 mn**

CSR spends

**79,049+**

CSR beneficiaries

**100%**

Customer complaint  
resolution

## Way forward

- More closely understand stakeholder material matters
- Enhance customer engagement through digital mediums
- Provide effective solutions to support community uplift

## Innovating for our customers

As one of the largest private-sector bank in Bangladesh, City Bank has a large customer base in the country's financial services sector with over 2.6+ mn customers representing a good proportion of the total population. This includes a large share of Bangladesh's migrant worker community, many large blue-chip organisations providing essential products and services to the public, and a large base of MSMEs that form the bedrock of the nation. In addition to its core banking propositions, City Bank is also a vital link in the delivery of social welfare funds by the government to underserved communities, making social responsibility and service an integral component of the bank's business model.

Innovation has always been at the heart of City Bank's approach to transform the banking experience for both corporate and retail customers. Reiterating our commitment to continuous innovation, the bank has undertaken product re-engineering, revamped channel architecture and updated back-end systems, all with the intention of enhancing customer convenience and improving customer accessibility. Over the past decade, City Bank has worked purposefully to increase customer digital adoption with the result that today, several thousands of customers interact via its digital platforms. Keen to keep this momentum going in 2024, the bank moved ahead with several unique initiatives designed to catalyse higher digital transaction volumes and grow digital banking adoption which is one of the most effective routes to financial inclusion as the country has a large and dispersed population.



## New customers

City Bank has been rapidly gaining new customer segments, especially in the mid-income and youth population categories that ensures a new generation of tech-savvy and aspirational customers coming into the fold. This cohort of customers is especially valuable as they are the consuming class and exhibit hopes of a better lifestyle and a better future. New digital products and services are attracting millennials and Gen Zs to the bank. This is a major factor taken into consideration in the formulation of new products and strategies. A case in point comprises Citypay, which is City Bank's QR code-based contactless payment service accepted at a large number of merchant outlets across the country. Another recent example is the CityGo service, a wearable NFC-based technology under which payments can be made on the go with just a tap. CityGo has found market traction, especially with the youth population of the country.

The bank also attracts high net worth customers through premium offerings under its Citygem priority banking program. It is targeted at HNI individuals and upwardly mobile customers. The offering is tailor-made and designed to accommodate the lifestyles and status of the target customers with preferential treatment and personalised services dished out, including wealth management solutions.

## Public value services

Through its financial offering for systematically important companies, City Bank provides valuable public services that support critical sectors of the economy, such as RMG, power and energy, agri and food, steel and cement, transportation and logistics, insurance, etc.

The bank also wheels development funding into micro and SMEs from bilateral institutions and also the central bank through the refinance window. It also channels welfare funds for underserved communities

and this was especially accentuated during the pandemic period. The bank and its branch network also cater to hundreds of thousands of individuals in their daily financial activities, while also organising awareness and education drives in the spirit of customer awareness and safety. The bank and its branches conduct many CSR activities too across the country throughout the year.

## Customer complaints

The bank has a grievance handling procedure in place and in the event of any dissatisfaction with its process, a customer has the option of escalating the issue to the relevant officials. Complaints are received through a 24-hour customer service facility and acted upon promptly. Employees are kept informed about customer complaints at monthly conferences and corrective action is decided upon to prevent recurrence through staff awareness, development of safeguard measures, etc.

For more information, refer to customer grievance resolution on [pg 124](#)

## Responsible market outreach

All marketing communications are formulated according to the bank's Customer Charter and Bangladesh Bank guidelines to ensure accuracy of information disseminated to the public regarding the bank's products and services with articulation of relevant information and terms and conditions (T&Cs). These are made available at branch outlets too. In addition, customers can obtain necessary information by connecting with our dedicated 24-hour call centre that provides live support, as well as the website. There have been no incidents of non-compliance concerning the bank's products and services information and labelling during the year.

For more information, refer to our material matters and stakeholders on [pg 69 and 74](#)



# INTELLECTUAL CAPITAL

## Key themes addressed



Banking sector stability



Customer trust

## Major opportunities



Digitalisation



New product innovation



Partnerships such as bancassurance

## Key outcomes



**9**

Awards won



**Zero**

Regulatory censures



**2 mn**

Facebook Followers



**0.2 mn**

LinkedIn Followers

## Way forward

- Strengthen City Bank brand as a reliable, safe and next-gen bank
- Upgrade technology infrastructure and systems to provide best-in-class customer experiences

## A bank people can trust

Solid business fundamentals, a continuous performance track record, an exemplary digital strategy and unmatched service quality standards have been the node of City Bank's ability to remain resilient and achieve its growth objectives, notwithstanding the economic challenges and a weak banking sector.

Today, City Bank is positioned among the top private banks in Bangladesh with total assets at BDT 697,349 mn and a market capitalisation of BDT 30,174.6 mn as on 31st December 2024. The equity value of the bank is in the range of BDT 45,818 mn. The bank also has sound credit ratings.

The bank's commendable journey has been the result of a constantly evolving brand strategy, helmed by a dynamic Board

and Management that reflects a very high degree of customer orientation. The bank has remained at the cutting-edge of modern practices in new product development, in customer service standards, in financial inclusion, in customer awareness initiatives and in top-notch digital services that bring a wide range of banking services to the customers' fingertips.

The success of the bank is also visible in the continuous assessment of the context of the various economic challenges and opportunities experienced in a dynamic economic environment. The bank has both capitalised on the prospects presented by a growing and underserviced economy as well as created new products and solutions to meet the unmet and unsaid needs of customers. The brand's key distinguishing factor has been the determination of trends early and the development of valuable and marketable propositions thereon. The bank has also leveraged financial and



digital technologies that are either custom-made or developed in-house to prioritise financial inclusion by reaching out to the masses even in far-flung areas of the country using technology.

With Bangladesh undergoing a major political transition in 2024, the brand strategy during the year was underscored by the commitment to support customers and other stakeholders to ride out the economic crisis, while at the same time urging them to look at future growth opportunities. The focus on NPL management also gained precedence and was further intensified as it became evident that the ongoing economic undercurrents would be a significant drag on individuals and businesses across many key sectors of the economy. This enabled the bank to remain solid with sufficient liquidity and a beacon of customer trust in troubled waters.

To bring relief to customers burdened by high cost of funds and escalating commodity and staples costs on the back of currency depreciation and inflation-led price increases, the bank furthered its Digital Nano Loan solution as an emergency and dependable credit option that could be easily availed at a click of a few buttons for eligible borrowers. This provided some liquidity support to customers. A strong improvement in customer loyalty was evident as a consequence of this initiative. Further, defaults also remained negligible as customers tried to protect their credit score in view of frequent borrowings through this channel.

Working to revive economic activity and important sectors of the country, the bank was successful in garnering a US\$ 30 mn loan from the OPEC Fund for International Development. The fund was mobilised to exclusively support global trade by providing financing to importers and exporters, especially in the agri and green energy sectors of the economy. Further, the bank also launched CityImpex, a new solution for trade businesses. Utilising this system, customers can easily conduct their banking activities related to their export-import business, including back-to-back LC generation, bills processing, regulatory and management report generation, etc. These initiatives helped reinforce City Bank's status as the preferred choice of corporate and business customers operating in the cross-border trade.

The bank also launched a number of retail products in the year, creating propositions that resonated with the need for inculcating the savings and investment habit among people. Amidst a challenging environment, this resonated with people to build a corpus that could be beneficial in the future. This customer-facing initiative helped further build customer loyalty by emphasising the deep-rooted connection between City Bank's mission and Bangladesh's inherent

traditions of resilience and fighting spirit.

The bank has always taken pride in leading by example to justify its identity as a socially-responsible and environmentally-conscious bank. From a social responsibility standpoint, the bank broadened its approach to community development with a view to further empower rural and backward communities and serve the SDG goals. The bank also stood in solidarity with the population affected by the flood disasters that struck Bangladesh multiple times during the year. The bank donated relief materials and made monetary contributions to help the people tide over the difficulties.

The bank's focus on assessment and integration of environmental and social risks of its lending decisions and its net-zero by 2050 articulation reflects the brand's strong affinity towards national-level environmental priorities. The bank has a well-defined ESG approach and contributes to many of the SDGs too. The bank publishes a Sustainability Report every year with disclosures aligned to the GRI (Global Reporting Initiative) standards. This reflects the bank's wide breadth of activities in sustainability, ESG and impact finance and also symbolises its commitment to serve the information needs of investors and other stakeholders.

The awards and accolades earned in 2024 further serve to validate the exemplary profile of the City Bank brand. The bank was bestowed with several awards for a range of activities and initiatives during the year, including sustainability, customer delight and digital experiences, innovation, business performance, etc.

For more information, refer to the chapter on awards and accolades on [pg 04](#)

## Information security

In the face of rising information security threats and cyberattacks directed at banking and financial institutions globally, City Bank has implemented a comprehensive 360-degree approach to safeguard its valuable data assets and ensure customer security. The bank has consistently maintained the integrity and robustness of its information security architecture, attaining the completion of the Payment Card Industry Data Security Standard (PCI DSS) way back in 2016, showing commitment to align with global information security standards.

For more information, refer to the chapter on information technology on [pg 209](#)



# NATURAL CAPITAL

## Key themes addressed



Climate action



Decarbonisation

## Major opportunities:



Impact finance



Energy transition



## Key outcomes

**BDT 402,340 mn**

Green and sustainable  
finance

**3,500**

Trees planted

## Way forward

- Work towards meeting our goals on internal decarbonisation
- Strengthen decarbonisation of financed portfolio
- Work towards full adoption of IFRS S1 and S2 standards

## Overview

Although City Bank's operations have a minimal impact on the environment, the bank focuses on backing the cause of preservation of the natural environment based on addressing environmental issues. For many years now, the bank's approach has been framed around environment protection and conservation.

The bank's commitment to environmental conservation is ingrained in the organisational ethos. From the outset, we have prioritised industries and businesses closely connected to the earth, including agriculture. This has helped in the integration of sustainability into our operations, from lending policies to administrative decisions, and from establishing green branches to offering digital banking solutions. We continuously endeavour to minimise our carbon footprint through effective organisation-wide steps and initiatives.

## Meaningful stewardship

Responsible lending and stewardship is a consequential way by which we aim to contribute to minimising the risks of climate change and avoid ecological damage due to lending activities. Supporting this endeavour is the bank's Environmental and Social Risk Management System (ESMS) which sets out the framework to identify and manage exposures to environmental and social risks within our lending portfolio. To that end, a robust ESMS framework has been developed in accordance with Bangladesh Bank's Sustainable Finance Policy, specifically related to Sustainable Finance Taxonomy that comprises a structured mechanism wherein it becomes easy to identify a project or initiative as a sustainable one with regards to climate change mitigation, climate change adaptation and other environmentally-sustainable implementations. The bank's green and sustainable finance impact program has remained a key catalyst in the endeavour to decarbonise industry and combat climate change.

Furthermore, training and awareness is important in implementing

and complementing the bank's efforts in making a positive impact on climate through day-to-day business activities. Awareness begins with every employee encouraged to embrace environmental responsibility while regular training sessions on specific topics aim to inspire them to embrace best environmental practices as part of their lifestyle.

## Branch solarisation

In the year under review, rooftop solar panels were installed in 26 branches. With these latest installations, a total of 74 branches now feature rooftop solar installations, contributing to the generation of 4,224 kWh of clean energy during the year, effectively fulfilling their in-house energy needs.

## Resource management

City Bank's need for water is primarily for staff utility and sanitation. These requirements are met through water drawn from municipal water lines. Since water used for utility is bereft of any harmful substances or contaminants, it is subsequently discharged back into the municipal sewage lines. The bank has installed water-efficient faucets and fittings and aims to ensure responsible water usage by awareness creation through posters, banners, etc.

## GHG management

Since initiating its carbon footprint management, City Bank has reported its greenhouse gas (GHG) emissions encompassing both the HO and all branches. The insights from the report have been instrumental in implementing specific operational initiatives to enhance the bank's GHG performance and devise strategies to lower its carbon emissions.

More disclosures on sustainability are given on [pg 272](#) and also in the Sustainability Report 2024



# OUR STRATEGIC VALUE DRIVERS & RESOURCE ALLOCATION

## Bolstering our fundamentals

City Bank's strategy spawns from the bank's vision and mission.

Our strategy development process involves the preparation of effective and actionable initiatives that are updated annually based on the bank's prevailing performance and future prospects with due consideration of the operating environment and the bank's four strategic value drivers:



Enterprise



Technology & Digital



People & Skills



Sustainability

These value drivers underpin our journey in building the bank of the future. Importantly, they impact our capitals and the SDGs and are thus fundamental for our performance and success.

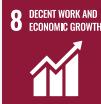
STRATEGIC VALUE DRIVER 1: ENTERPRISE				
PRINCIPLE PRIORITIES				
Boosting loan portfolio	Safeguarding asset quality	Augmenting fee-based income	Manging fund cost	Ensuring effective enterprise risk management
STRATEGIC INTERVENTIONS				
<ul style="list-style-type: none"><li>Reorientation of lending towards corporate and large customers</li><li>Lending to priority sectors to support revival of systemically important sectors of the economy</li><li>Loan syndications and multilateral arrangements to capitalise on offshore banking opportunities</li><li>Focus on digital lending, especially microlending through nano loan product</li></ul>	<ul style="list-style-type: none"><li>Cautious lending to risk-prone segments and customers in a deteriorating environment</li><li>Sufficient provisioning made for customers in high risk categories such as import, trade, etc.</li><li>Reinforced systems to enable branches to more actively track delinquencies or delayed payments</li></ul>	<ul style="list-style-type: none"><li>Drive trade support and facilitation services</li><li>Expand inward remittances, especially with govt. focus on legal channels</li><li>Cross-selling of bank products by leveraging a large and diverse customer base</li><li>Select charges levied on transaction services, etc., that contribute to fee income</li><li>Fee based on card issuances and usage, etc.</li></ul>	<ul style="list-style-type: none"><li>Emphasis on term deposits of short to mid-tenure</li><li>Campaigns to drive CASA openings, enhancing financial participation</li><li>Drive e-KYC account opening digitally for easing customer onboarding</li><li>Promote cash management solutions to corporates in order to improve corporate CASA</li><li>Focus on employee banking for large corporate customers</li></ul>	<ul style="list-style-type: none"><li>Post-credit monitoring of existing customers in high-risk sectors</li><li>Rehabilitation of stressed customers through restructuring</li><li>Focus on onboarding blue-chip corporates with high credit ratings and low-to-nil delinquency chances</li></ul>



## RESOURCE ALLOCATION

 Financial capital  Manufactured capital  Intellectual capital	 Financial capital  Intellectual capital	 Financial capital  Intellectual capital  Social and relationship capital	 Intellectual capital  Financial capital	 Financial capital  Intellectual capital
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## SCORECARD

<ul style="list-style-type: none"> <li>Stable NPL of 3.7%, much lower than the industry</li> </ul>	<ul style="list-style-type: none"> <li>12.3% growth achieved in loans and advanced</li> </ul>	<ul style="list-style-type: none"> <li>38,461 credit cards issued in 2024 related to fee-based income</li> </ul>	<ul style="list-style-type: none"> <li>Significant 31% growth achieved in deposit collection</li> <li>Healthy CASA ratio of 45.2%</li> </ul>	
<b>BROADER IMPACT ON VALUE CREATION</b>	<ul style="list-style-type: none"> <li>Strengthened bank's financial resilience</li> <li>Enhanced trust in the bank with higher recall</li> <li>Reinforced customer trust as a safe and secure bank</li> </ul>			
<b>SDGs IMPACTED</b>	   			



## STRATEGIC VALUE DRIVER 2: TECHNOLOGY AND DIGITAL

### PRINCIPLE PRIORITIES

Enhancing internal systems and reliability	Improving customers' experience	Promoting technology-based financial convenience and inclusion
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### STRATEGIC INTERVENTIONS

<ul style="list-style-type: none"> <li>Improving scalability of IT infrastructure through digital transformation initiatives</li> <li>Prioritising modern cybersecurity measures by using advanced threat detection software, etc.</li> <li>Leveraging RPAs to streamline and automate repetitive tasks</li> </ul>	<ul style="list-style-type: none"> <li>Leveraging third-party APIs for financial innovation and customer convenience</li> <li>Implemented MR points redemption through Citytouch that enhanced AmEx cards usage</li> <li>Updated RTGS architecture through in-house team</li> <li>Launched CityImpex, a new and feature-rich system for the trade business</li> </ul>	<ul style="list-style-type: none"> <li>Implemented technology solution for the bank to sell partner insurance products through bancassurance</li> <li>Enabled access to the Universal Pension Scheme via automation through the bank's touchpoints</li> <li>Launched bank statement analyser tool for summarised statement for facilitating quick loan approval for customers</li> </ul>
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### STRATEGIC INTERVENTIONS

	<ul style="list-style-type: none"> <li>Promoted QR and cashless payments as a convenient payment experience</li> </ul>	<ul style="list-style-type: none"> <li>Bank's digital nano loan product fitted well with market requirements</li> <li>Launched wearable NFC solution for card-free and on-the-go payments</li> </ul>
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RESOURCE ALLOCATION		
 Intellectual capital   Manufactured capital	 Intellectual capital   Manufactured capital   Social and relationship capital	 Financial capital   Human capital   Intellectual capital
SCORECARD		
<ul style="list-style-type: none"> <li>• BDT 1,475 mn incurred as IT expenses</li> </ul>	<ul style="list-style-type: none"> <li>• 26% increase in Citytouch customer registrations</li> </ul>	<ul style="list-style-type: none"> <li>• 73.1% increase in digital nano loans disbursed</li> <li>• 9,500+ insurance policies sold via bancassurance</li> </ul>
BROADER IMPACT ON VALUE CREATION	<ul style="list-style-type: none"> <li>• Strengthened customer trust and loyalty in the bank</li> <li>• Improved shareholder confidence</li> <li>• Enhanced corporate image for enabling financial inclusion</li> <li>• Reduced carbon footprint due to enhanced digitalisation</li> </ul>	
SDGs IMPACTED	    	

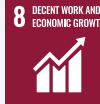
 STRATEGIC VALUE DRIVER 3: PEOPLE & SKILLS			
PRINCIPLE PRIORITIES			
Career advancement	Gender diversity and inclusion	Culture and conduct	Employee wellbeing
STRATEGIC INTERVENTIONS			
<ul style="list-style-type: none"> <li>• Strong performance management system with KPI benchmarking</li> <li>• Several upskilling programs running throughout the bank</li> <li>• Overseas training exposure for corporate and senior management</li> </ul>	<ul style="list-style-type: none"> <li>• Improved female participation in the workforce</li> <li>• Reporting of gender parity indicators as per GRI standards in the annual Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen the ethics framework in line with global best practices</li> <li>• Training and capacity building on anti-bribery, anti-corruption, anti-money laundering and counter-terrorist financing</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on healthcare, fitness and lifestyle of employees</li> <li>• Weight given to work-life balance</li> <li>• Preserving financial security of employees through compensation benchmarking, employee loan access, etc.</li> </ul>



## RESOURCE ALLOCATION

 Financial capital   Human capital   Intellectual capital	 Human capital	 Human capital	 Human capital   Financial capital
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## SCORECARD

<ul style="list-style-type: none"> <li>• BDT 57 mn expensed in employee learning and training initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• 3/10 Women Directors on the Board</li> <li>• 3/21 women in the Management Committee</li> <li>• 18.9% women in the overall workforce</li> </ul>	<ul style="list-style-type: none"> <li>• 2,944 employees trained on AB-AC and AML-CFT</li> <li>• Zero incidents of internal fraud or forgery</li> </ul>	<ul style="list-style-type: none"> <li>• 14.1% increase in employee salary and benefits</li> <li>• 13.2% avg. salary hike given due to inflation, bank performance, etc.</li> </ul>
<b>SDGs IMPACTED</b>	  		



## STRATEGIC VALUE DRIVER 4: SUSTAINABILITY

PRINCIPLE PRIORITIES				
Bolstering customer engagement	Creating opportunity for small supplier businesses	Citizenship initiatives for community empowerment	Prioritising green and sustainable finance	Focus on credit decisions integrated with environmental and social impacts

## STRATEGIC INTERVENTIONS

<ul style="list-style-type: none"> <li>• Widespread bank network and touchpoints, even in remote areas</li> <li>• Ease of banking through modern digital interfaces such as Citytouch app and internet banking</li> <li>• Strong grievance redressal process with quick resolution</li> <li>• Ongoing customer financial education and awareness for a safe and secure banking experience</li> </ul>	<ul style="list-style-type: none"> <li>• Injecting value into the microeconomy through local purchase of products and services</li> <li>• Strong policy and system of procurement based on transparency and fair practices</li> </ul>	<ul style="list-style-type: none"> <li>• Multiple social responsibility activities for community benefit</li> <li>• Relief aid and assistance made during disaster events such as the 2024 floods</li> <li>• Donations made for literary causes, art and culture events and other activities that develop societal cohesion</li> <li>• Partnership-based approach to enhance and widen community impact</li> </ul>	<ul style="list-style-type: none"> <li>• Net-zero target across operations and financed portfolio by 2050</li> <li>• Strong focus on industry decarbonisation and modernisation through lending for green and sustainability purposes</li> <li>• Focus on priority lending to SMEs, agriculture-based industries, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Developed Environmental and Social Management System to identify and manage exposure to the environmental and social risks within the bank's lending portfolio</li> <li>• Holistic credit assessment framework that takes into account environmental and social impacts, etc.</li> </ul>
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RESOURCE ALLOCATION									
 Manufactured capital	 Social and relationship capital	 Social and relationship capital	 Natural capital	 Natural capital					
 Intellectual capital			 Social and relationship capital	 Financial capital					
SCORECARD									
• 680+ CASA accounts opened everyday • 900+ term deposits opened everyday	• Total procurement of BDT 5,945 mn, up by 15% YoY	• 79,049+ CSR beneficiaries • BDT 79.9 mn CSR expenses	• BDT 33,354 mn green finance book • BDT 402,340 mn sustainable finance book	• Bank declared one of the top sustainable banks in Bangladesh for four years in a row (2024)					
BROADER IMPACT ON VALUE CREATION	<ul style="list-style-type: none"><li>Identified as a pioneer in green and sustainable finance</li><li>Recognised as a bank with high public trust</li><li>Distinguished as a bank contributing to societal causes</li></ul>								
SDGs IMPACTED	 <b>1 NO POVERTY</b>	 <b>3 GOOD HEALTH AND WELL-BEING</b>	 <b>5 GENDER EQUALITY</b>	 <b>8 DECENT WORK AND ECONOMIC GROWTH</b>	 <b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b>	 <b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>	 <b>13 CLIMATE ACTION</b>	 <b>15 LIFE ON LAND</b>	 <b>17 PARTNERSHIPS FOR THE GOALS</b>



# ECONOMIC & OPERATING LANDSCAPE & OUR STRATEGIC FOCUS AREAS & BUSINESS OUTLOOK

## Global economy

According to the International Monetary Fund's (IMF's) January 2025 WEO, global economic growth is projected at 3.3% both in 2025 and 2026, below the historical (2000-19) average of 3.7%. The forecast for the year is broadly unchanged from that in the October 2024 WEO, primarily on account of an upward revision in the US offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2% in 2025 and to 3.5% in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.

However, the April 2025 imposition of additional US tariffs on a host of countries above the baseline tariffs of 10% could be a major source of disruption that may distort the global growth projections. Much volatility and uncertainty exists as the US administration seeks to rework its trade agreements, though a temporary global 90-day moratorium has been applied on the additional tariffs. The US has adopted a hardline stand on trade with China though, imposing as much as 145% tariffs on a host of Chinese imports into the country. China is the only country that has been excluded from the tariff reprieve with the result that China has also imposed reciprocal tariffs on American imports into the country. The trade war between the two global economic giants has the potential to significantly disrupt and upend the global trading system and supply chains, hurting the economic and growth prospects of both developed and developing nations alike.

## Bangladesh economy

Bangladesh's economy is widely perceived to be in transition with the new caretaker regime that came into power after the July 2024 uprising. Restructuring of the financial sector has been prioritised by the new government led by Chief Adviser Prof Muhammad Yunus.

Given the economic conditions, monetary policy instruments were prudently used to rein in inflation that hovered around double digits. Reversing the chronic practice of money laundering, attempts have been made to retrieve the funds siphoned-off to safe havens. Public sector spending, particularly under the annual development plan, has been rationalised too as part of austerity measures.

For the first time in many years, the price of essential food items did not rise during the month of Ramadan 2025. The liberal import policy for food items and weakening of syndicates are the key attributing factors. Food inflation has now registered a decline to 8.93% in March 2025, compared to 9.24% in February. However, headline inflation has increased to 9.35% in March, up from 9.32% in February because of increase in prices of non-food items. Yet, with the decline of oil and gas prices in international markets, the domestic price of these crucial non-food items can be expected to register a decline, bringing down both core and headline inflation. A further important initiative of the interim government is a plan of action to examine every stage of the supply chain of nine key commodities so that consumers can buy essentials at a fair price.

According to latest report of Bangladesh Bureau of Statistics (BBS), at the end of the second quarter of FY2025 (October-December 2024), the rate of GDP growth was 4.48%. This is a significant improvement from 1.81% of the first quarter (July-September) of the same fiscal year. The increase in the rate of growth indicates that the shock of the political turmoil has been overcome to a large extent.

The interim government has projected FY2025 economic growth at 5.2% in view of the prevailing challenges in the economy. This is also due to the expected global economic slowdown sparked by sweeping tariffs imposed by the US on almost all countries, including Bangladesh. The US is the largest export market for Bangladesh. So, given this, the tariffs are expected to adversely impact export earnings. Bangladesh's economy however will benefit from the 3-month tariff reprieve announced by the US government and it is expected that a trade deal will be worked out between the US-Bangladesh governments in this period.

## Bangladesh's banking sector

Bangladesh's banking and financial services sector plays a crucial role in driving economic growth and public value. The sector is closely linked to the economy, especially considering the profile of Bangladesh as a developing nation that is building industry and infrastructure for sustainable growth. The banking sector is also a highly regulated one and this has been accentuated by the interim government too as it is focused on reform of the sector for ensuring that a robust foundation is in place for sustainable growth of the nation.

As per the Monetary Policy Statement (MPS) of July-Dec 2024, Bangladesh Bank, the central bank of Bangladesh, implemented a series of initiatives during the second half of FY2024 to contain sustained high inflation. These included policy interest rate hikes amounting to 200 basis points during FY2024, representing a cumulative increase of 350 basis points since the start of the tightening cycle in May 2022.

Furthermore, the policy interest rate corridor was narrowed from ±200 basis points to ±150 basis points and the practice of devolvement of T-bills and T-bonds was discontinued, considering the multiplier effect of high-powered money on inflation. The SMART-based interest rate capping was scrapped to allow the market to play its due role in determining interest rates. Consequently, the weighted average call money rate rose to 9.08% by June 2024, up from 6.06% in June 2023. Similarly, the interbank average repo rate increased to 8.56% by June 2024, up from 6.16% in June 2023. Furthermore, lending and deposit rates for various financial transactions notably increased in H2FY24, while the interbank call money rate was effectively contained within the interest rate corridor.

During H2 FY2024, credit growth in both private and public sectors, which reflects the national investment landscape, exhibited divergent trends. Private sector credit expanded by 9.8% by the end of June 2024, closely aligning with the projected growth rate of 10% for June 2024, despite facing higher borrowing costs due to implementation of a contractionary monetary policy as well as tight liquidity conditions.

In contrast, public sector credit grew by 12.8% in June 2024, significantly below the projected growth rate of 27.8% for June 2024. This subdued growth indicates reduced demand from the government, which has been selectively allocating funds to priority projects as part of its overall austerity measures. On balance, domestic credit dynamics during the year remained below projections, largely driven by robust growth in private sector credit and moderated expansion in public sector credit.

Government's net credit from the banking system in FY2024 amounted to BDT 94,281.8 crore, which represents 71.2% of the



bank borrowing target of BDT 1,32,395 crore. During this period, the government borrowed a net amount of BDT 1,00,738.5 crore from scheduled banks, while it made a net repayment of BDT 6,456.7 crore to Bangladesh Bank. With the central bank ceasing devolvement, the government's net credit now predominantly relies on scheduled banks.

As part of its supply-side intervention to support growth-enhancing activities, Bangladesh Bank provided comprehensive support through refinancing and pre-financing lines, ensuring liberal access to low-cost credit for agriculture and rural non-farm sectors, CMSMEs, import substitution players and even export-oriented industries.

It is expected that reforms will continue that will strengthen the foundations of the sector to enhance both its risk-taking as well as shock-absorbing capacity.

## Strategic focus and priorities

City Bank's mission is to be a world-class bank serving the needs of all sections of the population. Our focus is rooted in the key elements of customer service, operational excellence, product leadership, workforce transformation and sustainability. We always view sustainability in unison with our Environmental, Social and Governance (ESG) framework and performance.

During the year under review, the bank advanced on its human touch and continued to build sound customer franchises across distinct businesses to achieve healthy growth in profitability consistent with the bank's risk appetite.

City Bank is fully committed to taking banking to the remotest parts of the country through a combination of an extensive physical network and a robust digital suite of products and services. The bank also offers effective last mile access even in remote corners of the country through its Citytouch mobile app that provides customers financial empowerment through anywhere, anytime access to a plethora of products and services of the bank.

Further, the bank has maintained a sound financial profile, growing and sustaining balance sheet strength for enhanced resilience and flexibility. The bank surpassed BDT 23,000 mn in operating profit which stood at BDT 23,053 mn in 2024. Likewise, the bank also registered 76.4% growth in profit after tax (PAT) at BDT 4,700 mn in 2024. The bank was also able to meet all its regulatory obligations, with its Tier-1 capital ratio and total capital ratio standing at 11.7% and 16.0%, respectively, as against the regulatory minimum for the year 2024.

Some of the key strategic priorities of the bank are discussed below.

### Mobile and digital banking infrastructure

- Upgrade and enhance the mobile banking platform, Citytouch app, making it accessible on even basic smartphones and

### Short, mid and long-term plans

#### Short-term

- Increase customer onboarding through digital platforms and mobile banking
- Improve service quality and reduce customer complaints through enhanced training and support

#### Mid-term

- Expand Islamic banking, agent banking, SCF, City Alo, etc., especially to underserved areas
- Fortify cybersecurity infrastructure and compliance

#### Long-term

- Achieve sustainable growth by investing in green and socially responsible projects
- Diversify product portfolio with innovative financial services like Fintech partnerships, etc.

ensuring a seamless user experience

- Progressively achieve full digital integration across all services
- Ensure digital onboarding and lending for SMEs, thus ensuring digitization of small businesses, etc.

### Business and market expansion

- Increase the active client base
- Expand physical presence, especially in underserved and underrepresented regions that demonstrate future growth potential
- Open new branches and sub-branches in emerging urban and rural areas

### Product diversification

- Develop and launch new financial products personalised to different customer needs and segments
- Make products simple for clients while simultaneously expanding our offerings to meet their dynamic needs
- Further expand to market our climate-resilient financial products, including our offerings in green and sustainable finance especially aligned to the SDGs

### Agent banking

- Further expand our footprint of agent networks and small business centres, especially within underserved communities and regions
- Provide technology solutions for small merchants to become banking touchpoints
- Create incentive structures to support agent sustainability in rural areas

### Asset quality improvement

- Continuously tighten our credit underwriting standards while also ensuring more intense field and physical checks
- Reduce non-performing loans (NPLs) through enhancing collection efficiency, loan recovery, judicial processes, etc.

### Operational excellence

- Streamline our banking operations to augment efficiency and reduce costs
- Implement digital onboarding on both self and assisted modes to ensure faster onboarding and reduced costs

### Digital financial literacy

- Provide effective training to our employees to not only upgrade their skills but also ensure they are knowledgeable in informing our clients of our products and solutions
- Introduce educational materials and workshops to inform clients on digital banking services

Overall, we remain committed to position City Bank as the preferred and trusted bank for all citizens and businesses of Bangladesh.



# ECONOMIC IMPACT CREATION

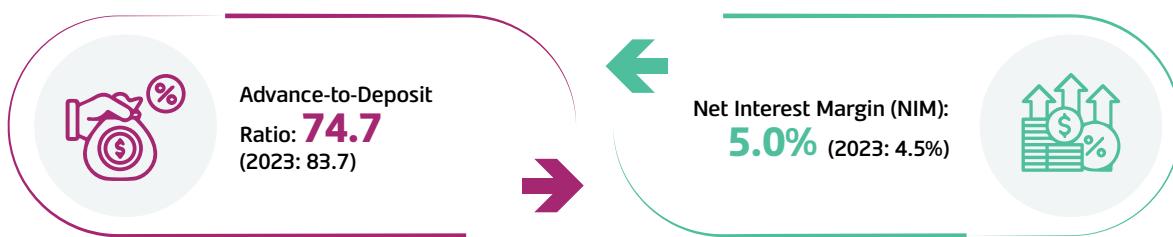
City Bank's activities contribute to holistic economic value creation for our stakeholders, which extends beyond just financial outcomes. As part of our efforts towards creating a sustainable future, our stakeholders benefit from direct value creation as well as via intangible value creation, such as staff upskilling programs and public value creation through our exchequer contributions, etc.



# DEPOSIT AND ADVANCE STRATEGIES AND FINANCIAL EMPOWERMENT

City Bank remains steadfast in its commitment to strengthening core banking operations by enhancing deposit mobilization and optimizing lending efficiency. Through strategic initiatives that emphasize financial inclusion, operational sustainability, and economic impact, the Bank continues to solidify its market position and drive long-term value creation.

## Key performance highlights (2024):



## Deposit Strategies: Building A Robust Liability Base

City Bank's deposit strategies focus on accessibility, innovation, and customer engagement to deepen financial inclusion and reinforce depositor confidence.

### 1. Expanding Reach and Accessibility

- Agent Banking Expansion:** Enhancing banking penetration in underserved regions to bring financial services closer to unbanked and underbanked populations.
- Low-Cost Sub-Banches:** Establishing smaller branches in rural areas and leveraging partnerships with post offices for greater financial outreach.
- Women and Financial Inclusion:** Introducing women-centric banking initiatives to encourage savings and entrepreneurship among female account holders.

### 2. Innovative Deposit Mobilization Initiatives

- Corporate and Institutional Deposits:** Strengthening partnerships with government agencies, corporate entities, and NGOs to ensure steady deposit inflows.
- CASA (Current and Savings Account) Growth:** Driving targeted campaigns for long-term savings, including specialized deposit products such as Hajj savings, festival savings, and retirement plans.
- Youth & Senior Citizen Accounts:** Offering tailored financial products, including zero-fee accounts for young customers and preferential interest rates for senior citizens to enhance engagement across different demographics.

## 3. Digital and Modern Banking Solutions

- Mobile and Internet Banking:** Expanding digital banking services to facilitate seamless fund transfers, retail transactions, bill payments, and remittances.
- Channel Optimization:** Strengthening government-supported initiatives like "Amar Bari Amar Khamar" (My Home, My Farm) to enhance fund utilization in the agricultural sector and rural development programs.
- Automated Deposit Services:** Expanding self-service banking options, including intelligent deposit machines and instant account openings via digital platforms.

## 4. Customer Engagement and Financial Literacy

- Financial Education Initiatives:** Conducting workshops, webinars, and financial literacy programs to help customers make informed decisions.
- Proactive Communication:** Enhancing engagement through personalized messaging, newsletters, and mobile notifications to keep customers informed about banking products and services.

## ADVANCE STRATEGIES: STRENGTHENING LENDING PORTFOLIO

City Bank's lending strategy is designed to support economic growth, manage risks effectively, and ensure responsible credit expansion across key sectors.

### 1. Strategic Sectoral Focus

- Emerging Industries:** Expanding financial support to high-growth sectors such as power, shipbuilding, ceramics, and pharmaceuticals through customized lending solutions.
- Traditional Core Sectors:** Continuing to prioritize financing in agriculture, textiles, and manufacturing to drive economic



stability and employment generation.

- **Export-Focused Lending:** Strengthening trade finance solutions to support exporters and enhance foreign exchange earnings.

## 2. Innovation and Risk Management

- **Technology-Driven Lending:** Implementing AI-powered credit scoring and digital loan origination to enhance underwriting efficiency and reduce turnaround times.
- **Risk Diversification:** Strengthening portfolio resilience through proactive risk assessment, early warning systems, and credit exposure diversification.
- **Data-Driven Credit Assessment:** Enhancing predictive analytics for credit evaluation, improving decision-making accuracy and reducing non-performing assets (NPAs).

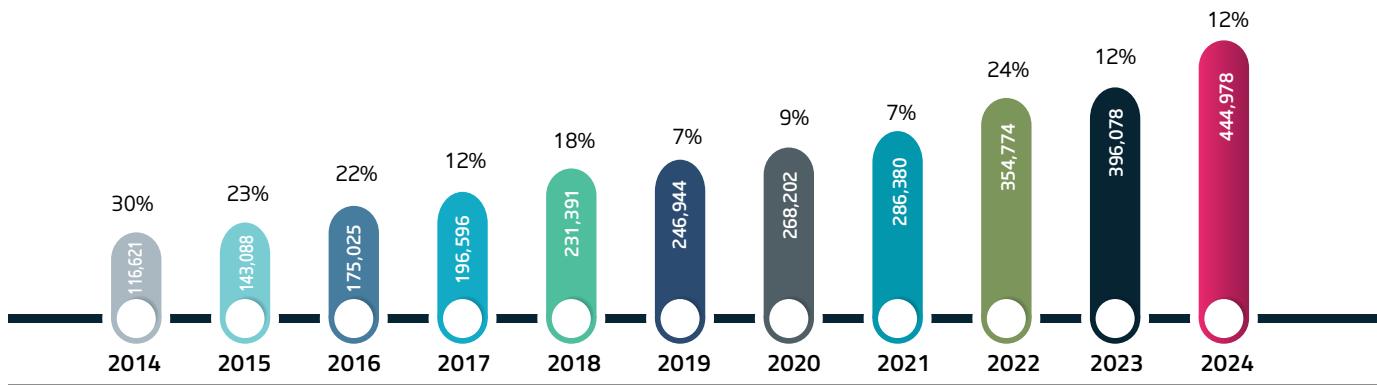
## 3. Promoting Inclusive Financing

- **SME and MSME Lending:** Expanding access to credit for small and medium enterprises, supporting entrepreneurship and economic development.
- **Microfinance and Rural Credit:** Providing micro-loans to rural entrepreneurs and underprivileged communities, empowering them with financial resources to grow their businesses.
- **Women Entrepreneur Financing:** Offering preferential loan terms and advisory services to women-led businesses.

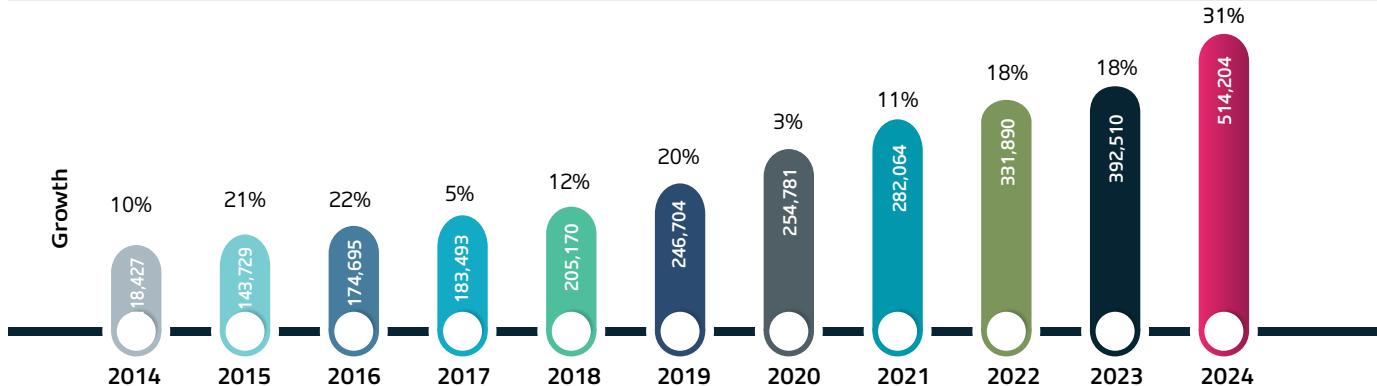
## 4. Sustainability and Community Impact

- **Green Banking Initiatives:** Financing renewable energy, energy efficiency projects, and eco-friendly business ventures to promote environmental sustainability.
- **Corporate Social Responsibility (CSR):** Extending support to social development projects through concessional lending and community-focused financial programs.

**City Bank PLC Loan and Advances (BDT Million)**



**City Bank PLC Deposit (BDT Million)**



**Conclusion:** City Bank's continued focus on strengthening deposit mobilization and optimizing advances reflects its unwavering commitment to customer-centric banking, financial empowerment, and economic sustainability. Through innovation, inclusion, and strategic sectoral expansion, the Bank is well-positioned to drive growth and deliver long-term value for all stakeholders.

# EXPORT-IMPORT STRATEGIES AND TRADE FINANCE GROWTH

City Bank remains a cornerstone in facilitating international trade, offering customized financial solutions that empower Bangladesh's exporter and importer community. Through strategic initiatives, the bank contributes to national economic growth, strengthens global business ties, and expands its trade finance portfolio.

## Key Benefits:



## 2024 Highlights

USD 3,608 million

Import facilitation

USD 3,213 million

Export facilitation

## Strategic Growth Levers

- Secured competitive credit lines from global agencies to support trade finance customers, strengthening Bangladesh's foreign exchange reserves.
- Established partnerships with leading European and Chinese banks to facilitate seamless cross-border transactions and enhance the bank's presence in global trade.
- Provided competitive bid bonds and guarantees for major infrastructure projects, including Dhaka Metro, national highways, and the Padma Bridge.
- Partnered with international financial institutions to attract overseas funds, optimizing financing solutions for manufacturers and reducing import costs amid fluctuating global interest rates.

## Sectoral Focus

- Ready-Made Garments (RMG):** Strengthened support for this key economic pillar, balancing risk-return trade-offs while financing sectoral growth initiatives.
- Shipbuilding:** Explored opportunities in this emerging sector, leveraging Bangladesh's competitive labor market.

- Backward Linkage Industries:** Supported suppliers and manufacturers that provide essential materials to key industries, enhancing trade finance opportunities while mitigating risks.
- IT & Education:** Prioritized financing solutions for these high-growth potential sectors, fostering their international expansion.

## Innovative Trade Solutions

- Utilized advanced platforms, including blockchain and smart contracts, to optimize trade processes, reducing costs and processing times for clients.
- Partnered with export credit agencies to mitigate payment risks, boosting exporter confidence.
- Offered tailored financing solutions for suppliers and manufacturers to streamline export-oriented production.
- Provided comprehensive trade finance services, including LCs, structured trade financing, and export documentation tailored to client needs.

## Support for SMEs

- Introduced simplified trade finance packages with lower



collateral requirements, making international trade more accessible for SMEs.

- Developed flexible financing solutions to support SME exporters and facilitate their participation in global markets.

## Market Insights & Risk Management

- Delivered real-time market intelligence to clients, helping them identify export opportunities and navigate international trade dynamics.
- Provided currency hedging solutions to mitigate exchange rate fluctuations, ensuring greater financial predictability for businesses.

## Commitment to Sustainability

- Promoted environmentally and socially responsible trade

finance by supporting businesses committed to sustainability.

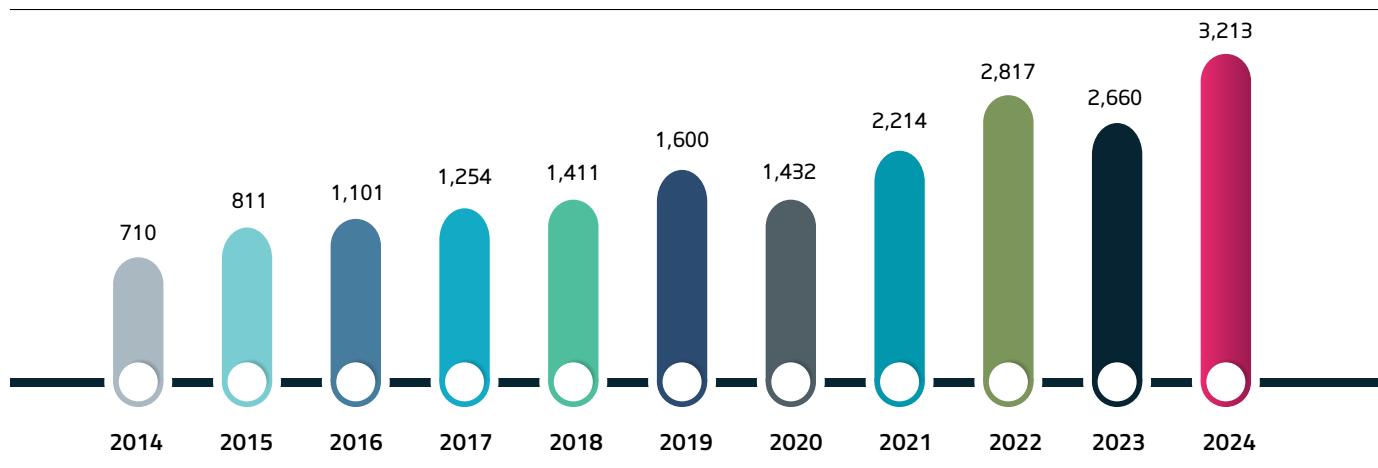
- Aligned with global green financing standards to attract environmentally conscious clients and businesses looking to reduce their carbon footprint.

## Trade Promotion Initiatives

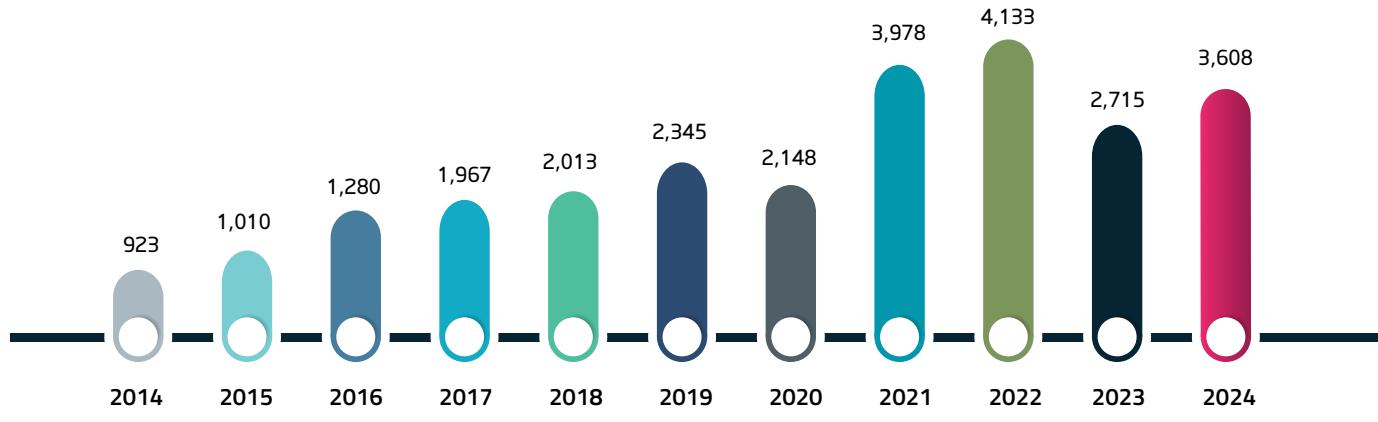
- Hosted trade networking events and industry workshops to equip customers with knowledge and connections for international market expansion.
- Engaged high-potential businesses and established industry players to diversify the bank's trade finance portfolio.

City Bank remains dedicated to fueling Bangladesh's trade ecosystem, leveraging innovation, strategic partnerships, and customer-centric solutions to drive sustainable international business growth.

### City Bank PLC Exports (USD Million)



### City Bank PLC Imports (USD Million)





# INVESTMENT STRATEGY

City Bank's investment strategy delivers balance sheet strength and resilience that enables it to achieve performance objectives even in adverse market scenarios and stress conditions.

## Overview

City Bank's investment strategy plays a pivotal role in securing the bank's risk management framework, profitability, liquidity and long-term sustainability. The bank's well-defined investment framework is anchored on a systematic plan of asset allocation that balances risk and return, acting as a roadmap for the bank's investment activity.

Notably, the effectiveness of our investment strategy is contingent on the alignment of our investment objectives and risk appetite as the bank is entrusted with the dual responsibility of fiduciary obligation of protecting interest of depositors and stakeholders alongside the responsibility to optimize profitability. Investment strategy holds significance as it enables us to navigate complex and volatile financial markets with strategic prudence. It ensures the bank's financial stability and enhances its long-term competitive edge.

Our coherent investment approach enables us to carefully select and manage investments across different asset classes bearing different yields, such as govt. securities, corporate bonds, share market equity, mutual funds, etc. It is formulated to diversify our investments in a manner that mitigates risk effectively and ensures a balanced portfolio.

Further, our investment strategy prioritizes liquidity through investing in liquid assets such as Treasury Bills and Bonds which are considered high quality liquid assets. Our investment strategy also demonstrates compliance with regulatory norms by aligning investment activity with regulatory and capital requirements.

### Key facets of our investment strategy

<b>193.95%</b>	<b>108.54%</b>
Liquidity Coverage Ratio, Dec'24	Net Stable Funding Ratio, Dec'24

City Bank's investment strategy is guided by the bank's Investment Policy which is a Board-approved guideline encompassing all investment activities of the bank.

In 2024, based on in-depth research of macroeconomic factors and leading economic indicators, combined with the bank's balance sheet position, composition and maturity of assets and liabilities, the bank adopted the strategic investment decision to increase investment in

Government Treasury Instruments. A generally conducive macroeconomic environment facilitated such an investment to be carried out profitably as interest rate movement resulted in an upward shift of the yield curve across all tenors.

Bangladesh's economic growth turned sluggish in 2024 as real GDP growth plummeted to its lowest level in the last four years at 4.2%, whereas at the beginning of the year the World Bank had projected economic growth of 5.7% in 2024. The year 2024 was indeed a tumultuous period of uncertainty as the economy bore the brunt of political instability, soaring inflation and financial strain caused by a depreciating Taka and dwindling forex reserves. The country also faced headwinds from external factors as conflict across the globe continued to cause disruptions in supply chains that rattled world trade.

Monetary transmission of policy rate hikes in response to elevated inflationary pressure culminated in the bond market experiencing spiraling yields in 2024. The central bank aggressively hiked the policy rate five times in 2024, which shot up from 7.75% in December 2023 to 10% in December 2024. Yield on benchmark 364 Day T-Bill, which is the longest tenor of the short-term instrument, climbed to 12% in 2024 and 20 Year T-Bond yield skyrocketed to 12.84% in 2024, which was 11.22% in December 2023. The situation aggravated with sluggish private sector growth that was below central bank policy target.

City Bank experienced a massive 31% deposit growth in 2024, compared to 7.4% deposit growth in the banking industry, which can be attributed to the bank's preemptive positioning to raise deposits ahead of the banking industry and competitors from Q3 2023, which enabled the bank to attract and mobilize a greater share of deposits.

The bank's strategic move to attract a large base of low-cost deposits enabled it to execute strategic investment decisions to increase the holding of fixed income securities (Treasury Bills and Bonds) at historic high yields. The bank effectively capitalized on the upward yield curve shift to increase portfolio holding. The bank's treasury carried out the strategic investment in a timely manner that optimized profitability of the fixed income portfolio. Effective liquidity management and execution of long-term strategic investment goals remained at the core of our investment strategy in 2024.

Government Treasury Bills/Bonds assisted the bank to maintain strong liquidity in 2024 as Liquidity Coverage Ratio (LCR) of the bank stood at 193.95% in December 2024 and Net Stable Funding Ratio (NSFR) at 108.54%, which are above regulatory requirements and aligned to the bank's Risk Appetite Statement for 2024. The bank also effectively managed investment activities in the equity market as its total investment in the capital market on solo basis was 16.03% in December 2024, against the regulatory limit of 25%.



# CAPITAL PLANNING OF CITY BANK

City Bank considers capital planning a strategic priority beyond regulatory compliance, enabling it to navigate uncertainties, support growth, and maintain financial resilience. By adopting a forward-looking approach, the bank ensures long-term sustainability, absorbs financial shocks, and safeguards against economic disruptions that could impact borrower repayment capacity. This proactive strategy enhances its ability to continue lending operations while protecting depositor funds, reinforcing confidence in the financial system.

With regulatory authorities enforcing minimum capital requirements to ensure banking stability, City Bank's strong capital base helps it meet these thresholds and avoid supervisory interventions. Its disciplined capital management not only strengthens its market position but also contributes to the overall stability of Bangladesh's financial sector. By prioritizing prudent capital planning, City Bank remains committed to financial sustainability and value creation for its stakeholders.

City Bank's Tier-I capital on solo basis grew by 22.5% to BDT 47,961mn in the year 2024, up from BDT 39,165mn in the prior year. This was primarily due to significant increase retained earnings in 2024. Tier-II capital on solo basis increased by 8.5% to BDT 18,458mn in the year 2024, up from BDT 17,008mn in the previous year. The increase in Tier-II capital is attributed to the increase in general provision.

The bank's total regulatory capital stands at BDT 66,420mn in 2024, up from BDT 56,173mn in the prior year, representing a growth of 18.2%. Risk weighted assets (RWA) amount to BDT 409,111mn in the year 2024, up from BDT 355,438mn in the previous year, exhibiting an expansion of 15.1%.

In 2024, the bank's Tier-I Capital Ratio stood at 11.7%, up from 11.0% in 2023. Similarly, Tier-II Capital Ratio dropped to 4.5% from 4.8% during the year in review. CRAR stood at 16.2% in 2024, up from 15.8% in the previous year. The data is stated in the table below:

Particulars	BDT in mn			
	Actual (Solo basis)		Actual (Conso basis)	
	2024	2023	2024	2023
Common Equity Tier I (CET1) Capital				
Paid-up Capital	13,471	12,246	13,471	12,246
Non-repayable Share Premium Account	1,504	1,504	1,504	1,504
Statutory Reserve	11,966	10,742	11,966	10,742
General Reserve	11	11	11	11
Retained Earnings	17,150	11,346	17,479	12,349
Dividend Equalization Reserve	531	531	531	531
Minority Interest in Subsidiaries	-	-	0.14	0.16
Capital Reserve	-	-	182	161
Less: Regulatory adjustments	673	1,215	1,505	2,033
Total CET1	43,961	35,165	43,639	35,510
Additional Tier-1 Capital (AT-1)	4,000	4,000	4,000	4,000
Total Tier 1 Capital	47,961	39,164	47,639	39,510
Tier 2 Capital				
General Provision	11,426	9,608	11,437	9,627
Eligible Tier-II subordinated bond	7,032	7,400	7,032	7,400
Less: Regulatory adjustment	-	-	794	794
Total Tier-2 Capital	18,458	17,008	17,675	16,233
Total Regulatory Capital	66,420	56,173	65,315	55,744
Risk Weighted Assets (RWA)	409,111	355,438	420,357	365,566
Tier 1 Capital Ratio	11.72%	11.00%	11.33%	10.80%
Tier 2 Capital Ratio	4.51%	4.80%	4.20%	4.40%
Required Capital with Capital Conservation Buffer	12.50%	12.50%	12.50%	12.50%
Capital to Risk Weighted Assets Ratio (CRAR)	16.24%	15.80%	15.54%	15.30%



## The Way Forward

As a reputable financial institution, City Bank has established a strong capital management framework essential for achieving sustainable profitability. The bank employs a comprehensive capital management process to measure, allocate, and monitor its capital while assessing its adequacy.

The capital management process is designed to achieve the following objectives outlined in the Board-approved 5-year capital growth plan:

- Compliance with regulatory capital requirements
- Ensuring the bank's continued viability to provide returns to shareholders and benefits to other stakeholders
- Maintaining a solid capital base to support business development
- Issuing Tier II subordinated bonds (Bond-5) to strengthen Tier II capital
- Serving as a buffer in times of uncertainty when unexpected losses may occur

The bank regularly reviews and updates its capital plan to ensure alignment with strategic goals. Capital management follows the Board-approved Capital Management Planning, with senior management responsible for developing and overseeing the capital strategy. The finance, treasury, and risk management departments play key roles in implementing the capital strategy and managing capital. Capital is managed using both regulatory measures and internal metrics, with the Board-approved 5-year capital plan implemented as part of the Internal Capital Adequacy Assessment Process (ICAAP).

### City Bank's capital planning strategy includes:

Capital retention through profit reinvestment and capital raising via equity issuance and debt instruments.

Financial forecasting involves balance sheet management, interest rate assessments, loan quality monitoring, and income statement analysis.

A well-defined strategic plan aligns with our business goals, risk appetite, and market expansion, ensuring efficient capital allocation.

The bank maintains strong capital ratios, conducts regular stress testing under ICAAP, and adheres to a balanced dividend policy. Continuous monitoring of capital surplus or deficit informs proactive decisions to meet future capital needs. This comprehensive approach strengthens the bank's resilience, supports operational efficiency, and drives long-term value for stakeholders.



# PRODUCTS AND SERVICES



## Retail



## Deposit Products

### Savings Account

- General Savings Account
- High Value Savings Account
- Savings Delight Account
- Seniors' Savings Account
- City Alo General Savings Account
- City Alo High Value Savings Account
- City Alo Savings Delight Account
- New Born Savings Account
- Freelancer Savings Account
- RMG Workers' Accounts
- Basic Savings Account
- Fortune Transactional Account
- Global RFCD Account
- Green Savings Account
- Student Savings Account

### Current Account

- Current Deposit
- Easy Current Account
- Easy Plus Current Account
- City Alo Business Account
- Global FCY Account
- Freelancer ERQ Account

### DPS Account

- Goal Based DPS
- Insurance Backed DPS

### FD Account

- Fixed Deposit
- Monthly Interest Paying FD
- Global NFCD Account



## Priority Banking Service/ Products

### Credit Card

- Citygem Unsecured Overdraft & Term Loan Facility
- Citygem Preapproved Credit Card



## Student Banking Products & Services

- Student File
- Remittance
- Student File Certificate



## Loan Products

### Personal Loan Secured Facilities

- Personal Loan
- Student Loan
- Secured Loan
- Secured Overdraft
- Secured Loan Bullet Payment

### Dps Account

- Auto Loan
- Second Hand Auto Loan

### FD Account

- Home Loan
- Home Credit



## Corporate & Commercial Banking Division



### Funded Facilities for Conventional, Islamic, Off-Shore and Agriculture

#### Working Capital Financing

- Overdraft
- Secured Overdraft
- Short Term Loan
- Bangladesh Bank's Re-financing
- Pre-Shipment Packing Credit
- Post-Shipment Financing
- Post Import Financing
- Invoice Financing

#### Project/Term Financing

- Mid-Term Loan
- Long-Term Loan
- Pre/Re-financing (GTF, LTFF, IPFF, FDIPP TDF, SREUP, UBSPL, GPPI, FDIPP, EECPP)
- ECA Backed Long Term Facility



### Non-Funded Facilities for Conventional, Islamic, Off-Shore and Agriculture

- Letter of Credit (Sight/Deferred)
- Back to Back Letter of Credit (Local & Foreign)



### Guarantee (Open ended/Close ended)

- Tender/Bid bond/guarantee
- Performance bond/guarantee
- Advanced payment bond/guarantee
- Security deposit bond/guarantee



### Structured Financing

#### Arranger

- Term loan arrangement
- Local currency term
- Foreign currency term loan
- ECA backed term loan
- Working capital facility arrangement
- Non-funded facility arrangement

#### Agency

- Facility agent services
- Security agent services

#### Advisory services

- M & A advisory
- Balance sheet restructuring
- Green financing advisory
- Equity raising advisory
- Issuance of debt and equity securities

#### Escrow

- Account bank services
- Escrow account management

#### Funding Line

- Arrangement of dedicated funding lines from different multilaterals for the bank

#### Trustee

- Custodian services
- Monitoring and maintenance of investment



### Deposit Products Cash Management Solutions

#### Deposit Products

- Current Account
- SND Account.
- Interest Bearing Transactional Account.
- Term Deposit.
- Multi-Currency Depository Service



## Nationwide Collection Solutions

- Collection facilities through City Bank PLC's Retail Outlets in the form of cash, instruments.
- Collection facilities through CityLive (Corporate Internet Banking Platform of City Bank PLC) through interbank and intra bank direct debit pull.
- Collection through virtual accounts via different channels such as RTGS, BEFTN, cash, instruments.
- Standing Instruction.



## Nationwide Collection Solutions Cash Management Solutions

- Virtual Account



## Payment Transfer Management

Payment facilities through CityLive (Corporate Internet Banking Platform of City Bank PLC) in the following forms

- Online Fund Transfer.
- BEFTN (single and bulk).
- Corporate Cheque Printing, both A4 size & normal size (single and bulk).
- Pay Order Issuance (single and bulk).
- RTGS (single and bulk).
- e-Payments of Customs Duty through RTGS.
- e-Payments of VAT through RTGS.
- Automated Challan System, ACS.
- Payroll Disbursement.
- Utility Bill Payments.
- Wallet Payments (currently through bKash)
- Prepaid Cards Loading.



## Value Added Service Provided by Cash Management

- City Doorstep (courier pick up & drop service).
- City Cash Transit (cash pick up & drop service).
- PDC Management : CityLive is City Bank PLC's digital platform and is a fully-integrated internet banking platform to facilitate all institutional payments along with MIS. With CityLive, institutional clients of City Bank PLC can initiate all types of local payment instructions from anywhere around the globe all throughout the clock.
- IPO Services.
- MT940.
- Collections through Customized Deposit Slip.
- Transactions through e-mail Indemnity
- Customized MIS for collections.
- System/ERP Integration.
- H2H connectivity.



## Treasury



## Money Market Products

- Call Money
- Re-purchase Agreement
- Foreign Exchange Swap
- Term Money
- Reverse Repo
- Foreign Currency Placement
- Notice Money



## Fixed Investment Products

- Fixed Income & Capital Market investment
- Interbank Fixed Income Trading
- Bangladesh Government Islamic Investment Bond (BGIIIB)
- Government Securities Investment Window service for customers
- Corporate Bond
- Bangladesh Government Ijarah Sukuk (BGIS)



## Foreign Exchange Products

- Inter-bank spot in major currency pairs
- Foreign remittance
- Cross Currency Swaps
- Customers spot in major currency pairs



## Derivatives Products

- Forward Contract
- Interest Rate Swap (IRS)



## SME



## Small & Microfinance Products

### Deposit Products

#### CURRENT DEPOSITS

- Easy Current Account
- Easy Plus Current Account
- City Alo Business Account
- Basic Current Account

#### SPECIAL NOTICE DEPOSIT

- Special Notice Deposit (SND) Account

#### TERM DEPOSIT

- Fixed Deposit Receipt (FDR)

### Loan Products

#### FUNDED

- Term Loan
- Single Installment Loan
- Overdraft Loan
- Secured Loan
- Islamic Asset Backed Finance
- Remittance Beneficiaries Loans
- City Alo Women Enterprises Loans
- Commercial Housing/Mess Rental Loans
- Commercial Space Loan
- Agriculture Finance
- Distributor Finance
- Startup Loan

#### NON-FUNDED

- Letter of Credit - LC (Sight/One-off/Revolving)
- Loan Against Trust Receipts (LATR)
- Advance Payment Against Export



## Medium Enterprise Products

### Deposit Products

#### CURRENT DEPOSITS

- Easy Current Account
- Easy Plus Current Account
- City Alo Business Account

#### SPECIAL NOTICE DEPOSIT

- SND Account

#### FIXED DEPOSIT RECEIPTS

- FDR Account



## Loan Products

### FUNDED

- |  |   |   |
|--|---|---|
| <ul style="list-style-type: none"> <li>• Overdraft (OD)</li> <li>• Secured Overdraft (SOD)</li> <li>• Revolving Short Term Loan(RSTL)</li> <li>• Industrial Term Loan</li> <li>• Working Capital and Term</li> </ul> | <ul style="list-style-type: none"> <li>• Loan(Bangladesh Bank's Pre/ Refinancing Scheme)</li> <li>• Working Capital and Term Loan (Agricultural Finance)</li> <li>• Term Loan (Others)</li> </ul> | <ul style="list-style-type: none"> <li>• Lease Financing</li> <li>• IDBP/FDBP</li> <li>• Loan Against Trust Receipt (LTR)</li> <li>• Packing Cash Credit (PCC)</li> <li>• OD (Earnest Money)</li> </ul> |
|--|---|---|

### Non-funded (Both Conventional and Islamic)

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

### Guarantee (Open/Close End; Both Conventional and Islamic)

- International Bank Guarantee
- Local Bank Guarantee
- Bid Bond



## Agent



## Deposit Products

- All deposit product of Retail & SME's



## Loan Products

- All Loan product of Retail & SME's
- City Digital Agri Loan



## Services

### Accounting Operating

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Cash Deposit and Withdrawal</li> <li>• Fund Transfer</li> <li>• Remittance Disbursement</li> <li>• Utility Bill Payment</li> <li>• Insurance Premium Collection</li> </ul> | <ul style="list-style-type: none"> <li>• Balance Inquiry</li> <li>• Account Statement (Mini)</li> <li>• Loan Disbursement (Retail, SME, Remittance, Digital Agri)</li> <li>• Loan EMI Collection</li> </ul> | <ul style="list-style-type: none"> <li>• Cheque Book &amp; Debit Card Requisition, Delivery &amp; Activation</li> <li>• Distributor collection</li> <li>• Payroll Banking Service</li> <li>• Universal Pension Scheme</li> </ul> |
|---|---|--|



## Supply Chain



## Supply Chain Financing

## Overdraft

- Factoring
- Reverse Factoring/ Invoice Financing
- Purchase Order Financing



## Islamic Banking



### Deposit Products

#### Savings Accounts

- Islamic Savings A/C
- Islamic Easy Transaction A/C
- Islamic High Value Savings A/C
- Islamic Alo General Savings A/C
- Islamic Alo High Value Savings A/C
- Islamic Alo Savings Delight A/C

#### Current Accounts

- Islamic Current A/C
- Islamic Corporate Transaction A/C
- Islamic Easy Plus Transaction A/C

#### Student Accounts

- Islamic Student Savings A/C

#### DPS Accounts

- Islamic Digital DPS A/C
- Islamic Hajj Deposit Scheme
- Islamic Monthly Deposit Scheme

#### FD Accounts

- Islamic Term Deposit
- Islamic High Value Term Deposit
- Islamic Monthly Benefit Scheme

#### SND Accounts

- Islamic SND A/C
- Islamic High-Value SND A/C



### Loan Products

#### Funded

- Islamic Personal Finance
- Islamic Secured Finance
- Islamic Home Finance
- Islamic Home Renovation
- Islamic Auto Finance
- Islamic Auto Finance Second Hand Car

- Islamic Business Finance
- Islamic Demand Finance (Murabaha)
- Islamic Term Finance
- Islamic Trust Receipt
- Islamic Short Term Finance (Salam)
- Islamic Short Term Finance (Murabaha)

- Islamic Short Term Finance (Musharaka)
- Islamic Bill Purchase Inland
- Islamic Local Purchase
- Islamic Import Bill Finance

#### Non-Funded

- Letter of Credit
- Bank Guarantee



## Cards



### Credit Cards

#### American Express

- |   |   |   |
|---|---|---|
| <ul style="list-style-type: none"><li>• Amex Blue</li><li>• Amex Gold</li><li>• Amex Platinum</li><li>• Amex Islamic Blue</li></ul> | <ul style="list-style-type: none"><li>• Amex Islamic Gold</li><li>• Agora Co-Brand</li><li>• Biman Co-Brand</li><li>• DU Co-Brand</li></ul> | <ul style="list-style-type: none"><li>• City Alo Credit</li><li>• Amex GB Corporate</li><li>• Amex Gold Corporate</li></ul> |
|---|---|---|

- Visa Platinum
- City Visa Infinite



## Debit Cards

### American Express

- The Citymaxx American Express Card
- Sapphire Citymaxx American Express Debit Card
- Citygem American Express Card
- The City Islamic American Express Card

### Visa

- Visa Debit Card
- City Alo Visa Debit Card

### Mastercard

- Mastercard Platinum International Debit Card
- Mastercard Debit Card
- Mastercard Citygem Platinum Debit Card

## UnionPay

- UnionPay Gold Debit Card



## Prepaid Card

### American Express

- Amex Reloadable Prepaid
- Amex Gift Prepaid

### Mastercard

- Mastercard Corporate Prepaid



## Digital



## Digital Products

- Citytouch Digital Banking
- Call Center
- City GO (NFC Wearable Payment)
- Ekhoni Account

- Citipay QR Payment
- City Live (Corporate Internet Banking)
- Smart IVR
- Customer Service Portal

- City Smart (ATM & RATM)
- Digital Nano Loan (with bKash)



## Digital Services

- Bank & MFS Fund Transfer
- Cash by Code
- Digital Wealth Management
- Virtual Card

- Account Maintenance Self-Service
- In-app Payment Services
- FD & DPS Opening and Closure
- Card-related Self-Service

- Loan-related Self-Service
- All kinds of A/C Certificates
- QR Fund Transfer
- Quick Loan



# LISTENING TO OUR STAKEHOLDERS

## Materiality Assessment and Stakeholder Engagement

Integrating stakeholder views into our business strategy

Building and maintaining strong relationships with our stakeholders is central to City Bank's purpose-led strategy and culture and is embedded in the Board's responsibilities and decision-making. The Board is mindful of its duty to act in good faith and to promote the success of the bank for the benefit of its shareholders and with regards to the interests of all of its stakeholders, including employees, customers, suppliers, regulators and the communities we operate in and serve.

The Board is kept updated on all material issues affecting stakeholders and stakeholder interests and views through direct engagement and through the reports and updates it receives from Management and external advisers.

The bank recognises the importance of actively engaging key stakeholders whose interests are affected or potentially influenced by its activities. The ongoing uncertainties in the macroeconomic landscape throughout the year 2024 necessitated an intensified focus on meaningful stakeholder engagement.

Proactive efforts were undertaken to identify stakeholder concerns through consistent and transparent dialogue and effectively address them through strategic actions. The bank understands the significance of nurturing robust relationships with stakeholders to enable mutual value creation in the long run.



VALUE DELIVERED TO OUR STAKEHOLDERS				
STAKEHOLDER GROUP	VALUE DELIVERED	YEAR 2024	YEAR 2023	CAPITALS AUGMENTED
Investor community	Return on equity	26.1%	17.6%	Financial capital
	Earnings per share	BDT 8.06	BDT 4.57	
	Net asset value per share	BDT 34.0	BDT 27.63	
	Dividend	25%	25%	
Customers	Total no. of deposit customers	2,147,737	1,976,598	Intellectual capital Human capital Manufactured capital
	New deposit customers onboarded	277,022	308,026	
	Total no. of retail loan customers	108,972	107,311	
	New retail loan customers onboarded	15,594	16,263	
	Total no. of corporate customers	323	330	
	New corporate customers onboarded	20	16	
Employees	Training cost	BDT 58 mn	BDT 22 mn	Human capital Financial capital
	Staff benefits	BDT 8,935 mn	BDT 7,829 mn	
	Promotions	1,115	1,018	
	Avg. salary hike	13.2%	12.8%	



STAKEHOLDER GROUP	VALUE DELIVERED	YEAR 2024	YEAR 2023	CAPITALS AUGMENTED
 <b>Suppliers</b>	Payment to suppliers	BDT 5,945 mn	BDT 5,166 mn	 <b>Social and relationship capital</b>  <b>Financial capital</b>
	New supplier registrations	683	758	
 <b>Society</b>	Investment in CSR	BDT 79.9 mn	BDT 115.23 mn	 <b>Social and relationship capital</b>
	No. of CSR beneficiaries	79,049+	76,033+	
 <b>Regulators</b>	Taxes paid to exchequer	BDT 13,957 mn	BDT 12,138 mn	 <b>Financial capital</b>
 <b>Planet</b>	Green and sustainable loans disbursed	BDT 402,340 mn	BDT 150,547 mn	 <b>Financial capital</b>  <b>Natural capital</b>
	Seeds sowed in tree plantation activity	3500	400+	
	Scope 1 Emissions	238 tCO <sub>2</sub>	247 tCO <sub>2</sub>	
	Scope 2 Emissions	8,945 tCO <sub>2</sub>	7,708 tCO <sub>2</sub>	
	Scope 3 Emissions (Financed Emissions)	978,642 tCO <sub>2</sub>	1,055,000 tCO <sub>2</sub>	

## Materiality determination and assessment

In determining material topics, City Bank took into consideration the current and potential impacts on the broader economy, environment and society in the process of executing its growth strategy, while also taking into account the expectations and requirements of its stakeholders.

Key considerations in selecting material topics for disclosure include:



Bank's objectives in public value and national obligations

Government's economic and social policies

Our strategic priorities

Our operating environment

Stakeholder feedback and expectations

Future sustainability of the bank

## Prioritizing material topics

City Bank's priorities were translated into a list of material topics. The bank's priorities were decided primarily based on the level of contribution towards the organisation's long-term sustainability. This requires that the bank remains competitive and stable within a rapidly changing external environment and customer profile.

Although one of the oldest banks in the country, City Bank has stayed with the times, innovating products, services and digital systems and technologies for customer value, thus meeting unmet and unserved needs. Through this, the bank has been able to retain its brand relevance and continue business expansion with the result that it has emerged as a preferred bank for customers in Bangladesh.

A brief overview of how we engage with our key stakeholders is given below:



## City Bank: Strategic Materiality Considerations



### Public Value Objectives

Aligning with national interests



### Government Policies

Adapting to economic and social policies



### Strategic Priorities

Focusing on long-term goals



### Operating Environment

Navigating current market conditions



### Stakeholder Expectations

Meeting feedback and expectations



### Future Sustainability

Ensuring long-term viability



#### CUSTOMERS

We are committed to delivering outstanding customer experiences and making positive changes every day for our customers, delighting them with enriched product and service offerings.

#### Value to customers

- Bank's financial strength and stability given the challenging operating environment
- Superior service quality and convenience
- Clear and accurate information on financial services provided
- Innovative product solutions
- Quick onboarding through digital technology
- Fast response times and fair pricing

## Engaging with customers

The Board is kept updated on customer-related matters through the regular reports it receives from the Management and other senior leaders, including the reports from the Chief Executive Officer & Managing Director at each Board meeting. Reports include data on customer experience, customer retention and attraction and complaint volumes and resolution.

Additional insight is provided from industry body data, external surveys and research. All of these information sources enable the Board to gain an in-depth understanding of customer expectations, behaviours and feedback, therefore informing future decision-making. The Board's awareness of matters impacting customers is also informed by insights from Directors' broader external experiences and other board appointments.

A significant Management agenda was a deep dive into the evolution of City Bank's customer proposition aligned to its digital banking strategy to deliver more rewarding modern experiences for our customers. Output from research on customer expectations and preferences has helped shape the areas of focus and has given us a

clear direction on the onward customer journey with the bank.

Within the context of our operating environment, a key customer focus was deposit mobilisation. It was observed during the year that these flows increasingly gravitated towards City Bank as customer perception about the bank improved significantly as a stable, reliable and dependable bank. This was especially in an environment where a few other banks suffered from a loss of reputation due to systemic weakness. The result was that City Bank was able to attract the highest ever net deposit inflow of BDT 514,204 mn during the year.

In 2024, Management was particularly focused on the continued macroeconomic pressures and the rising cost of living challenges faced by customers and considered how City Bank could best provide support. Reports on credit risk and asset quality gave insight on customer pressure points. Thus, a number of customer support measures were put in place that comprised attractive rate of interest for customers with a high credit score, extended interest payment tenure, etc.

Overall, the bank continued to focus on providing customers with products and services that met their needs and offered fair value.



#### EMPLOYEES

Employees and team members who feel engaged and enthusiastic about the work they do are critical to delivering the best experiences to our customers.

#### Value to employees

- Attractive compensation structure
- Opportunities for career progression and skills development
- Job security
- Work-life balance
- Inclusive and equitable work environment



## Engaging with employees

We want our employees to feel engaged and motivated by the work they do and the Management has various channels by which it keeps engaged with the views and sentiments of employees. Our workforce engagement programme provides regular opportunities for interactive communication between the senior leaders and all colleagues throughout the year and is designed to involve employees working at all levels and in all functions across the bank. At the start of each Board meeting there is an opportunity for Directors to report back on key messages from any recent workforce engagement events to ensure that, as appropriate, employees views and insights are taken into account during Board discussions and decision-making.

The CEO & MD and members of the Management also analyse key implications from employee sessions they host. The Management focuses on learning, upskilling and leadership development and continues to evolve it in line with the broader operating environment. For example, in 2024 more specific knowledge sessions were introduced in the overall training calendar to plug the learning gaps identified through employee and Management discussions.

The Head of Human Resources who is also a part of the Management

Committee, considers key themes from employee responses and provides input on the action to be taken to capitalise on strengths and to address areas of opportunity. As an example, feedback has helped shape the importance of diversity and inclusion in the workforce and steps are being taken to build a diverse and inclusive culture. A prime instance of this is the opportunity given to women to return back to the bank's workforce post maternity break. This initiative is a clear example of women empowerment through the opportunity to get back into the mainstream workforce after a break.

The Management also considered how cost of living pressures are impacting employees and this was gauged via feedback from workforce engagement sessions, etc. This led to strategic compensation benchmarking with a general across-the-board salary hike that helped provide ease to employees while also ensuring that the bank was able to retain employees and show solidarity with them. This also created enhanced loyalty.

Creating and sustaining a diverse workforce and ensuring colleagues feel included while at work is a key priority of City Bank. The organisation's DEI framework sets out a series of practical ways to ensure colleagues feel included and drive delivery of the representation expectations of our employees in terms of culture, mindset and behaviours.



### INVESTORS

The Board has regular engagement with shareholders and investors to understand their expectations and gain feedback on City Bank's overall strategic goals and ambitions

### Value to investors

- Dividend track record
- Discussions on the financial strength and stability of the bank
- Corporate governance and risk management practices
- Transparent and timely communication
- The bank's environmental and social impacts

## Engaging with investors

We have a comprehensive investor engagement programme in place. Board members, along with Finance team, held meetings with investors during the year covering various topics such as financial performance, delivery against strategy, debt cost, credit rating and other thematic questions on financial ratios, drivers of NIM and capital adequacy.

The Chief Financial Officer (CFO) generally holds proceedings at the performance presentation of the bank at end of every quarter, providing a briefing to Board members and investors on the bank's quarterly performance. Discussions pertain to key highlights and developments during the quarter as well as strategies adopted to

reinforce performance. This shows the importance of continuous open dialogue.

The Board receives regular reporting from the MD & CEO, CFO and the Company Secretary to ensure Board members are kept current with market and economic conditions and trends relevant to the bank, along with expectations.

The Board was pleased to invite shareholders to attend the 41st Annual General Meeting (AGM) held in Dhaka in May 2024, providing an opportunity for investors to interact directly with the Board. In line with statutory guidelines, shareholders were provided a copy of the Annual Report and other documents prior to the AGM, enabling them to prepare for the sessions, which enhanced the overall quality of the proceedings.



### SUPPLIERS

We are able to deliver our strategy and serve our customers with the support and continued cooperation of our partners and suppliers. While our focus is to procure the best possible solutions from our suppliers, we also give importance to local procurement to inject value in the micro-catchment area.

### Value to suppliers

- Opportunities for mutual value creation
- Timely payments
- Ease of doing business
- Efficient, fair and transparent procurement
- Sharing of insights on best practices, business development, etc.



## Engaging with suppliers

While the Management primarily does not interact directly with the bank's suppliers, they however receive regular reports and updates from the procurement team which allows them to oversee supplier relationships and to keep up-to-date on developments.

Through briefings and regular updates, the Management and other members enhance their understanding of how suppliers can deliver key actions that drive the bank's strategy and targets to achieve smooth operations. The anchor point with all our supplier dealings

is that we forge mutually beneficial relationships over longer time periods. While this helps us ensure security in the procurement of key products and solutions used by the bank in its everyday operations, it also provides procurement guarantee to our supplier-partners.

A key part of our supplier relationships is to enable them to build capacity and achieve their own growth objectives and targets. In this regard, we organise sessions on the bank's expectations from its supplier partners, while also sharing industry trends and best practices. We are also committed to honoring our financial obligations to them.



### REGULATORS/GOVERNMENT

We value the open, transparent and supportive relationship we have with the banking regulations as well as government bodies.

#### Value to government

- Compliance with all relevant regulations
- Support government efforts in economic recovery
- Timely payment of taxes
- Financial inclusion
- Employment creation

## Engaging with regulators

City Bank maintains a regular dialogue with the supervisory teams at the banking regulator, Bangladesh Bank, the central bank of Bangladesh. Bangladesh Bank ensures general superintendence and direction of affairs and business of the bank through regular engagements with the Board and the Management.

Among the main functions of the central bank is the formulation and implementation of the monetary policy. City Bank plays a role in the transmission of this policy to the wider economy. This ensures broad macroeconomic stability.

During the year in review, meetings revolved around the outcome of regulatory reviews, regulatory expectations of City Bank as a systemically important bank and regulatory priorities for the coming period. Discussions also took place on regulatory interventions at weak banks and the role of stronger banks such as City Bank in the prevention of any cascading financial collapse. Strong supervisory steps were also discussed on broader financial and banking sector reforms, especially with the new interim government taking charge.

The Board was kept updated of the key discussion topics and points of feedback from all the meetings.



### SOCIETY

Our ambition at City Bank is to be a positive force for good in society and to demonstrate our commitment through everything we do. We ensure we have an all-round impact and focus on tackling issues that are fundamentally important for society.

#### Value to society

- Social and environmental impacts
- Positive community impacts
- Good business practices
- Relief during emergencies

## Engaging with society

As part of our ESG strategy, we work with customers, colleagues and communities to encourage sustainable practices and economic activity that creates shared prosperity. The Management actively encourages and fully supports the bank's community work and employees can make use of volunteering initiatives to give something back to their communities or charities close to their heart.

The bank remains seized on the importance of tackling key issues affecting the society. In this regard a number of measures are undertaken to provide relief. A key annual activity of the bank is the distribution of free blankets to the poor and marginalised who are more exposed to the harsh winter months. We organise several large-scale blanket donation drives in various

regions of the country, involving the local teams in the activity.

Bangladesh is prone to natural calamities due to its vulnerable topographical position. Major flooding is a recurring event that causes loss of life and property. City Bank provides relief materials and other provisions to aid the recovery of the affected populations. Further, to ensure climate adaptability, the bank also has a growing sustainable and green finance business that provides financing to industry looking to decarbonise their operations. While the bank seeks to lower its own Scope 1 and 2 emissions, it is also exploring the analysis of emissions in its financed portfolio with a means to lower it. This contributes to climate action for planet health.

The Board is kept updated through periodic reports on progress with the ESG and sustainability strategy and on specific initiatives that promote the bank's overall citizenship.



# INVESTOR RELATIONS DESK

At City Bank, we strive to maintain governance and transparency of the highest order in everything we do.

In line with this endeavour, the bank established an Investor Relations Desk in 2017, marking a significant step towards engaging more effectively with the domestic and global investment community. Through this desk, we aim to establish a structured platform to build trust, uphold accountability and facilitate seamless communication with existing and potential shareholders and investors.

It is worth noting that few banks in Bangladesh have established dedicated investor relations initiatives, positioning City Bank as a pioneer in transparency and investor engagement.

The primary objective of this desk is to provide timely and accurate financial information and insights to the investors. The key functions involve:

Continuous updates and meetings	Quarterly earnings disclosure events	Investor relations web page	Equity/long-term debt analytics support
Regular interactions are held with researchers, analysts, investors and other stakeholders to provide updates on the bank's financial health, strategy and market position.	We host planned events to share financial performance, growth prospects and strategic direction with our investors. Quarterly earnings disclosures are conducted on a virtual platform, where the senior leadership discusses the bank's financial performance and its strategic priorities.	A dedicated section on City Bank's corporate website offers up-to-date information about the bank, including financial statements, investor presentations, annual reports, corporate governance reports and market performance analysis.	We provide in-depth analysis and in achieving long-term sustainable growth objectives of the bank.

City Bank's proactive and transparent investor relations initiatives have successfully attracted an increasing number of investors from both local and international markets. The bank's steadfast dedication to enhancing investor engagement and corporate governance has established the bank as one of the most reputable financial institutions of the country.

For more information, please visit <https://www.citybankplc.com/investor-relation>



## Investor relations contact:

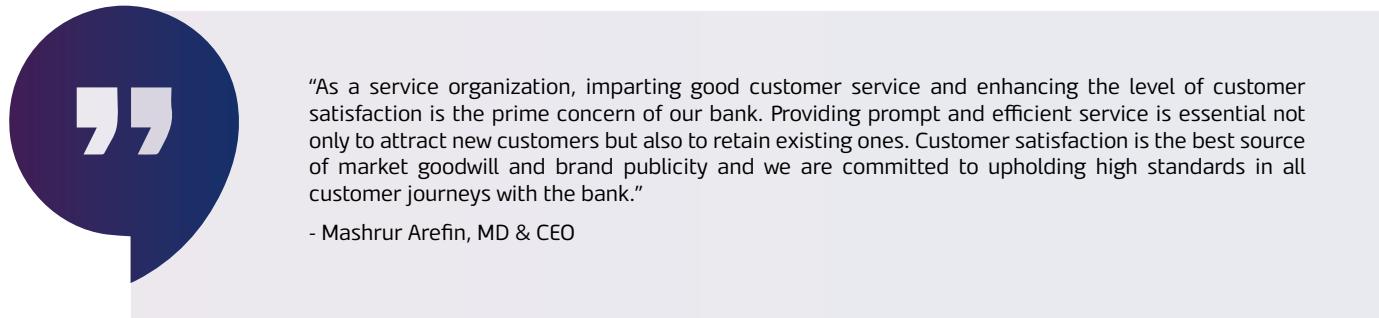
investor.relations@citybankplc.com



Scan the QR code with your mobile device for quick access to Financial information for stakeholders

# GRIEVANCE REDRESS AT CITY BANK

Grievances are the voice of the customers and an opportunity for us to continuously improve our service excellence standards.

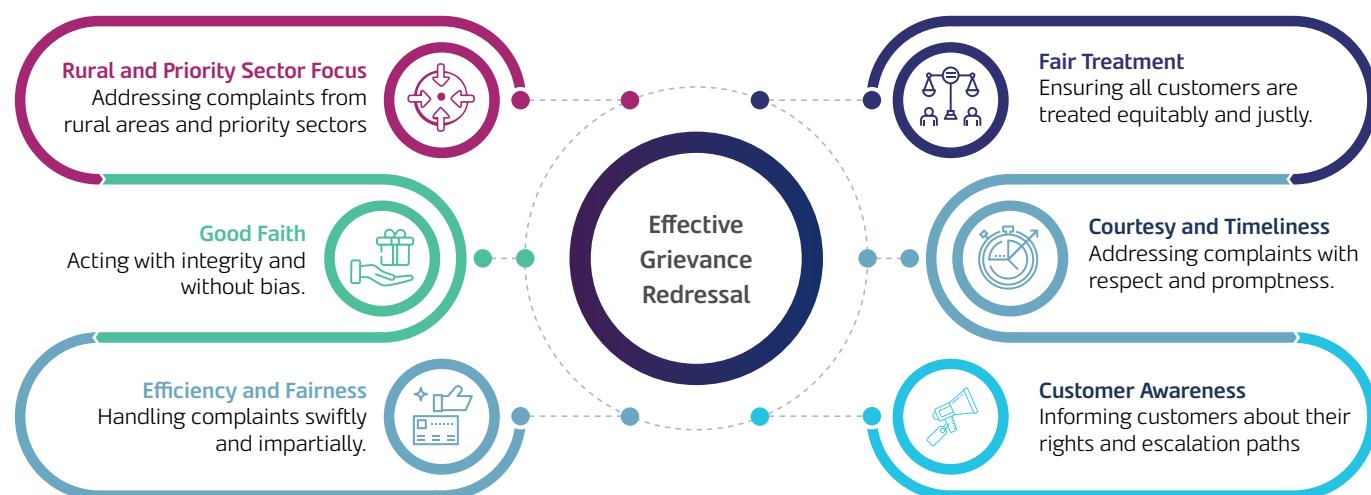


## Overview

Customer service experience is the key to acquire and nurture enduring relationships with our customers. As we deal with humans, difference of opinion and friction may arise out of interactions and our customers may express their dissatisfaction as complaints.

Taking it in the right perspective, for us a complaint is an opportunity to not only ensure rectification and upsurge to bridge the possible deficiency and win back customer trust, but also a valuable source to improve the product, process, technology and people aspects of the bank.

## Effective Grievance Redressal At City Bank



In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. The bank has set high priority to customer satisfaction and has taken a number of initiatives aimed at achieving best-in-class standards of customer satisfaction and complaint-free customer service and experience.

City Bank has a robust customer grievance handling procedure in place and in the event of any dissatisfaction, a customer has the option of escalating the issue to the Ombudsman. Complaints are

received through the 24-hour customer service hotline 16324 (Local) or +88028331040 (Overseas) and dedicated Customer Service Handling Unit and are acted upon promptly.

In order to make the bank's redressal mechanism more meaningful and effective, a structured system is in place at Branches/Regional Offices/Head Office, which ensures that redressal sought is just and fair and is within the given framework of rules and regulations. This is put up transparently on our website and can be accessed from: <https://shorturl.at/QAyV0>



Status of customer grievance, 2024	
Customer complaints received	7,271
Customer complaints resolved	6,681
Pending complaints	590
In-progress	N/A
Avg. resolution time (days)	3 days

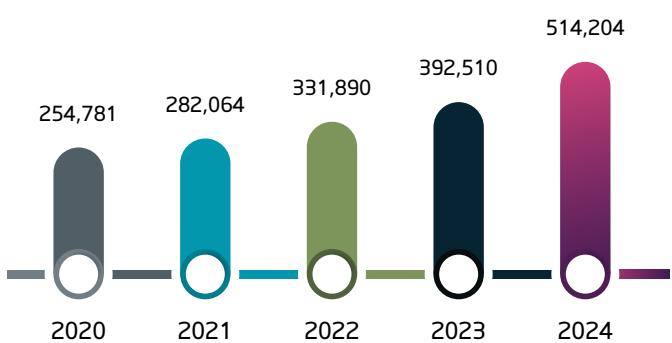
## Maintaining sound relations with key stakeholders

STAKEHOLDER	RELATIONSHIP IMPORTANCE	GRIEVANCE REDRESS
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Builds trust and loyalty as a responsive redress system improves customer confidence in the bank</li> <li>Enhances service quality as feedback from grievances helps the bank improve its products and services</li> <li>Prevents escalation as timely resolution averts legal or regulatory action</li> </ul>	 Email ID: complaint.cell@citybankplc.com  Hotline no: 16234 (Local) or +88028331040 (Overseas)
 <b>Shareholders</b>	<ul style="list-style-type: none"> <li>Protects reputation as efficient grievance handling prevents reputational damage, maintaining shareholder confidence</li> <li>Ensures regulatory compliance as proper grievance redress helps avoid penalties and legal issues</li> <li>Enhances financial stability as resolving issues promptly reduces potential financial losses from lawsuits, etc</li> </ul>	 Email ID: info@citybankplc.com  Hotline no: 16234 (Local) or +88028331040 (Overseas)
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Boosts morale and productivity as addressing employee grievances fosters a positive work environment</li> <li>Reduces employee turnover and enhances retention</li> <li>Improves workplace relationships</li> <li>Ensures compliance with labour laws</li> </ul>	 Email ID: grievance-committee@citybankplc.com

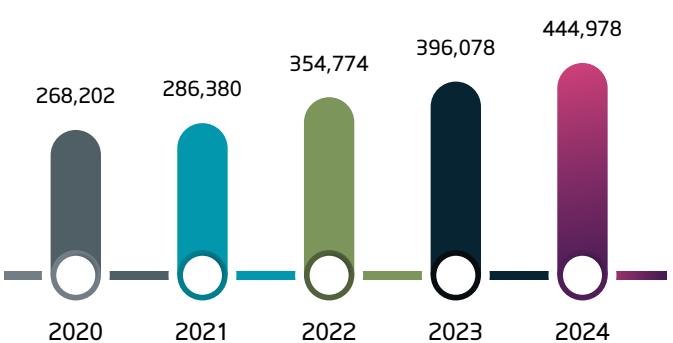
# PERFORMANCE AT A GLANCE 2024

Figures in BDT mn unless specified

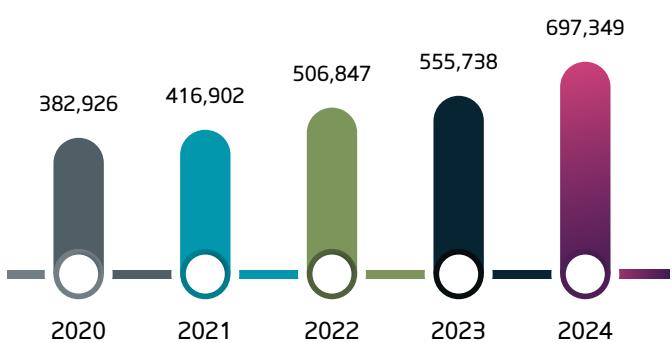
## Deposits



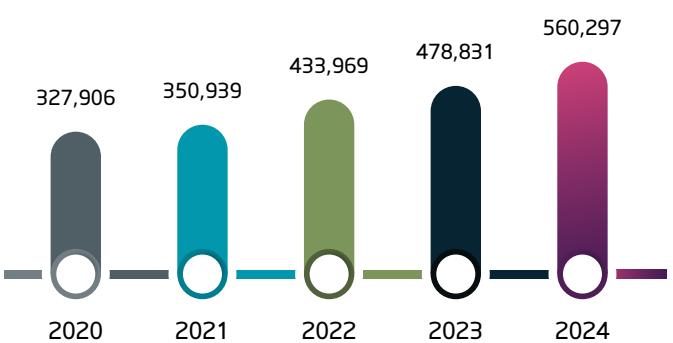
## Loans & Advances



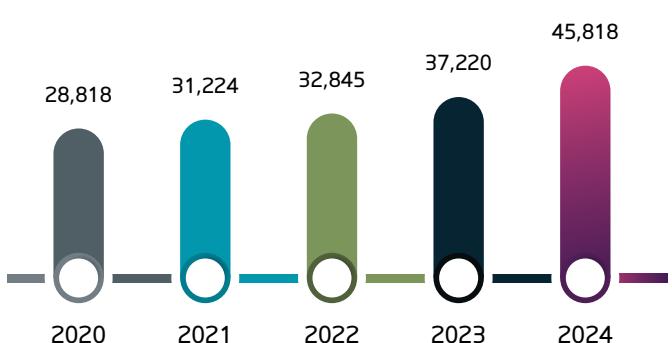
## Total Asset



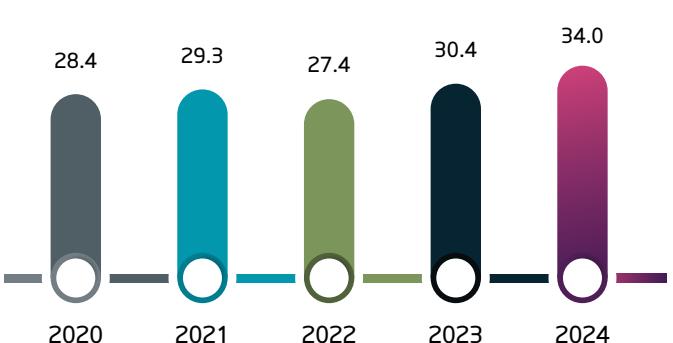
## Earning Assets



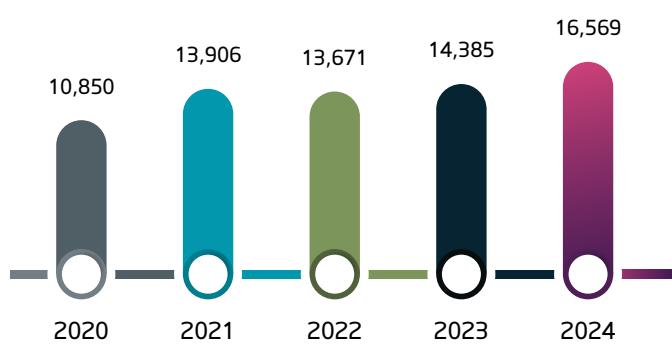
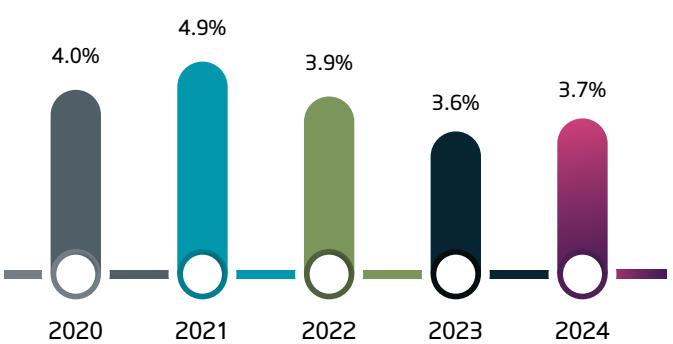
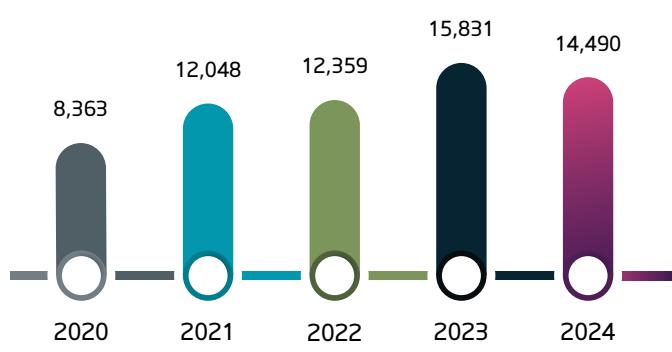
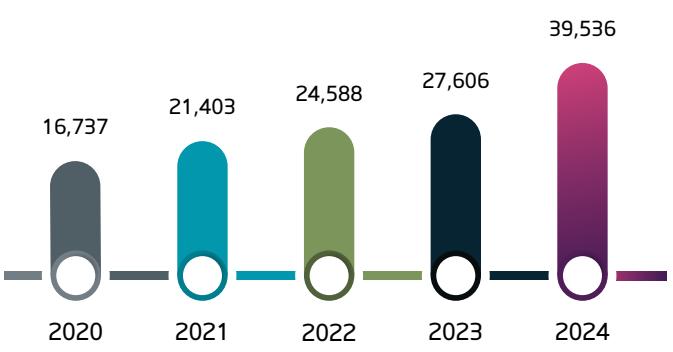
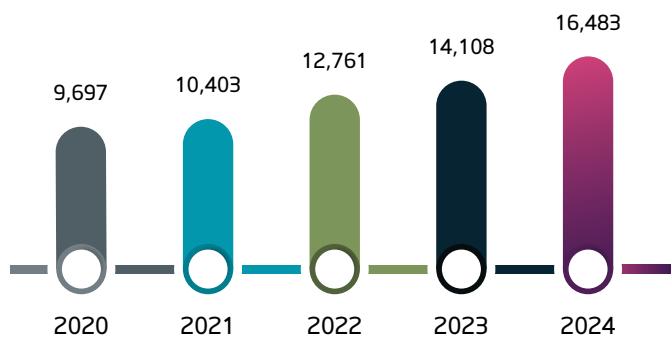
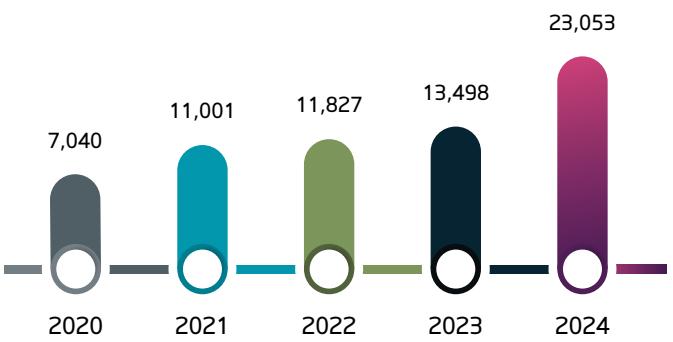
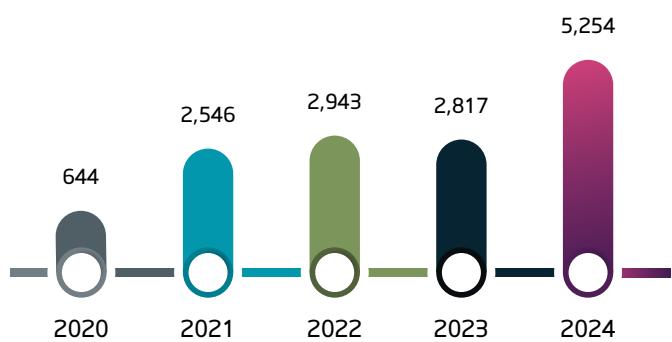
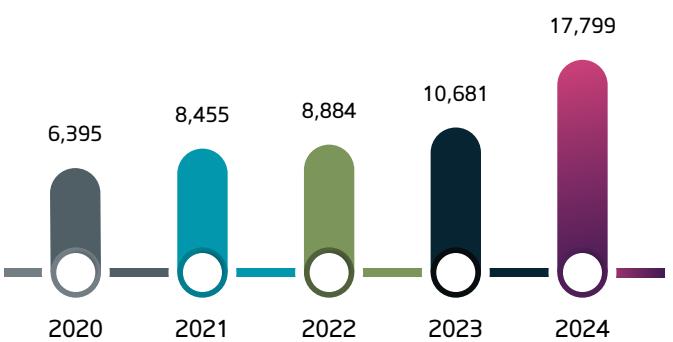
## Shareholder's Fund



## NAV (BDT)



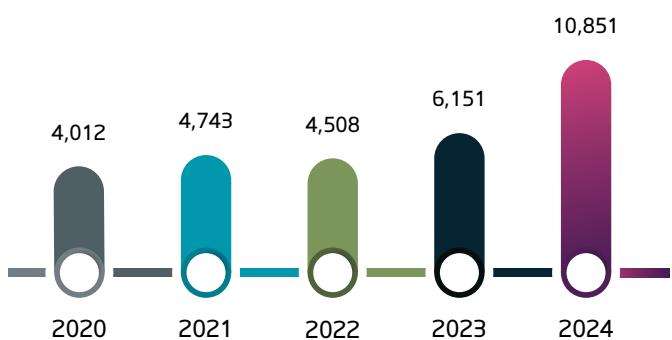
Figures in BDT mn unless specified

**NPL Volume****NPL (%)****Net Interest Income****Operating Income****Operating Expense****Operating Profit****Total Provision Charged****Profit Before Tax**

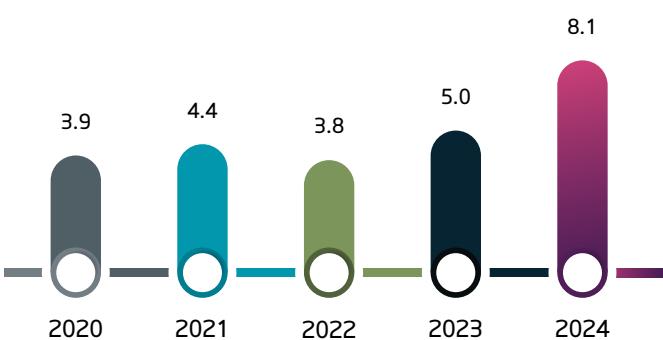


Figures in BDT mn unless specified

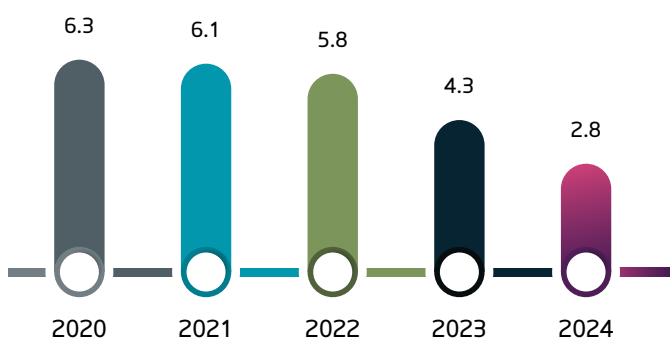
#### Profit After Tax



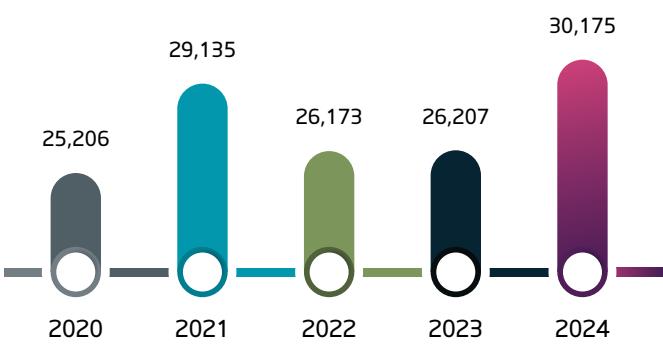
#### EPS (BDT)\*



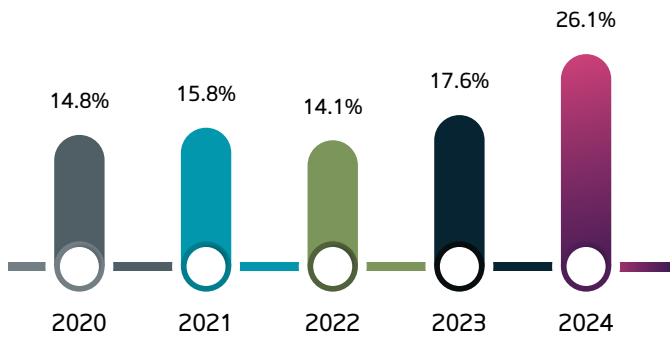
#### PE Ratio



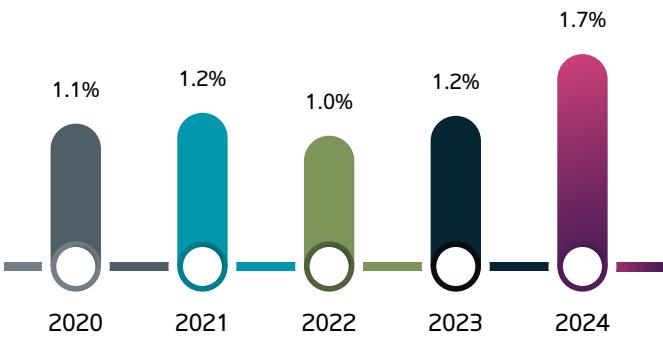
#### Market Capitalization



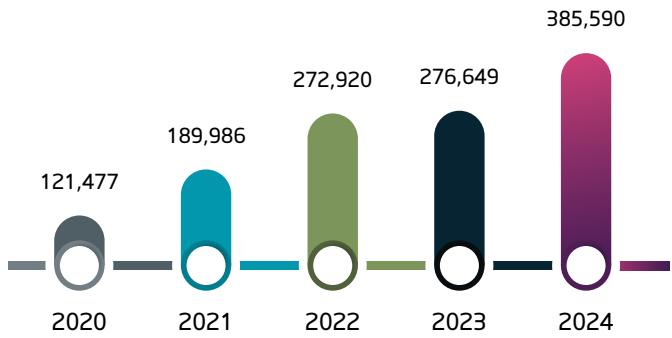
#### ROE (%)



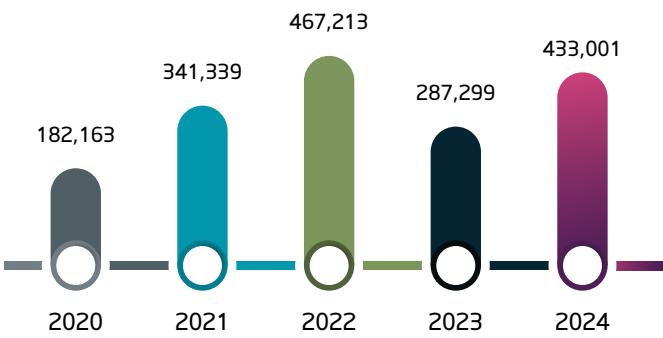
#### ROA (%)



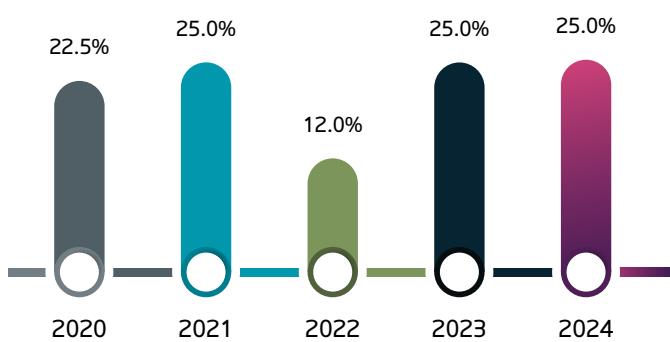
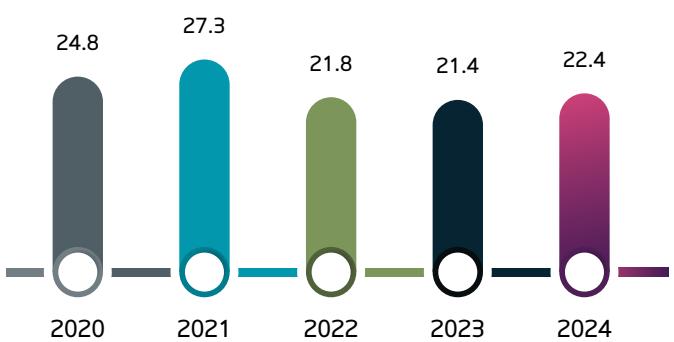
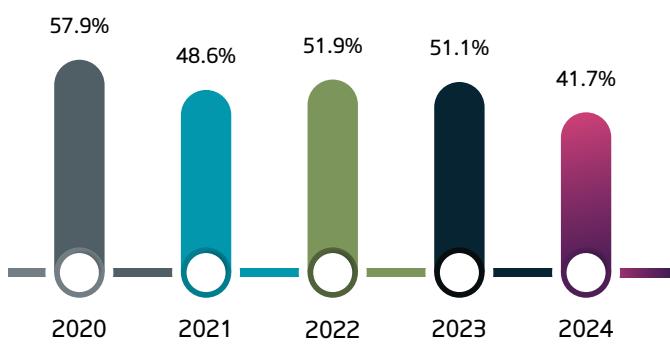
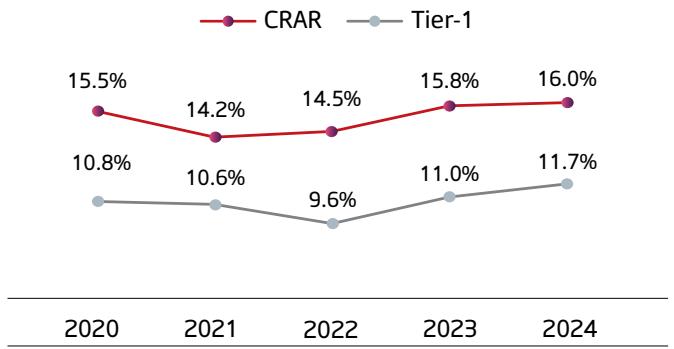
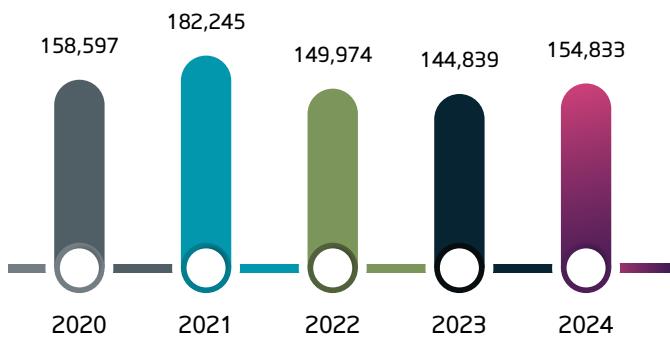
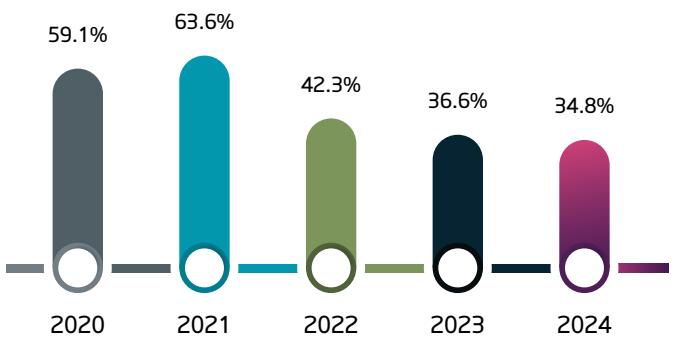
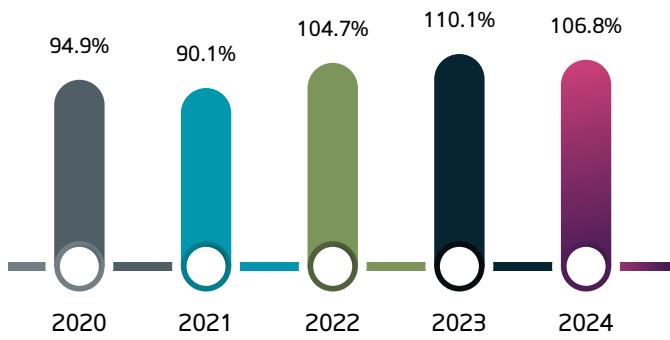
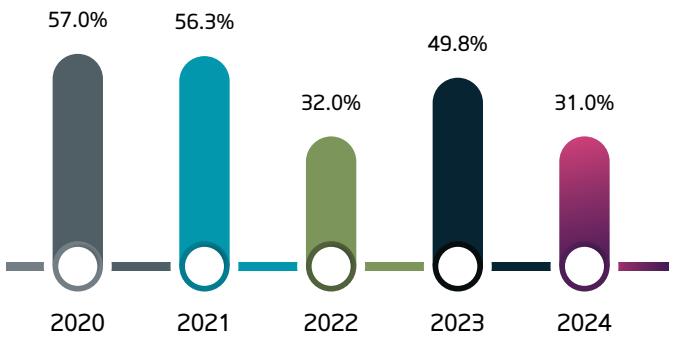
#### Export



#### Import



Figures in BDT mn unless specified

**Dividend (%)****DSE Stock Performance (BDT)****Cost-to-Income Ratio (%)****CRAR & Tier-1 Ratio (Solo)****Large Loan Exposure (funded & non-funded)****Large loan exposure (%)****Provision Coverage Ratio (%)****Dividend Payout Ratio (%)**

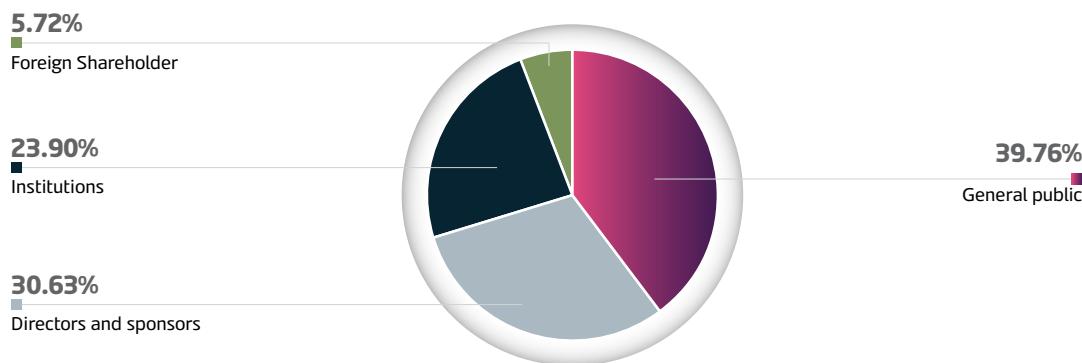
\* Earlier year not adjusted to stock dividend

# SHAREHOLDING STRUCTURE

As a listed commercial bank 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 distinguished institutional and foreign shareholding that is convinced in City Bank's performance and forward outlook, the bank also provides a gateway to value creation to retail investors, primarily comprising the Bangladeshi public.

## Shareholding Structure as on 31 December 2024

SL	Type of owner	No. of shares	Value of shares (BDT)	% of holding
1	General public	535,554,563	5,355,545,630	39.8%
2	Directors and sponsors	412,617,909	4,126,179,090	30.6%
3	Institutions	321,893,167	3,218,931,670	23.9%
4	Foreign shareholders	77,015,125	770,151,250	5.7%
<b>Total</b>		<b>1,347,080,764</b>	<b>13,470,807,640</b>	<b>100%</b>



## Classification of shareholders by shareholding

Particulars	2024			2023		
	No. of share holders	No. of Shares	% of holding	No. of share holders	No. of Shares	% of holding
01 - 500 shares	13,876	1,960,532	0.1%	14,334	1,951,000	0.2%
501 - 5,000 shares	10,857	20,249,807	1.5%	11,324	19,470,045	1.6%
5,001 - 10,000 shares	2,039	14,798,801	1.1%	1,819	12,326,730	1.0%
10,001 - 20,000 shares	1,322	19,049,454	1.4%	1,195	16,226,248	1.3%
20,001 - 30,000 shares	474	11,747,014	0.9%	444	10,735,873	0.9%
30,001 - 40,000 shares	250	8,788,550	0.7%	200	6,817,100	0.6%
40,001 - 50,000 shares	171	7,889,491	0.6%	105	4,669,908	0.4%
50,001 - 100,000 shares	319	22,863,627	1.7%	297	20,043,860	1.6%
100,001 - 1,000,000 shares	336	104,607,618	7.8%	343	109,204,289	8.9%
Over 1,000,000 shares	148	1,135,125,870	84.3%	137	1,023,173,824	83.6%
	<b>29,792</b>	<b>1,347,080,764</b>	<b>100.0%</b>	<b>30,198</b>	<b>1,224,618,877</b>	<b>100.0%</b>



# SHAREHOLDING BY DIRECTORS

Stewarded by the Board of Directors, City Bank is committed to sustainable value creation. The bank's esteemed Board comprises member-directors who are distinguished personalities, bring unique insights and perspectives to Board matters, and have conviction in the long-term prospects and potential of the enterprise, as reflected in their shareholding in the bank. Thus, most of the Directors on the Board are shareholders of the bank too.

## Directors and their shareholding as at 31 December 2024

Sl. no.	Name of the persons	Designation	No of Shares	Amount (Tk)	(%) of shares
1	Mr. Aziz Al Kaiser	Chairman	37,644,068	376,440,680	2.77%
2	Mr. Hossain Khaled	Vice-Chairman	29,949,545	299,495,450	2.20%
4	Mr. Hossain Mehmood (Nominated Director of A-One Polymer Limited)	Nominated Director	27,241,702	272,417,020	2.00%
3	Mr. Rubel Aziz	Director	27,499,195	274,991,950	2.02%
5	Mr. Rajibul Huq Chowdhury	Director	27,311,166	273,111,660	2.01%
6	Mrs. Syeda Shaireen Aziz	Director	27,207,442	272,074,420	2.00%
7	Mrs. Savera H. Mahmood (Nominated Director of Partex Corporate Limited)	Nominated Director	27,207,445	272,074,450	2.00%
8	Ms. Rebecca Brosnan (Nominated Director of International Finance Corporation (IFC))	Nominated Director	67,354,035	673,540,350	4.95%
9	Mr. Matiul Islam Nowshad	Independent Director	Nil	Nil	Nil
10	Mr. Mashrur Arefin	MD & CEO	Nil	Nil	Nil
<b>Total</b>			<b>271,414,598</b>	<b>2,714,145,980</b>	<b>19.96%</b>



# FINANCIAL CALENDAR

City Bank is prompt in discharging its disclosure commitments, aligned to meeting shareholder, investor and stakeholder needs in material information requirements. This has helped build stakeholder trust and also attests to the bank's strong MIS systems and standards that enable accurate and meticulous disclosure.

Quarterly Results 2024				
29-Jun-25	29-Apr-25	29-Oct-24	08-Aug-24	08-May-24
42nd Annual General Meeting	Audited Consolidated Results for the 4th quarter ended 31 December 2024	Unaudited Consolidated financials for the 3rd quarter ended September 30, 2024	Unaudited Consolidated financials for the 2nd quarter and half year ended June 30, 2024	Unaudited Consolidated financials for the 1st quarter ended March 31, 2024

Quarterly Results 2023				
30-May-24	27-Mar-24	26-Oct-23	25-Jul-23	09-May-23
41st Annual General Meeting	Audited Consolidated Results for the 4th quarter ended 31 December 2023	Unaudited Consolidated financials for the 3rd quarter ended September 30, 2023	Unaudited Consolidated financials for the 2nd quarter and half year ended June 30, 2023	Unaudited Consolidated financials for the 1st quarter ended March 31, 2023

Dividend Information		
12.5%	12.5%	29-Apr-25
Cash Dividend	Stock Dividend	Declaration Date

22-May-25	29-Jun-25
Record Date	AGM Date



# KEY RATIOS

## Financial Ratio

Figures in BDT mn unless specified

Particulars	2024	2023	2022	2021	2020
<b>A) Profitability Ratio</b>					
Net Income Ratio (%)	15.5%	13.5%	11.9%	15.8%	12.7%
Net Interest Margin (NIM) Ratio	5.0%	4.5%	4.3%	4.5%	3.7%
Cost of Fund (without admin expenses)	5.9%	3.9%	3.2%	2.6%	4.6%
Cost to Income ratio (%)	41.7%	51.1%	51.9%	48.6%	57.9%
Price Earnings Ratio (times)	2.8	4.3	5.8	6.1	6.3
<b>Return on Capital Employed</b>					
Return on Capital Employed (ROCE) (%)	6.8%	4.9%	4.6%	4.9%	4.6%
Return on Average Equity (ROE) (%)	26.1%	17.6%	14.1%	15.8%	14.8%
Return on Average Assets (ROA) (%)	1.7%	1.2%	1.0%	1.2%	1.1%
Dividend Cover Ratio	322.2%	200.9%	312.9%	177.8%	175.4%
Dividend Payout Ratio	31.0%	49.8%	32.0%	56.3%	57.0%
Return on Investment (ROI)	15.7%	7.1%	6.4%	5.3%	8.3%
<b>B) Liquidity Ratios</b>					
<b>Credit to deposit ratio</b>					
Advance to deposit ratio (including Off Shore Banking Unit)	74.7%	83.7%	83.2%	84.7%	77.7%
Investment to deposit ratio (IDR)	76.8%	72.1%	51.0%	35.1%	29.6%
Liquidity Coverage Ratio (LCR)	194.0%	174.6%	220.1%	151.1%	173.5%
Net Stable Funding Ratio (NSFR)	108.5%	106.5%	103.1%	106.9%	104.6%
<b>Cash Reserve Ratio (CRR)</b>					
Required reserve	20,696	16,006	14,587	11,886	11,790
Actual reserve maintained	21,430	16,343	21,897	18,293	14,559
Surplus	734	337	7,310	6,407	2,768
<b>Statutory Liquidity Ratio (SLR)</b>					
Required reserve	66,061	49,772	47,069	38,205	38,741
Actual reserve maintained	135,431	73,005	69,148	62,442	51,333
Surplus	69,369	23,233	22,079	24,237	12,592
<b>C) Solvency Ratios</b>					
<b>Debt Equity Ratio</b>					
Debt Equity Ratio (Times)	14.2	13.9	14.4	12.4	12.3
Investment to Total Deposit Ratio (%)	26.0%	18.6%	18.4%	19.5%	18.2%
Net Asset Value (NAV) per Share (Taka)	34.0	30.4	27.4	29.3	28.4
<b>Capital Adequacy Ratio</b>					
Tier I Capital Ratio (%)	11.7%	11.0%	9.6%	10.6%	10.8%
Tier II Capital Ratio (%)	4.3%	4.8%	4.8%	3.5%	4.8%
Total Capital Adequacy Ratio (Basel-III/II)(%)	16.0%	15.8%	14.5%	14.2%	15.5%
Leverage Ratio (%)	5.8%	5.7%	5.3%	5.6%	6.1%
<b>Credit Quality</b>					
Provision coverage ratio (%)	106.8%	110.1%	104.7%	90.1%	94.9%
Gross NPL ratio (%)	3.7%	3.6%	3.9%	4.9%	4.0%
Net NPL ratio (%)	1.4%	1.4%	1.7%	2.2%	2.0%

## Non Financial Ratio

Particulars	2024	2023	2022	2021	2020
Average Time To Hire	25 working days	25 working days	27 working days	28 working days	30 working days
Internal Promotion Rate	26.2%	23.5%	33.3%	*0.0%	13.4%
Net Promoter Score (NPS)	86.0%	83.0%	91.0%	77.0%	71.0%
Customer Attrition Ratio	2.3%	1.9%	1.0%	2.4%	6.0%
Operating Income Per Employee	7.4	5.6	5.1	4.7	3.8
Operating Profit Per Employee	4.3	2.7	2.4	2.4	1.6
Profit After Tax Per Employee	2.0	1.2	0.9	1.0	0.9

\* Due to Covid-19



# QUARTERLY PERFORMANCE OF CITY BANK

As part of its investment services, City Bank reports its financial performance quarterly, allowing shareholders to monitor developments. Furthermore, during these releases, the bank provides management commentary, which sets the tone for future expectations and prognosis.

As a result, every listed business in Bangladesh is required by law to compile and publish quarterly financial statements for the first quarter (Q-1), half-year (H-1 and Q-2) and third quarter (Q-3) in accordance with the Bangladesh Securities and Exchange Commission's (BSEC) regulations. City Bank prepares quarterly financial statements in compliance with the Bangladesh Securities and Exchange Commission's (BSEC) standards and International Accounting Standard (IAS)-34: "Interim Financial Reporting".

Balance Sheet	31-Dec-24	31-Dec-23	30-Sep-24	30-Sep-23	30-Jun-24	30-Jun-23	31-Mar-24	31-Mar-23
Investment	133,644	73,062	121,639	60,251	73,522	64,062	83,025	58,923
Loans, Advances & Investments	444,978	396,078	439,504	390,543	426,884	403,550	411,696	390,410
Deposits & Other Accounts	514,204	392,510	493,587	373,486	421,794	387,918	421,768	355,590
Total Shareholders' Equity	45,818	37,220	39,127	34,739	37,072	34,768	37,207	33,541
Total Assets	697,349	555,738	659,024	541,068	592,800	565,234	590,757	533,578
Off Balance Sheet Exposure	233,514	209,349	237,759	221,571	223,037	204,106	211,889	201,606
Net Asset Value (NAV) per Share*	34.0	30.4	29.0	28.4	27.5	29.0	30.4	27.9

Profit and Loss Account	1 Jan 24 to 31 Dec 24	1 Jan 23 to 31 Dec 23	1 Jan 24 to 30 Sep 24	1 Jan 23 to 30 Sep 23	1 Jan 24 to 30 Jun 24	1 Jan 23 to 30 Jun 23	1 Jan 24 to 31 Mar 24	1 Jan 23 to 31 Mar 23
Net Interest Income	14,490	15,831	11,645	11,297	8,080	7,273	3,995	3,438
Investment Income	16,615	4,713	9,861	3,128	5,455	1,973	1,881	983
Non Funded Income	8,431	7,063	6,335	5,325	4,283	3,760	1,948	1,967
Operating Expenses	16,483	14,108	11,713	10,739	7,699	7,094	3,822	3,488
Operating Profit	23,053	13,498	16,128	9,011	10,119	5,912	4,001	2,900
Net Profit After Taxation	10,851	6,151	4,334	3,603	2,403	2,187	908	831
Earnings Per Share (EPS)*	8.1	5.0	3.2	2.9	1.8	1.8	0.7	0.7

\*earlier year not adjusted to stock dividend declared and distributed



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for quick access to Financial information for  
stakeholders



# PORTER'S FIVE FORCES MODEL

The banking and finance sector is a cornerstone of Bangladesh's economy, facilitating essential economic functions such as financial intermediation, capital allocation and risk management. Governed by the Bangladesh Bank, the sector is highly regulated. It is competitive too with the presence of 62 scheduled banks in the country. Thus, understanding the dynamics that shape the banking structure and influence profitability is crucial.

At City Bank, management analysis through Porter's Five Forces Model offers a framework to assess these competitive forces, including the threat of new entrants, the bargaining power of

suppliers and buyers, the threat of substitutes and the intensity of rivalry among existing competitors. By applying this model to the banking and finance sector generally and to the bank specifically, we gain insights into the strategic challenges and opportunities we face.

We provide below the bank's analysis of the Porter's Model, delving into each of these forces, highlighting the unique aspects of the bank and exploring how technological advancements, regulatory changes and evolving customer expectations are shaping this competitive landscape and how we are strategizing for growth at the bank.

Threat of New Entrants	Low to Moderate
Barriers to entry	Government policies and regulations
Entering the banking and finance sector is challenging due to the high capital requirements needed to establish and operate the business. Although FinTech and others are willing to invest the necessary capital, the significant upfront investment acts as a major barrier. Additionally, the sector's well-established nature means new entrants must also contend with strong brand loyalty and established customer base of existing players.	Due to the sensitive and critical importance of the banking sector, it is a highly regulated industry with scheduled banks operating under the full control and supervision of Bangladesh Bank. Banks face stringent regulatory requirements that are subject to frequent updates and changes. Potential entrants must navigate a complex and often lengthy approval process and comply with a myriad of regulatory guidelines, including by the central bank. This regulatory landscape creates a formidable barrier for new entrants.
City Bank's response	
<ul style="list-style-type: none"> <li>City Bank is one of the largest and most reputed private commercial banks in the country with a strong and trusted brand and continuous performance track record</li> <li>The bank has significant on-ground presence through a large branch network that ensures high penetration-led business origination and facilitation</li> <li>The bank has a large and well-diversified customer base which continues to grow every year; the year 2024 was a case in point as the bank was able to attract a large depositor base</li> </ul>	
Bargaining Power of Suppliers:	Moderate to High
Supplier concentration	
Banks primarily depend on the inflow of deposits from customers, who act as their suppliers. These deposits include Casa (current and savings accounts) that are a low-cost source of funds and there is significant competition amongst banks for attracting these. Hence, this capital supply can be volatile as customers have the flexibility to move their funds to other banks, resulting in low bargaining power for banks. The concentration of these individual deposits influences the bank's ability to price these deposits, which is reflected in the cost of credit. It also influences the bank's ability to price its loans to borrowers.	



### Substitute inputs

The low switching costs for depositors mean that banks face significant competition for these funds. Customers can easily shift their deposits to banks offering better interest rates or services, making bank deposits highly substitutable. Banks require substantial capital to support their operations and daily activities. The unpredictability of customer deposits, which form the primary capital source, leads to a fluctuating input supply, further diminishing the banks' bargaining power.

### Regulations

Banks are heavily regulated entities by the Bangladesh Bank, which monitors their activities and broadly shapes interest rates through policy rates. These regulations affect how banks can operate, limiting their ability to fully independently influence terms and conditions with customers.

### City Bank's response

- The bank has a relatively diversified depositor base with Casa of 45.2%
- The bank has demonstrated an inherent ability to retain its depositor base through providing unique products with good quality customer services
- The bank is committed to financial inclusion, bringing the large unbanked and underbanked populations of the country into mainstream finance; the bank has achieved success in this through digital banking and other means



### Bargaining Power of Buyers:

Moderate



### Buyer concentration

While individual customers typically cannot significantly impact banks, corporate clients and businesses that borrow large loans can. Losing such clients can result in substantial revenue loss for banks, thereby increasing the bargaining power of these larger corporate customers.

### Price sensitivity

Even small changes in interest rates or fees can influence borrowers' decisions. High price sensitivity among customers means they can exert control over the rates and fees that banks charge for their services.

### Product differentiation

Financial products and services offered by banks are generally quite similar, with closely matched interest rates and fees. This low differentiation enables borrowers to switch banks easily, enhancing their bargaining power. Customers can move their accounts and business with minimal costs, leveraging competition among banks to their advantage.

### City Bank's response

- We leverage our strong relationship banking approach with our major customers that acts as a key strategy to retain them and also expand the share of business with them
- We are exploring fee-based and non-funded income sources for revenue addition and diversification
- We are further expanding the bank's presence in promising sectors, such as retail, supply chain finance, SMEs, etc.
- We are focusing on lowering cost of credit through moderating high cost deposits and increasing Casa (no-cost and low-cost) accounts

**Threat of Substitutes:**

High

**Availability of substitutes**

Due to the presence of various banks in the marketplace, customers have numerous options within the banking sector. If dissatisfied, they can switch banks, further intensifying industry competition.

**Threat from non-financial institutions**

Threat exists in terms of non-financial companies offering EMI service on retail products such as cars, home appliances, etc., leading to disintermediation by banks.

**City Bank's response**

- The bank offers unique customer service to differentiate from competition and has customer service linked-KPIs for employees
- It provides ongoing training to employees on product knowledge, customer management, etc., with a view to continuously improve standards of service which has enabled customer retention
- We have adopted a robust bank digitisation strategy to provide new and innovative products to our customers that are driven by convenience and innovation
- Our Citytouch app is playing a leading role in customer adoption of daily banking transactions through digital means, thereby enhancing their convenience and creating loyalty
- We offer customers a number of convenient ways to make payments, for instance through QR codes, NFC-enabled devices, etc., that facilitates them and strengthens their banking experience with us

**Relative price and performance of substitutes**

Generally, banks offer similar interest rates. Therefore, the customer experience, including service quality and convenience, becomes a key differentiator. Banks that provide superior customer service and streamlined processes can retain customers despite the presence of substitutes with comparable pricing.

**Competitive rivalry:**

High

**Large number of competitors**

In Bangladesh, there are a large number of private and public commercial banks that offer a wide range of services. This high level of competition intensifies rivalry among banks.

**Industry growth rate**

The banking sector has experienced YoY growth, with an increase in the number of people holding bank accounts. This expansion is driven by new banks offering convenient mobile banking services through digital apps, etc. However, as the market becomes saturated, competition for the remaining unbanked individuals and new customers is fierce.

**Product differentiation**

While the scope for differentiation in banking products is limited, competition is healthy. Increasing demand for user-friendly services, 24x7 customer support and seamless online transactions requires banks to innovate continuously. Banks that fail to offer hassle-free, secure and technologically advanced services risk losing customers to more agile competitors.

**City Bank's response**

- We have strategies in place that enable us to retain existing customers and attract newer customers to the bank
- Our solid track record, secure brand image and continuous innovation has enabled us to attract both depositors and borrowers that has further strengthened our reputation and brand loyalty
- We have a strong technology roadmap for expanding online banking services and ensuring financial inclusion through digital banking, etc.
- We are leveraging our countrywide physical network and customer touchpoints to bring in more unbanked populations of the country under our bank
- We have made it easy and simple for our customers to open an account with us with least paperwork through e-KYC, etc.



# PESTEL ANALYSIS

At City Bank, we have analysed the significant external factors through PESTEL, which includes Political, Economic, Social, Technological, Environmental and Legal aspects that impact our business and our response against those dimensions.

Aligned to our business strategy, we continuously monitor our operating environment using a PESTEL framework to identify material risks and opportunities that may affect our ability to generate value over the short, medium and long-term horizons.

The following are the critical factors that influenced the bank's performance and strategy during the year 2024 and their linkage to national themes served by the bank.



## POLITICAL

- Bangladesh is a country of geopolitical importance, supported by its strategic positioning in the Indian subcontinent close to the major developing economies of China and India
- The country's close ties to Asia's powerhouses and partnerships with European and Western nations through RMG supplies have afforded significant opportunities for trade integration with global supply chains and commercial relationships with leading textile and clothing brands of the world
- The country underwent a major political change in August 2024 with the transitional government now in place led by Nobel laureate Prof. Muhammad Yunus
- The interim government has been pursuing broad-scale reforms led by a sustainable development agenda centring on strengthening domestic industry, accelerating consumption and driving exports

**LINK TO NATIONAL THEMES:**

Economic financialisation



## ECONOMIC

- The economic landscape is challenged due to disruptions led by the July uprising, major global geopolitical tensions through two ongoing wars, elevated inflation and high interest rates, and other external sector stress that has impacted Bangladesh's economic growth
- A contractionary monetary policy of Bangladesh Bank and de-capping of interest rates have recorded a gradual uptick in interest rates with the regulator seeking to further tighten monetary policy to tame inflation
- Inflation levels have remained elevated following disruptions to supply chains, global commodity price increases and the considerable depreciation of the Bangladeshi Taka against the US dollar
- There exists stress on the external front, given low foreign currency reserves and international debt payment obligations
- However, the country has strong fundamentals that place it well for gradual economic growth

**LINK TO NATIONAL THEMES:**

Financial inclusion



Employment generation



## SOCIAL

- Banking customers are increasingly demanding seamless, convenient and personalised solutions. This is transforming the way customers interact with banks and is also a critical factor in serving the younger population
- Attitudes and lifestyle changes are also driving considerable changes in household consumption patterns, providing opportunities for growth in specific product and service categories
- There exists widespread digital adoption with customers feeling secure and getting habituated in making payments online; payment QR codes are ubiquitous with even tiny establishments adopting the same due to greater convenience offered through digital finance
- With banks required to be increasingly agile in order to remain future fit, the required skill composition of employees have also changed with a growing focus on digital and analytical skills

### LINK TO NATIONAL THEMES:



Employment generation



Gender equality



Small business empowerment



## TECHNOLOGICAL

- Following the Covid pandemic and the unprecedented shift to digital platforms, digital solutions have emerged as a key differentiator for banks, with customers getting used to banking via digital apps, internet and corporate banking platforms, etc.
- Banks are increasingly seeking to build agile and lean operating models through deploying technologies such as Robotic Process Automation (RPA) and workflow automation
- Emerging technologies such as blockchain, AI and cloud computing are transforming many aspects of banking, providing opportunities for driving operational efficiencies and reducing cost, while ensuring better customer engagement

### LINK TO NATIONAL THEMES:



Financial inclusion



## ENVIRONMENTAL

- Environmental risks are among the most serious risks facing organisations and communities today, with extreme weather and climate action failure prioritised as top risks both in terms of impact and likelihood
- Bangladesh has itself suffered from major natural calamities over the years such as floods that have led to large-scale destruction of lives and property
- Banks of our scale and size are expected to play a central role in providing pragmatic and long-term solutions through responsible lending decisions which include assessment of environmental, social and governance (ESG) criteria
- Banks, through adopting responsible lending practices and policies, have more powerful ways and means of influencing customers towards environment-friendly solutions

### LINK TO NATIONAL THEMES:



Climate action



## LEGAL

- New regulatory framework launched for reinforcing bank credibility amongst the public through enactment of The Special Regulations of Bangladesh Bank 2024; this regulation was in response to reforms via comprehensive risk-based assessment to be conducted in select banks for restoring overall public trust in the banking sector
- Passage of the Payment and Settlement System Act 2024, with the legislation aiming to mitigate risks in financial transactions and safeguarding consumer interests by regulating, integrating and overseeing payment, clearing and settlement systems

### LINK TO NATIONAL THEMES:



Economic financialisation

## Impact on City Bank's strategy and performance

The trends in the operating landscape as described above have direct implications on the bank's strategy and performance while presenting both opportunities and risks to value creation. These implications are summarised below:

### Potential impacts

- Shortage in foreign currency led to inevitable impacts on import volumes, import-related fee and commission income and challenges in funding cross-border transactions
- Moderating economic conditions could incur pressure on repayment capability, adversely impacting portfolio quality
- Rising interest rate is likely to put pressure on interest margins though the bank will focus on offsetting this through more effective loan repricing
- Technological developments can drive increased customer wallet share through offering holistic, seamless solutions
- Increased agility and adaptability is required to maintain competitive position in the face of technological disruptions
- There is major opportunity in green and sustainable finance lending amidst the industry decarbonisation agenda

### Opportunities

- Supporting economic and industry revival and strengthen customer relationships
- Harness growth opportunities in the export sector aligned with the national agenda
- Drive financial and digital literacy across our large customer base
- Build an agile and dynamic workforce through appropriate learning and development interventions
- Implement technology and digitisation-driven opportunities for increased process efficiencies, cost rationalisation and environmental considerations
- Opportunity in integrating sustainability strategy and E&S (environmental and social) frameworks into the broader corporate strategy
- Opportunities stemming from long-term economic upsurge, driving demand for lifestyle products such as credit cards, wealth management solutions, etc.
- Opportunity in treasury gains through attractive yield on government treasury-bills and bonds

## Risks

Risks stemming from exchange rate volatility and shortage in foreign currency

Pressure on NIMs and impact on profitability

Technological obsolescence, given the accelerated pace of change in technology

Workforce turnover, particularly among the younger demographic

Risks stemming from escalating implications of climate change on supply chains

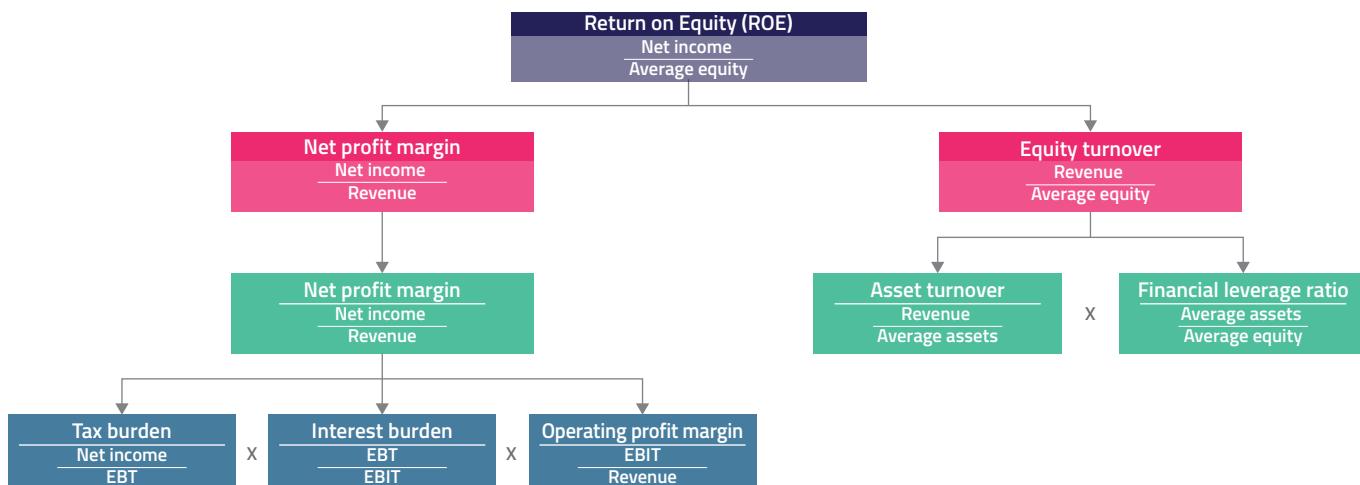
Cybersecurity and fraud threats stemming from significant growth in digitalisation



# DUPONT FRAMEWORK

DuPont analysis is a financial performance tool used to assess return on equity (ROE) by breaking it down or disaggregating it into its key components. By analyzing factors such as tax burden, asset turnover, financial leverage, etc., DuPont analysis can provide insights into how efficiently a company utilizes its resources and capital to generate returns for shareholders. This method helps the management strengthen its decision-making in areas such as capital structure while analyzing the factors that drive its return on equity.

At City Bank, our DuPont framework provides an analysis of the key metrics affecting our ROE, thus uncovering a clearer picture of the bank's performance. Through our DuPont equation, we are able to improve our identification of the institution's strengths and areas of opportunity.



The key calculations for City Bank 5 -step DuPont equation is given below.

Metric	2024	2023	Formula
Return on Equity (ROE) (%)	26.1%	17.6%	Return on Asset x Financial leverage
Return on Asset (ROA) (%)	1.7%	1.2%	Net profit margin x Total asset turnover
Net Profit Margin (%)	15.5%	13.5%	PAT/Revenue
Operating Profit Margin (%)	32.9%	29.6%	Profit before provisions/Revenue
Tax Effect (%)	61.0%	57.6%	PAT/PBT
Effect of Non-operating item (%)	77.2%	79.1%	PBT / profit before provisions
Total Asset Turnover (Times)	0.11	0.09	Revenue/Total Average Assets
Financial Leverage (Times)	15.09	15.17	Total Average Asset/Average Shareholders' Equity

**26.1%**

ROE as per DuPont, 2024

The higher the value of all components of DuPont analysis indicates the higher positive impact on Return on Equity.

## Main Highlights of DuPont analysis:

1. Return on Equity (ROE) increased significantly from 17.6% to 26.1%, mainly driven by improvement in both profit margins and asset utilization.
2. Net Profit Margin rose to 15.5% in 2024 from 13.6% in 2023, indicating enhanced profitability driven by increased net investment income and better cost efficiency.
3. Asset Turnover improved to 0.11 from 0.09, showing enhanced efficiency in utilizing assets to generate revenue.
4. Return on Asset (ROA) improved from 1.2% to 1.7%, supported by better profitability and asset utilization.



# SWOT ANALYSIS

City Bank's business strategy is centered around the four key pillars of business, technology, people and sustainability. These elements serve as the principal factors through which the bank pursues its short, medium and long-term strategic goals.

Following a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) carried out in 2024, these strategic themes were continued to be identified as priorities by the bank's management to ensure the organisation remains well-positioned to achieve its objectives amidst a challenging and uncertain macroeconomic environment.

 <b>STRENGTHS</b>	 <b>WEAKNESSES</b>	 <b>OPPORTUNITIES</b>	 <b>THREATS</b>
<ul style="list-style-type: none"><li>Strong brand meshed with the Bangladeshi ethos</li><li>Distinct positioning as a financial services supermarket catering to a diverse range of customer needs</li><li>Superior customer service levels with effective customer relationship management (CRM)</li><li>Clear focus on customer convenience</li><li>Automated and advanced systems and processes</li><li>Access to capital and funding from diversified sources</li><li>Large scale of operations with total balance sheet of BDT 555 bn</li><li>Strong deposit franchise</li><li>Broad product range</li><li>Highly convenient locations in terms of network footprint</li><li>Easy to use app (Citytouch) and internet banking platform</li><li>Pioneering digital banking strategy focused on innovation and customer experience</li><li>Strong remittance business with growing market share</li><li>Skilled and motivated workforce with low manpower turnover</li></ul>	<ul style="list-style-type: none"><li>Weak macro-environment leading to possible defaults</li><li>Low diversification and high competitive intensity</li><li>Inflationary environment triggering frequent policy rate resets</li></ul>	<ul style="list-style-type: none"><li>Leverage technology for customer acquisition, servicing, etc.</li><li>Deepen the customer relationship culture</li><li>Enhance our digitalisation efforts as a means to accelerate financial inclusion</li><li>Attract new customers through special offers, etc.</li><li>Expand the product mix both on the asset and liability side</li><li>More clearly differentiate our product offering</li><li>Broaden our geographic reach</li><li>Strategically expand our physical network to mine underserved regions</li><li>Financial literacy and customer education for awareness building</li></ul>	<ul style="list-style-type: none"><li>Uncertain market conditions</li><li>Rising fixed costs, especially amidst elevated inflation levels</li><li>Consumers becoming more price sensitive</li><li>Inability to grow the customer base over the long-term</li><li>Growing competitive set with new possible entrants, including FinTech</li><li>Breach of data or privacy issues</li><li>Technology disruption leading to possible obsolescence</li><li>Online fraud and defalcation</li></ul>



## Accelerating performance through our strategic themes



### BUSINESS

#### Sustaining credit demand

- Accelerate focus on key segments that offer growth potential, such as Islamic banking, cards, wealth management, women banking, SME banking, corporates, etc.
- Focus on other growth avenues, such as microloans, bill discounting, etc.

#### Safeguarding asset quality

- Prudent lending approach coupled with additional precautionary measures to protect the overall loan exposure
- Amplified focus on credit counselling and business advisory to support customer rehabilitation efforts and normalise SMA accounts
- Continue to focus on large customers as a key approach to defend credit risks in a weak economic environment



### TECHNOLOGY

#### Accelerate digitalisation

- Continue with the efforts to digitalise key systems and processes
- Ensure continued investment to acquire necessary hardware and software to

#### Expand digital banking services

- Ensure continuous surveillance and preparedness against cyberattacks
- Update the Citytouch app regularly to offer new features and fix bugs



### PEOPLE

#### Retaining our people capital

- Our HR approach is rooted in the belief that City Bank is not just a workplace but a family where employees find a sense of purpose and belonging
- Central to our culture are the key anchors of service, inclusion and integrity which form the foundation of our growth-oriented environment
- We promote a culture of belonging through inclusivity, open communication and empathy, ensuring each person feels valued, respected and empowered to be themselves
- Our value system enables individuals to shape their own destinies. By prioritising employees' voices, we chart a path to success together
- The focus is of course on pay and compensation as we strive to benchmark it to industry standards and ensure it meets the expectations of our employees



### SUSTAINABILITY

#### Advancing financial inclusion

- We ensure swift and compliant new account opening, especially harnessing technology such as e-KYC, as evident in accounts opened via City Ekhoni
- We have a large number of basic minimum/zero balance accounts
- The bank also has a huge number of accounts of students, women, farmers, micro-entrepreneurs, etc., that demonstrates the bank's success in financial inclusion

#### Climate action

- Green and sustainable finance rose from BDT 150,547 to 402,340 million, representing credit extension towards green asset building, decarbonization, climate action, etc.
- Published roadmap to eliminate carbon emissions, marking the commencement of the bank's commitment to achieve net-zero status by 2050



# FIVE YEAR PERFORMANCE

Figures in Million Unless Specified

Particulars	2024	2023	2022	2021	2020
	BDT	BDT	BDT	BDT	BDT
<b>Balance Sheet</b>					
Authorized Capital	20,000	20,000	15,000	15,000	15,000
Paid-up Capital	13,471	12,246	12,006	10,672	10,164
Reserve Fund & Surplus	32,347	24,974	20,839	20,552	18,654
Total Shareholders' Equity	45,818	37,220	32,845	31,224	28,818
Bond	11,920	13,635	16,225	11,690	11,600
Deposits	514,204	392,510	331,890	282,064	254,781
CASA (excluding SND) as a percentage of total deposits	45.2%	50.4%	51.2%	45.7%	41.9%
Borrowings	58,572	59,504	82,390	54,895	58,769
Loans and Advances	444,978	396,078	354,774	286,380	268,202
Advance to deposit ratio					
Advance to deposit ratio (including Off Shore Banking Unit)	74.7%	83.7%	83.2%	84.7%	77.7%
Investment to deposit ratio (IDR)	76.8%	72.1%	51.0%	35.1%	29.6%
Debt - Equity Ratio (times)	14.2	13.9	14.4	12.4	12.3
Investments	133,644	73,062	61,105	54,920	46,251
Investment in Government Securities	123,814	63,145	52,745	48,091	42,062
Investment in Government Securities to total investment	92.6%	86.4%	86.3%	87.6%	90.9%
Fixed Assets	10,491	9,829	9,749	6,465	5,920
Earning assets	560,297	478,831	433,969	350,939	327,906
Total Assets	697,349	555,738	506,847	416,902	382,926
Off-Balance Sheet Exposures	233,514	209,349	218,248	228,065	136,338
<b>Income Statement</b>					
Net Interest Income (excluding investment income)	14,490	15,831	12,359	12,048	8,363
Investment Income	16,615	4,713	3,605	2,579	3,438
Non-interest Income	8,431	7,063	8,624	6,776	4,936
Operating Income	39,536	27,606	24,588	21,403	16,737
Operating Expenses	16,483	14,108	12,761	10,403	9,697
Operating Profit (profit before provision and tax)	23,053	13,498	11,827	11,001	7,040
Provision for Loans, Investment and Other assets	5,254	2,817	2,943	2,546	644
Profit Before Tax	17,799	10,681	8,884	8,455	6,395
Profit After Tax	10,851	6,151	4,508	4,743	4,012
<b>BIS Capital Measures*</b>					
Risk Weighted Assets (RWA)	409,323	355,438	360,906	305,194	269,322
Tier I Capital	47,899	39,165	34,708	32,445	29,017
Tier II Capital	17,480	17,008	17,492	10,769	12,800
Total Regulatory Capital (Tier-I and II)	65,379	56,173	52,200	43,213	41,817
Tier I Capital Ratio	11.7%	11.0%	9.6%	10.6%	10.8%
Tier II Capital Ratio	4.3%	4.8%	4.8%	3.5%	4.8%
Capital to Risk-weighted Assets Ratio (CRAR)	16.0%	15.8%	14.5%	14.2%	15.5%
RWA to Total Assets	58.7%	64.0%	71.2%	73.2%	70.3%
<b>Credit Quality</b>					
Non Performing/classified Loans (NPLs)	16,569	14,385	13,672	13,906	10,850
Percentage of NPL over Total Loans and Advances	3.7%	3.6%	3.9%	4.9%	4.0%
Provision for Unclassified Loans	8,796	7,656	6,911	4,973	5,159
Provision for Classified Loans	7,246	6,233	5,451	5,602	3,933
Provision for Off-balance Sheet Exposure	1,652	1,952	1,952	1,952	1,202



Particulars	2024	2023	2022	2021	2020
	BDT	BDT	BDT	BDT	BDT
<b>Foreign Exchange Business</b>					
Export	385,590	276,649	272,920	189,986	121,477
Import	433,001	287,299	467,213	341,339	182,163
Bank Guarantee	23,843	12,366	32,391	32,353	9,307
Remittance	131,978	102,371	129,702	69,910	51,579
<b>Efficiency/Productivity Ratio</b>					
Return on Average Equity (ROE)	26.1%	17.6%	14.1%	15.8%	14.8%
Return on Average Assets (ROA)	1.7%	1.2%	1.0%	1.2%	1.1%
Cost to Income Ratio	41.7%	51.1%	51.9%	48.6%	57.9%
Yield on Advance based on average EOD balance	9.8%	8.0%	6.9%	6.6%	7.5%
Cost of Deposit based on average EOD balance	4.8%	3.5%	3.2%	2.6%	4.6%
Net Interest Margin Ratio	5.0%	4.5%	3.7%	4.0%	2.9%
Cash Reserve Ratio (CRR)-at the close of the year					
Required reserve	20,696	16,006	14,587	11,886	11,790
Actual reserve maintained	21,430	16,343	21,897	18,293	14,559
Surplus	734	337	7,310	6,407	2,768
Statutory Liquidity Ratio (SLR)-at the close of the year					
Required reserve	66,061	49,772	47,069	38,205	38,741
Actual reserve maintained	135,431	73,005	69,148	62,442	51,333
Surplus	69,369	23,233	22,079	24,237	12,592
Current Ratio (Times)	0.8	0.8	0.9	0.9	0.9
Operating Profit per Employee	4.3	2.7	2.4	2.4	1.6
Operating Profit per Branch	172.0	100.7	88.9	83.3	53.3
<b>Share Information</b>					
No of Shares Outstanding (in million)	1,347.1	1,224.6	1,200.6	1,067.2	1,016.4
Operating Profit per Share (BDT)	17.1	11.0	9.9	10.3	6.9
Earnings Per Share (BDT) (earlier year not adjusted to stock dividend)	8.1	5.0	3.8	4.4	3.9
Market price per share (BDT) as on close of the year (DSE)	22.4	21.4	21.8	27.3	24.8
Market Capitalization	30,175	26,207	26,173	29,135	25,206
Price Earning Ratio (Times)	2.8	4.3	5.8	6.1	6.3
Net Assets Value Per Share (BDT) (earlier year not adjusted to stock dividend)	34.0	30.4	27.4	29.3	28.4
Dividend Cover Ratio (EPS/DPS)	322.2%	200.9%	312.9%	177.8%	175.4%
Total Dividend**	25%	25.0%	12.0%	25.0%	22.5%
Cash Dividend	12.5%	15.0%	10.0%	12.5%	17.5%
Stock Dividend	12.5%	10.0%	2.0%	12.5%	5.0%
Dividend per share (DPS) in BDT	2.5	2.5	1.2	2.5	2.3
Dividend payout ratio (DPS/EPS)	31.0%	49.8%	32.0%	56.3%	57.0%
<b>Distribution Network</b>					
Number of Branches	123	123	122	121	121
Number of SME Center & Agri Branches	11	11	11	11	11
Number of Sub-Banches	52	40	12	11	-
Number of SME-S Units	232	220	212	106	96
Number of Agent Outlets	480	535	690	1,183	1,411
Number of Priority Center	7	7	7	7	7
Number of ATMs & RATMS	453	415	351	338	311
Number of Employees	5,321	4,963	4,866	4,539	4,356
Number of Foreign Correspondents	462	474	486	479	469

\* BIS: Bank for International Settlements

\*\* The Board of Directors in its 680th meeting decided to recommend distribution of 12.5% ( Twelve and a half percent) cash dividend and 12.5% ( Twelve and a half percent) stock dividend subject to shareholders' approval.



# HORIZONTAL ANALYSIS

## Balance Sheet as on December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)								
<b>Property and Assets</b>										
Cash in hand Balance with Bangladesh Bank and its agent bank (s)	33,029	47.4%	26,086	16.4%	32,023	42.9%	30,224	34.9%	22,404	100.0%
Balance with other banks and financial institutions	38,929	44.1%	25,235	(6.6%)	32,725	21.1%	22,794	(15.6%)	27,023	100.0%
Money at call and short notice	3,775	100.0%	-	0.0%	-	0.0%	-	0.0%	-	100.0%
Investments	133,644	189.0%	73,062	58.0%	61,105	32.1%	54,920	18.7%	46,251	100.0%
Loans and advances/investments	444,978	65.9%	396,078	47.7%	354,774	32.3%	286,380	6.8%	268,202	100.0%
Fixed assets including premises, furniture and fixtures	10,491	77.2%	9,829	66.0%	9,749	64.7%	6,465	9.2%	5,920	100.0%
Other assets	31,927	165.1%	24,814	106.0%	15,808	31.3%	15,335	27.3%	12,043	100.0%
Non-banking assets	576	(46.8%)	635	(41.4%)	663	(38.8%)	784	(27.6%)	1,082	100.0%
<b>Total assets</b>	<b>697,349</b>	<b>82.1%</b>	<b>555,738</b>	<b>45.1%</b>	<b>506,847</b>	<b>32.4%</b>	<b>416,902</b>	<b>8.9%</b>	<b>382,926</b>	<b>100.0%</b>
<b>Liabilities and Equity</b>										
<b>Liabilities</b>										
Bonds	11,920	2.8%	13,635	17.5%	16,225	39.9%	11,690	0.8%	11,600	100.0%
Borrowings from other Bank Financial Institutions and Agents	26,063	2.8%	17,622	(30.5%)	34,797	37.3%	21,381	(15.6%)	25,343	100.0%
Borrowings from central bank & government agencies	32,509	(2.7%)	41,882	25.3%	47,593	42.4%	33,515	0.3%	33,426	100.0%
Deposits and other accounts	514,204	101.8%	392,510	54.1%	331,890	30.3%	282,064	10.7%	254,781	100.0%
Other liabilities	66,835	130.8%	52,868	82.6%	43,496	50.2%	37,029	27.9%	28,957	100.0%
<b>Total liabilities</b>	<b>651,531</b>	<b>84.0%</b>	<b>518,518</b>	<b>46.4%</b>	<b>474,002</b>	<b>33.9%</b>	<b>385,678</b>	<b>8.9%</b>	<b>354,107</b>	<b>100.0%</b>
<b>Capital/shareholders' equity</b>										
Paid up capital	13,471	32.5%	12,246	20.5%	12,006	18.1%	10,672	5.0%	10,164	100.0%
Statutory reserve	11,966	38.2%	10,742	24.0%	10,502	21.3%	9,168	5.9%	8,659	100.0%
Share premium	1,504	0.0%	1,504	0.0%	1,504	0.0%	1,504	0.0%	1,504	100.0%
Dividend equalization reserve	531	0.0%	531	0.0%	531	0.0%	531	0.0%	531	100.0%
Other reserve	1,197	(35.7%)	852	(54.2%)	1,014	(45.5%)	1,663	(10.6%)	1,861	100.0%
Surplus in profit and loss account	17,149	181.2%	11,346	86.0%	7,288	19.5%	7,687	26.0%	6,099	100.0%
<b>Total shareholders' equity</b>	<b>45,818</b>	<b>59.0%</b>	<b>37,220</b>	<b>29.2%</b>	<b>32,845</b>	<b>14.0%</b>	<b>31,224</b>	<b>8.3%</b>	<b>28,818</b>	<b>100.0%</b>
<b>Total liabilities and shareholders' equity</b>	<b>697,349</b>	<b>82.1%</b>	<b>555,738</b>	<b>45.1%</b>	<b>506,847</b>	<b>32.4%</b>	<b>416,902</b>	<b>8.9%</b>	<b>382,926</b>	<b>100.0%</b>
<b>Total off-balance sheet items</b>	<b>233,514</b>	<b>71.3%</b>	<b>209,349</b>	<b>53.6%</b>	<b>218,248</b>	<b>60.1%</b>	<b>228,065</b>	<b>67.3%</b>	<b>136,338</b>	<b>100.0%</b>



# HORIZONTAL ANALYSIS

## Profit and Loss Account for the period ended December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)								
Interest income/profit on investments	45,008	94.5%	33,790	46.1%	25,557	10.5%	20,725	(10.4%)	23,134	100.0%
Interest paid/profit shared on deposits and borrowings etc.	30,518	106.6%	17,959	21.6%	13,198	(10.7%)	8,678	(41.3%)	14,771	100.0%
<b>Net interest income/profit on investments</b>	<b>14,490</b>	<b>73.3%</b>	<b>15,831</b>	<b>89.3%</b>	<b>12,359</b>	<b>47.8%</b>	<b>12,048</b>	<b>44.1%</b>	<b>8,363</b>	<b>100.0%</b>
Non-interest income	25,046	199.1%	11,775	40.6%	12,229	46.0%	9,355	11.7%	8,374	100.0%
<b>Total operating income (A)</b>	<b>39,536</b>	<b>136.2%</b>	<b>27,606</b>	<b>64.9%</b>	<b>24,588</b>	<b>46.9%</b>	<b>21,403</b>	<b>27.9%</b>	<b>16,737</b>	<b>100.0%</b>
Total operating expense (B)	16,483	70.0%	14,108	45.5%	12,761	31.6%	10,403	7.3%	9,697	100.0%
<b>Profit before provision (C=A-B)</b>	<b>23,053</b>	<b>227.5%</b>	<b>13,498</b>	<b>91.7%</b>	<b>11,827</b>	<b>68.0%</b>	<b>11,001</b>	<b>56.3%</b>	<b>7,040</b>	<b>100.0%</b>
Provision for loans and advances/investments	4,616	1,100.7%	2,568	567.9%	2,943	665.4%	1,796	367.2%	384	100.0%
Provision for off-balance sheet exposures	-	(100.0%)	-	(100.0%)	-	(100.0%)	750	339.7%	170	100.0%
Provision for others	638	613.3%	250	179.3%	-	(99.9%)	-	(100.0%)	89	100.0%
<b>Total provision (D)</b>	<b>5,254</b>	<b>715.4%</b>	<b>2,817</b>	<b>337.3%</b>	<b>2,943</b>	<b>356.7%</b>	<b>2,546</b>	<b>295.1%</b>	<b>644</b>	<b>100.0%</b>
<b>Total profit before taxes (E=C-D)</b>	<b>17,799</b>	<b>178.3%</b>	<b>10,681</b>	<b>67.0%</b>	<b>8,884</b>	<b>38.9%</b>	<b>8,455</b>	<b>32.2%</b>	<b>6,395</b>	<b>100.0%</b>
Total Provision for taxation (F)	6,948	191.5%	4,529	90.0%	4,377	83.6%	3,712	55.7%	2,383	100.0%
<b>Net profit after tax (G=E-F)</b>	<b>10,851</b>	<b>170.5%</b>	<b>6,151</b>	<b>53.3%</b>	<b>4,508</b>	<b>12.4%</b>	<b>4,743</b>	<b>18.2%</b>	<b>4,012</b>	<b>100.0%</b>



# VERTICAL ANALYSIS

Balance Sheet as on December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)								
<b>Property and Assets</b>										
Cash in hand Balance with Bangladesh Bank and its agent bank (s)	33,029	4.7%	26,086	4.7%	32,023	6.3%	30,224	7.2%	22,404	5.9%
Balance with other banks and financial institutions	38,929	5.6%	25,235	4.5%	32,725	6.5%	22,794	5.5%	27,023	7.1%
Money at call and short notice	3,775	0.5%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Investments	133,644	19.2%	73,062	13.1%	61,105	12.1%	54,920	13.2%	46,251	12.1%
Loans and advances/investments	444,978	63.8%	396,078	71.3%	354,774	70.0%	286,380	68.7%	268,202	70.0%
Fixed assets including premises, furniture and fixtures	10,491	1.5%	9,829	1.8%	9,749	1.9%	6,465	1.6%	5,920	1.5%
Other assets	31,927	4.6%	24,814	4.5%	15,808	3.1%	15,335	3.7%	12,043	3.1%
Non-banking assets	576	0.1%	635	0.1%	663	0.1%	784	0.2%	1,082	0.3%
<b>Total assets</b>	<b>697,349</b>	<b>100.0%</b>	<b>555,738</b>	<b>100.0%</b>	<b>506,847</b>	<b>100.0%</b>	<b>416,902</b>	<b>100.0%</b>	<b>382,926</b>	<b>100.0%</b>
<b>Liabilities and Equity</b>										
<b>Liabilities</b>										
Bonds	11,920	1.7%	13,635	2.5%	16,225	3.2%	11,690	2.8%	11,600	3.0%
Borrowings from other Bank Financial Institutions and Agents	26,063	3.7%	17,622	3.2%	34,797	6.9%	21,381	5.1%	25,343	6.6%
Borrowings from central bank & government agencies	32,509	4.7%	41,882	7.5%	47,593	9.4%	33,515	8.0%	33,426	8.7%
Deposits and other accounts	514,204	73.7%	392,510	70.6%	331,890	65.5%	282,064	67.7%	254,781	66.5%
Other liabilities	66,835	9.6%	52,868	9.5%	43,496	8.6%	37,029	8.9%	28,957	7.6%
<b>Total liabilities</b>	<b>651,531</b>	<b>93.4%</b>	<b>518,518</b>	<b>93.3%</b>	<b>474,002</b>	<b>93.5%</b>	<b>385,678</b>	<b>92.5%</b>	<b>354,107</b>	<b>92.5%</b>
<b>Capital/shareholders' equity</b>										
Paid up capital	13,471	1.9%	12,246	2.2%	12,006	2.4%	10,672	2.6%	10,164	2.7%
Statutory reserve	11,966	1.7%	10,742	1.9%	10,502	2.1%	9,168	2.2%	8,659	2.3%
Share premium	1,504	0.2%	1,504	0.3%	1,504	0.3%	1,504	0.4%	1,504	0.4%
Dividend equalization reserve	531	0.1%	531	0.1%	531	0.1%	531	0.1%	531	0.1%
Other reserve	1,197	0.2%	852	0.2%	1,014	0.2%	1,663	0.4%	1,861	0.5%
Surplus in profit and loss account	17,149	2.5%	11,346	2.0%	7,288	1.4%	7,687	1.8%	6,099	1.6%
<b>Total shareholders' equity</b>	<b>45,818</b>	<b>6.6%</b>	<b>37,220</b>	<b>6.7%</b>	<b>32,845</b>	<b>6.5%</b>	<b>31,224</b>	<b>7.5%</b>	<b>28,818</b>	<b>7.5%</b>
<b>Total liabilities and shareholders' equity</b>	<b>697,349</b>	<b>100.0%</b>	<b>555,738</b>	<b>100.0%</b>	<b>506,847</b>	<b>100.0%</b>	<b>416,902</b>	<b>100.0%</b>	<b>382,926</b>	<b>100.0%</b>
<b>Total off-balance sheet items</b>	<b>233,514</b>	<b>33.5%</b>	<b>209,349</b>	<b>37.7%</b>	<b>218,248</b>	<b>43.1%</b>	<b>228,065</b>	<b>54.7%</b>	<b>136,338</b>	<b>35.6%</b>



# VERTICAL ANALYSIS

Profit and Loss Account for the period ended December 31 (for last five years)

Particulars	2024		2023		2022		2021		2020	
	BDT 'M	Mix (%)								
Interest income/profit on investments	45,008	64.2%	33,790	74.2%	25,557	67.6%	20,725	68.9%	23,134	73.4%
Interest paid/profit shared on deposits and borrowings etc.	30,518	43.6%	17,959	39.4%	13,198	34.9%	8,678	28.8%	14,771	46.9%
<b>Net interest income/profit on investments</b>	<b>14,490</b>	<b>20.7%</b>	<b>15,831</b>	<b>34.7%</b>	<b>12,359</b>	<b>32.7%</b>	<b>12,048</b>	<b>40.1%</b>	<b>8,363</b>	<b>26.5%</b>
Non-interest income	25,046	35.8%	11,775	25.8%	12,229	32.4%	9,355	31.1%	8,374	26.6%
<b>Total operating income</b>	<b>39,536</b>	<b>56.4%</b>	<b>27,606</b>	<b>60.6%</b>	<b>24,588</b>	<b>65.1%</b>	<b>21,403</b>	<b>71.2%</b>	<b>16,737</b>	<b>53.1%</b>
Total operating expense	16,483	23.5%	14,108	31.0%	12,761	33.8%	10,403	34.6%	9,697	30.8%
<b>Profit before provision</b>	<b>23,053</b>	<b>32.9%</b>	<b>13,498</b>	<b>29.6%</b>	<b>11,827</b>	<b>31.3%</b>	<b>11,001</b>	<b>36.6%</b>	<b>7,040</b>	<b>22.3%</b>
Provision for loans and advances/investments	4,616	6.6%	2,568	5.6%	2,943	7.8%	1,796	6.0%	384	1.2%
Provision for off-balance sheet exposures	-	0.0%	-	0.0%	-	0.0%	750	2.5%	170	0.5%
Provision for others	638	0.9%	250	0.5%	0	0.0%	-	0.0%	89	0.3%
<b>Total provision</b>	<b>5,254</b>	<b>7.5%</b>	<b>2,817</b>	<b>6.2%</b>	<b>2,943</b>	<b>7.8%</b>	<b>2,546</b>	<b>8.5%</b>	<b>644</b>	<b>2.0%</b>
<b>Total profit before taxes</b>	<b>17,799</b>	<b>25.4%</b>	<b>10,681</b>	<b>23.4%</b>	<b>8,884</b>	<b>23.5%</b>	<b>8,455</b>	<b>28.1%</b>	<b>6,395</b>	<b>20.3%</b>
Total Provision for taxation	6,948	9.9%	4,529	9.9%	4,377	11.6%	3,712	12.3%	2,383	7.6%
<b>Net profit after tax</b>	<b>10,851</b>	<b>15.5%</b>	<b>6,151</b>	<b>13.5%</b>	<b>4,508</b>	<b>11.9%</b>	<b>4,743</b>	<b>15.8%</b>	<b>4,012</b>	<b>12.7%</b>



# CREDIT RATING OF CITY BANK PLC

A credit rating is an independent opinion on the capability and willingness of a financial institution to repay its debts. It is an indicator of an institute's financial strength or creditworthiness. Credit ratings give investors an indication of a financial institution's relative strength, the likelihood that it will default and fail to repay investors.

City Bank is one of only six banks in Bangladesh to obtain credit ratings from both local and international rating agencies. As per BRPD Circular no. 6 dated 5 July 2006, City Bank has completed its credit rating conducted by Credit Rating Agency of Bangladesh (CRAB) based on the financial statements as at and for the year ended 31 December, 2024. CRAB has assigned "AAA" rating in the long term and "ST-1" rating in the short term to City Bank PLC. The rating will be valid upto 30 June 2026. Banks rated "AAA" have extremely strong capacity to meet their financial obligations and is subject to minimal credit risk, as defined in CRAB's rating scales and definitions for Banks. City Bank's short term rating of "ST-1" indicates that the Bank is considered to have the highest capacity for timely repayment of obligations and is characterized with excellent position in terms of liquidity, internal fund generation, and access to alternative sources

of funds outstanding. CRAB performed the rating surveillance based on audited financial statements up to 31 December 2024and other relevant information.

City Bank has also been awarded B2 by Moody's, a renowned international rating agency. The B2 rating, which is also equivalent to the sovereign rating, reflect the Bank's strength in substantial low cost deposit base, well established capital base, sizable additional provision for loans and advances maintained as a cushion, sound liquidity backed by its healthy funding profile and liquidity ratio and ability to provide integrated financial services under the broadcast coverage along with its subsidiaries. In addition, the Bank's strong brand value, substantial market shares of credit cards, retail and SME business, and its strength in creating innovative products and alternative delivery channels for customers are also attributed to the rating. On the other hand, the Bank's rising asset risks in FY2023, moderate profitability in respect of risk return perspective and high operating cost structure are chief concerns for the Bank.

The below table presents the latest credit rating awarded by Credit Rating Agency of Bangladesh (CRAB) and Moody's Investors Service:

	Long Term	Short Term
Surveillance Rating	AAA	ST-1
Outlook	Stable	
Date of Rating	May 21, 2025	
Valid Till	June 30, 2026	

## Latest Surveillance Rating by Credit Rating Agency of Bangladesh (CRAB):

Particulars	Base Period	Validity	Long-Term	Short-term
Entity Rating	January to December 2024	30-Jun-26	AAA	ST-1
Entity Rating	January to December 2023	30-Jun-25	AA <sub>1</sub>	ST-1
Entity Rating	January to December 2022	30-Jun-24	AA <sub>1</sub>	ST-1
Entity Rating	January to December 2021	30-Jun-23	AA <sub>1</sub>	ST-1
Entity Rating	January to December 2020	30-Jun-22	AA <sub>2</sub>	ST-2

## Credit Rating by Moody's Investors Service:

Issuer Rating	B2
Outlook	Negative
Date of Rating	November 29, 2024

City Bank issued its first additional tier I bond of BDT 4,000 million in 2020, and issued 3rd Subordinated bond of BDT 7,000 million in 2018 and 4th Subordinated Bond of BDT 7,000 million in 2022. The bonds are also rated by reputed local credit rating agencies. The ratings of the bonds are based on the financial performance, governance and market performance of the bank.



## Credit rating of City Bank Perpetual Bond

	Long Term
Surveillance Rating	AA <sub>3</sub> (Hyb)
Outlook	Stable
Date of Rating	November 20, 2024
Valid Till	May 20, 2025

Credit Rating Agency of Bangladesh (CRAB) has affirmed "AA<sub>3</sub> (Hyb)" (pronounced Double A three hybrid) rating in the long term to the City Bank's issue of unsecured, contingent-convertible, floating rate perpetual bond of BDT 4,000 million. The Long Term Rating "AA<sub>3</sub> (Hyb)" signifies very strong capacity to meet financial commitments. This is judged to be of very high quality, subject to very low credit risk. The rating outlook is stable, reflecting the outlook on the issuer's credit rating. CRAB performed the rating based on audited financial statement of the Bank as on 31 December 2023, un-audited financial statement as on 30 September 2024 and other relevant information up to the date of this rating declaration.

## Credit rating of City Bank 3rd Subordinated Bond

	Long Term
Surveillance Rating	AA <sub>B</sub> *
Outlook	Stable
Date of Rating	February 07, 2025
Valid Till	February 06, 2026

\* B Denotes Bond

Emerging Credit Rating Limited (ECRL) has affirmed "AA<sub>B</sub>" (Pronounced as "Double A Bond") long term credit rating to The City Bank Limited's Third Subordinated Bond BDT 7,000 million. The Long Term Rating "AA<sub>B</sub>" indicates a very strong ability to repay principal and pay interest on a timely basis, with limited inclement risk compared to issues rated in the highest category. The outlook of the rating is Stable. The rating reflects the strengths of the Bank, which are backed by consistent growth in asset portfolio, loans and deposits base, compliance with Capital to Risk Weighted Assets (CRAR), Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) against regulatory requirement with a surplus amount and the bank's experienced management team.

## Credit rating of City Bank 4th Subordinated Bond

	Long Term
Surveillance Rating	AA <sub>B</sub> *
Outlook	Stable
Date of Rating	November 25, 2024
Valid Till	November 24, 2025

\* B Denotes Bond

Emerging Credit Rating Limited (ECRL) has affirmed "AA<sub>B</sub>" (Pronounced as "Double A Bond") long term credit rating to City Bank 4th Subordinated Bond of BDT 7,000 million. The Long Term Rating "AA<sub>B</sub>" indicates a very strong ability to repay principal and pay interest on a timely basis, with limited inclement risk compared to issues rated in the highest category. The outlook of the rating is Stable. The rating reflects the strengths of the Bank, which are backed by consistent growth in asset portfolio, loans and deposits base, compliance with Capital to Risk Weighted Assets (CRAR), Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) against regulatory requirement with a surplus amount and the bank's experienced management team.



# HUMAN RESOURCE ACCOUNTING

Human Resource Accounting (HRA) at City Bank is a strategic process aimed at quantifying the value of our most vital asset: our people. It involves meticulously tracking and evaluating the costs invested in our personnel, covering recruitment, training, compensation and other benefits. HRA provides us with valuable insights into the contribution of our employees towards the bank's growth, efficiency and profitability.

In a rapidly evolving business landscape, the significance of HRA has been further underscored, prompting us to adopt a comprehensive approach in understanding employee expectations and aligning resources accordingly. By leveraging HRA, we not only assess the effectiveness of our HR strategies and activities, but also identify opportunities for specialization and skill enhancement among our workforce.

At City Bank, we recognise that our employees play a pivotal role in delivering our business goals and objectives. Therefore, HRA serves as a critical tool for us to make informed decisions regarding our human capital investments and to ensure that these investments yield the desired results.

In essence, HRA at City Bank represents our commitment to valuing and nurturing our human capital, thereby driving sustainable growth and success in the competitive banking industry.

## Key Initiatives to Boost HRA



**Acquisition and Retention:** Implementation of effective recruitment and retention strategies to attract and retain top industry talent.



**Performance Management:** Establishment of clear performance metrics and regular feedback mechanisms to enhance individual and organizational performance of employees.



**People Engagement:** Promotion of a positive work environment and employee engagement through open communication, recognition programs, and career growth opportunities.



**Training and Development:** Continuous investment in employee training and development to enhance employee skills and knowledge to keep pace with industry trends and practices.



**Diversity and Inclusion:** Initiatives to create an inclusive culture and diversity that leverages diverse perspectives and talents of our employees.



**Technology Adoption:** Integration of advanced HR technologies for payroll, and performance management to streamline operation and enhance productivity/efficiency

## Significance of HRA

### Key Aspects

**Strategic Decision-Making:** HRA informs strategic decisions by quantifying the value of human capital, guiding recruitment, training, and resource allocation.

**Competitive Edge:** Effectively managing human capital through HRA, driving innovation, providing a competitive edge and sustainable business growth.

**Performance Evaluation:** HRA facilitates performance evaluation, identifying high performers and areas for improvement to drive continuous growth and development.

**Talent Management:** HRA supports talent management by optimizing recruitment, retention, and development strategies to attract and retain top talent.

**Financial Transparency:** HRA enhances financial reporting accuracy by accounting for human capital costs, ensuring compliance and providing stakeholders with clear actionable insights.

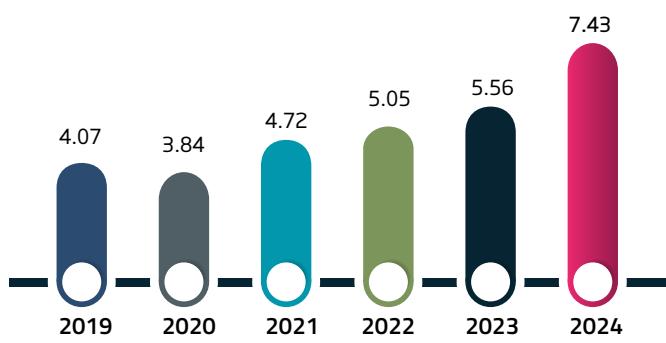
Figures in BDT mn

Particulars	2024	2023	2022	2021	2020	2019
Operating Income Per Employee	7.43	5.56	5.05	4.72	3.84	4.07
Operating Cost Per Employee	3.10	2.84	2.62	2.29	2.23	2.23
Operating Profit Per Employee	4.33	2.72	2.43	2.42	1.62	1.84
Profit Before Tax Per Employee	3.35	2.15	1.83	1.86	1.47	1.28
Profit After Tax Per Employee	2.04	1.24	0.93	1.04	0.92	0.55
Value of Human Resources/ Employee	1.68	1.58	1.45	1.34	1.21	1.17

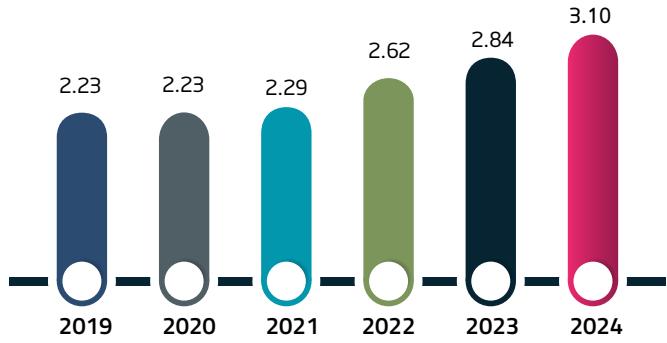


Figures in BDT mn

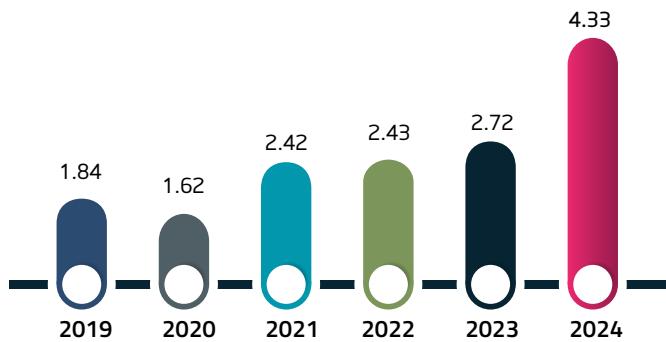
#### Operating Income Per Employee



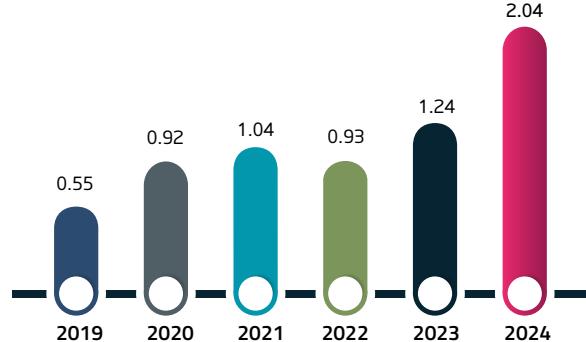
#### Operating Cost Per Employee



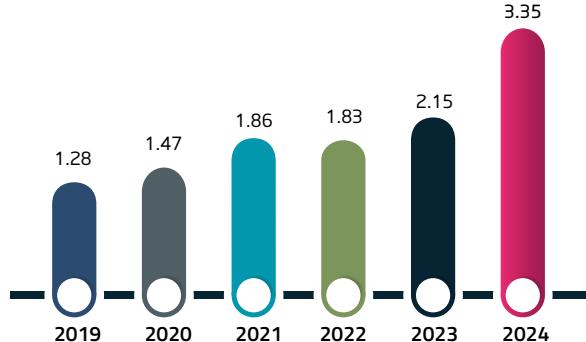
#### Operating Profit Per Employee



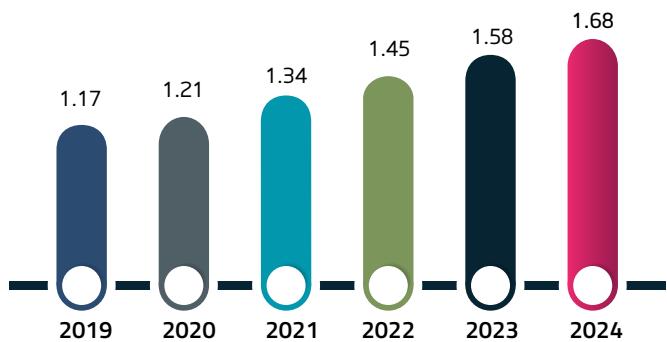
#### Profit After Tax Per Employee



#### Profit Before Tax Per Employee



#### Value of Human Resources/ Employee

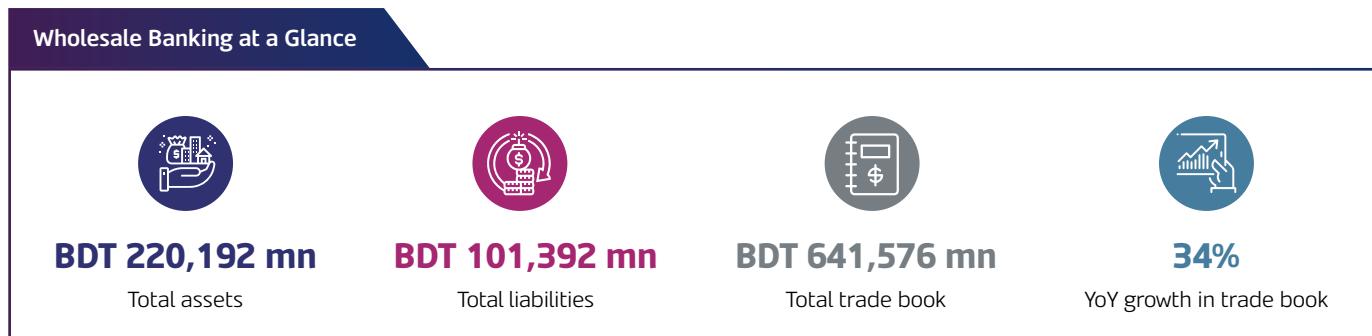


## BUSINESS SEGMENT

# WHOLESALE BANKING

### OFFERING A WIDE SUITE OF BANKING SERVICES TO CUSTOMERS WITH LARGE BALANCE SHEETS

The Wholesale Banking business of City Bank serves a diverse clientele, including large corporates, MNCs and government & public sector enterprises. Offering a wide array of financial solutions such as loans, deposits, payments, collections, trade finance, cash management, etc., the bank aims to be a one-stop shop for meeting the diverse needs of customers in this segment. With extensive experience in serving the wholesale segment, City Bank has earned a strong reputation for delivering quality and reliable services to its customers.



### Leadership Overview

#### "Bangladesh's Business Partner for Growth and Sustainable Development"

City Bank's Wholesale Banking service is an integral part of the bank, offering extensive solutions to MNCs, large domestic corporates, institutional customers and others. Our comprehensive suite of personalised services are designed to provide customers with a market edge and are aimed at making banking easier for them. These include working capital facilities for domestic and international trade operations, channel financing and overdrafts, payments and collections, term loans (including ECBs), letters of guarantee and much more. In addition to supporting a large private sector clientele, the segment also works with government agencies

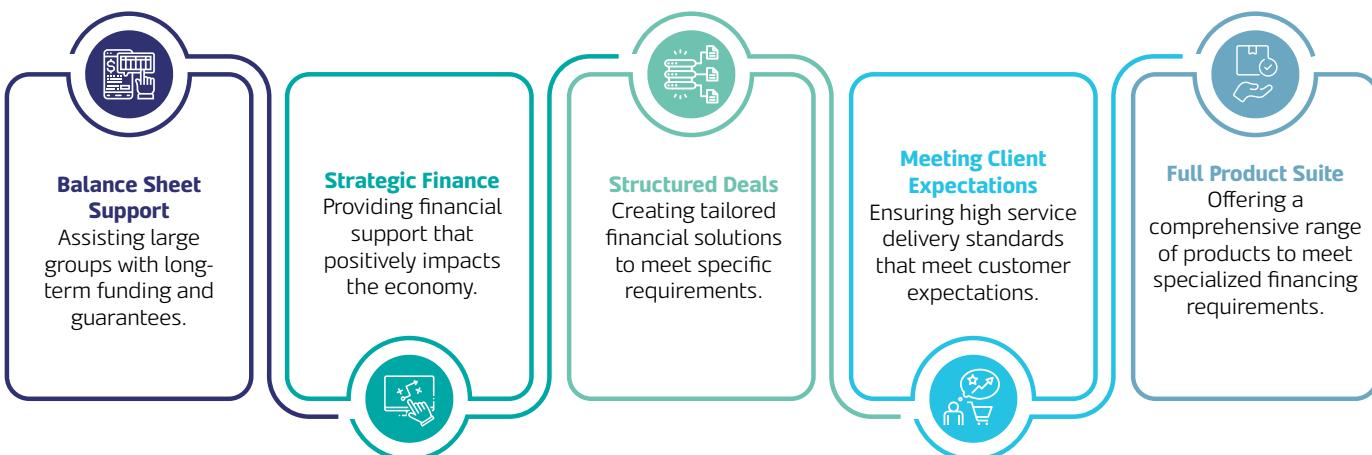
as a partner for channelizing public funds for social welfare.

One of our key differentiators is that we offer a combination of sector-based client service teams along with the investment banking and advisory division to develop customised financial solutions to cater to the onshore and offshore banking needs of our customers. Furthermore, our relationship management teams are seasoned professionals with an in-depth understanding of the sectors and businesses in which our clients operate, thus adding value through detailed industry knowledge and structured financial solutions.

The overarching goal of the division is to bring our customers one step closer to better opportunities and enable them to thrive in a complex environment.

### Strategic Intent

#### Driving Growth Through a Comprehensive Array of Financial Solutions





## Operating Review

City Bank's Wholesale Banking system excels in syndicated loans, credit facilities and financial and trade packages. In the fast-changing financial markets, it proactively introduces new lending and investment products, delivering optimal client solutions. Committed to aligning our strategy with global benchmarks, we are progressively engaging with our wholesale borrowers to understand their current ESG strategy and long-term climate transition plans with a view to tailor our loan portfolio towards climate-sensitive financing. This will also contribute to the nation's decarbonization

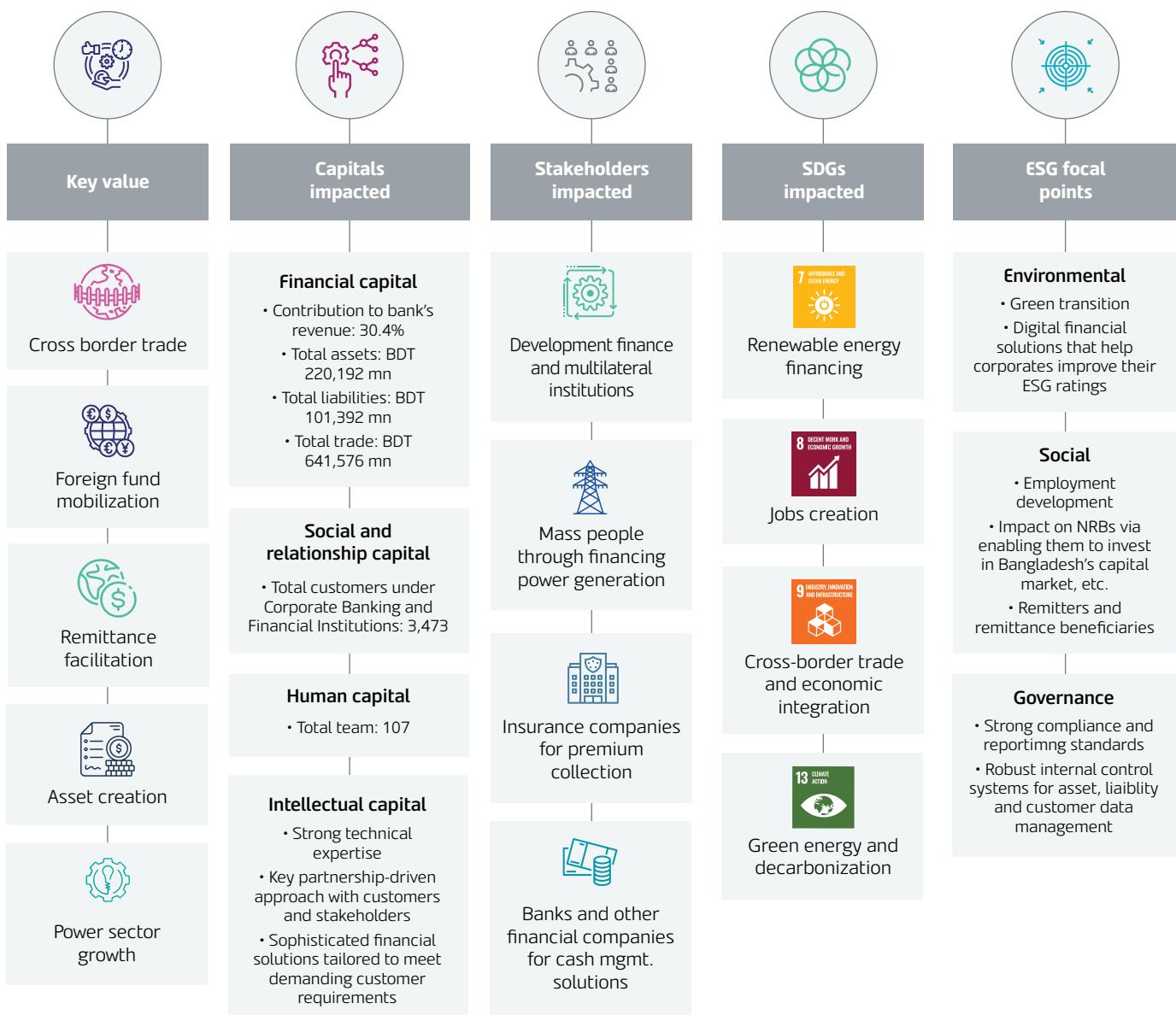
and climate transition journey.

## Financial Update

Efficiency, agility and adaptability are crucial for business success. These principles help us meet client needs and maintain relevance in a competitive market. The division saw YoY growth across major financial metrics in the year 2024, with total assets rising by 13%, total liabilities by 37% and total trade by 34%. Considering the growth in business and future outlook, the team size was expanded with the intake of a few specialist professionals during the year.

Metric	2024	2023	2022	2021	2020
Total assets (BDT mn)	220,192	194,961	171,221	138,348	145,180
Total liabilities (BDT mn)	101,392	73,765	65,816	63,189	53,531
Total trade (BDT mn)	641,576	478,857	512,920	401,960	276,569
Team size	107	95	92	91	92

## Business Dashboard





Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
 Jobs creation   Payments and collections	<b>Natural capital</b> • Focus on renewable energy through Corporate Banking and Structured Finance divisions	 Utilities for bill collections, etc.	 Strategic partnerships with offshore funds for meeting Bangladesh's development goals	



## City Wholesale Banking Divisions

### Corporate Banking

Development of the national power sector with financing completed for 5,000 MW or 20% of national power capacity and 332 MW renewable energy or 21% of renewable energy capacity (undergoing)

### Structured Finance

Contribution to asset creation for key industries

### Financial Institutions

Facilitation of cross-border trade and transactions

### City NRB

Enablement of remittances

### Corporate and Institutional Liability

Innovative and progressively digital payment and collections solutions

## CORPORATE BANKING

City Corporate Banking is a major contributor to Bangladesh's power sector, facilitating 5,000 MW or around 20% of the national power sector capacity through specialized solutions such as:

- ECA (Export Credit Agency)-backed Long Term Facility
- SBLC/bank guarantee-backed funding
- Debt structuring
- OBU refinancing

Our established presence in the sector is evident in our power sector financing portfolio comprising around 17% of the bank's consolidated asset portfolio in 2024. Our commitment to the sustainable development of the power sector is reflected in the fact that even amidst the global foreign currency crisis of 2022-23, we provided support to the industry to ensure uninterrupted power supply by facilitating a USD 360.83 mn (BDT 41,496 mn) LC for fuel and machinery.

To contribute to the climate goals of the nation and diversify the asset book, City Bank supports renewable energy-based power generation. The bank is currently facilitating 332 MW renewable energy capacity which comprises around 21% of the national renewable energy capacity. Notably, the bank does not finance any coal-based power projects.

Corporate Banking Division also became first in Bangladesh by investing USD 10 million in a debt financing program of a major successful start-up, Shop-Up, which is Bangladesh's largest full-stack B2B online business platform that connects mills and manufacturers to small neighborhood shops. With this investment, City Bank successfully entered the start-up financing market and emerged as among the first large financial institution to invest in a start-up. Through the investment, the bank stepped up efforts in financial and digital inclusion that is at the heart of Shop-Up's business model.

## STRUCTURED FINANCE

In 2024, the team successfully secured four new mandates across renewable energy, F&B and textiles, highlighting expertise in structuring and executing financial solutions tailored to the needs of various industries. The combined fundraising potential of these mandates stands at BDT 1,700 cr. These deals were executed despite the major challenges of heightened project costs, delays and deferments, particularly for capital-intensive ventures.

### Strategic focus on growth sectors

Renewable energy: We have positioned ourselves as a facilitator of sustainable energy projects and are committed to secure funding for the same.

ICT: We successfully arranged BDT 6,000 million in long-term financing for ICT projects in 2024. These aim to drive connectivity and digital inclusion.

Other strategic sectors: We are expanding our footprint in the chemicals, textiles and agri/agro-processing sectors, which are vital for food security, export diversification, etc.

### Offshore Banking Unit (OBU)

OBU achieved notable success in 2024, securing three significant foreign funding arrangements at favorable terms totaling USD 110 million:

- USD 30 million from OPEC Fund for International Development
- USD 50 million from International Finance Corporation
- USD 30 million from British International Investment

During the year, OBU also secured a USD 500,000 grant for the bank, approved by the Multilateral Cooperation Center for Development Finance



(MCDF). Backed by the AIIB, the grant will be vital for strengthening City Bank's environmental and social (E&S) management systems.

OBU has initiated discussions with several prominent multilateral development banks, including AIIB, New Development Bank (NDB), JICA, European Investment Bank (EIB) and Belgian Investment Company for Developing Countries (BIO). These efforts aim to establish new credit lines, enhancing our relationships with major global financial institutions and expanding our access to international capital.

Following the regulatory changes of Bangladesh Bank vide FE Circular 19 and the Offshore Banking Act 2024, the bank has expanded its deposit services to cater to both retail and corporate customers. From February 22 to December 31, 2024, over USD 65 million in new OBU deposits were secured, reinforcing the bank's market position and customer trust.

### Agency Services

In 2024, the team continued to excel in providing agency-based services, managing a portfolio of around USD 500 million. Our services of holding safe custody of securities and ensuring timely repayments have been crucial in maintaining relationships with domestic and foreign lenders and customers.

### FINANCIAL INSTITUTIONS

Financial Institutions (FI) facilitates international trade and forex transactions through its global network of 460 Relationship Management Application (RMA) and 33 Nostro accounts in various currencies held with correspondent banks worldwide.

FI has established trade credit lines with major international and regional banks that facilitate trade finance transactions that are vital to Bangladesh's economy. In 2024, FI utilized these credit lines to process transactions worth USD 1.4 billion, involving confirmations and trade financing.

In a prestigious affirmation, City Bank was bestowed with the "Outstanding GTFP Issuing Bank in South Asia" award from International Finance Corporation, member of the World Bank Group under their Global Trade Finance Program (GTFP). This award recognizes the strengths of City Bank in international financing to advance climate action and foster sustainable investment in supply chains for green transition.

### Key milestones of 2024

- Launched revamped version of CityLive with support from DFS and IT teams.
- Signed an agreement with Bangladesh Rural Electrification Board (BREB) for electricity bill collection service of all 80 Palli Bidyut Samitis.
- Signed an agreement with Metlife for online insurance premium collection services.
- Signed an agreement with Chartered Life Insurance for insurance premium collection.
- Signed a cash management agreement with Midas Finance Limited.
- Signed a Trust Cum Settlement Account Operational agreement with Fingerprint Information Technology Limited, Paperless Limited.
- Signed custodial agreement with Shanta Securities for catering to the share trading of NRBS, foreigners and foreign institutions in the capital market.
- Further strengthened position in the capital market as a settlement bank of Dhaka Stock Exchange through booking more stock brokerage houses and catering to them as their settlement bank.

Looking ahead, the team is focused on expanding its footprint across Bangladesh, delivering cutting-edge transaction solutions to all types of non-individual accounts, including clients of other business divisions. It also seeks to streamline complex financial operations and enhance fund management efficiency by leveraging advanced digital platforms and offering tailored solutions.

### CITY NRB

Remittances are a key part of the economy and grew by 22% to over USD 26 billion in 2024.

City NRB implemented drawing arrangements with FinTech-based transactions and collaborated with conventional remittance service providers (RSPs) to integrate FinTech into their remittance operations. This allowed remitters to use RSP's mobile app or web platform for remittances. This adoption, along with capacity development to efficiently manage large volume transactions, ensured immediate credit to beneficiaries' account. Sub-branches and Agent Banking branches also contributed to remittance disbursement, particularly to rural customers.

Few other highlights of 2024 are given below:

- Established a solution where City Bank customers could directly open Wage Earners Development Bonds (WEDB) with City NRB and remittance beneficiaries could also purchase WEDB directly from City Bank branches against their credited remittance.
- Redesigned City Islamic Account for NRBS to expand the bank's account base.
- Coordinated with CBL Cash Management team to encourage NRBS to open NITA (Non-Resident Investor's Taka Account), representing a custodial service facilitating non-resident account holders to directly invest in Bangladesh's stock market from abroad.
- Collaborated with CBL-SME team to promote loan products for remittance recipients. City Bank is the only bank in Bangladesh with Bangladesh Bank's clearance for this product that offers loan against remittance-backed collateral.
- Coordinated with CBL Money Transfer Malaysia and other money exchange houses to promote the bank's OBU account among NRBS; the bank received around USD 0.5 mn OBU funds from NRBS in 2024.

### CORPORATE & INSTITUTIONAL LIABILITY

In 2024, City Bank renamed the 'Cash Management and Custodial Cluster' into 'Corporate & Institutional Liability' division. This strategic repositioning reflects the bank's commitment to step up digitally-driven cash management solutions in payments and collection. The transformation has delivered results, with the division's YoY deposit base growing from BDT 2,845 cr to BDT 4,339 cr, a remarkable 52% increase. This growth underscores the success of our customer-centric approach and strong relationships with corporate and institutional clients.

## BUSINESS SEGMENT

# TREASURY & MARKET RISK DIVISION

### THE TREASURER'S CORNER

City Bank's Treasury division is accountable for managing the bank's liquidity requirements. It is the custodian of the bank's cash/liquid assets and handles its investments in securities, foreign exchange and cash and other market instruments. It further manages the liquidity and interest rate risks of the bank's balance sheet and is also responsible for meeting the reserve requirements of the bank.



**BDT 133,644 mn**

Investment portfolio (up 83% YoY)

Treasury & Market Risk Division				
<b>Competitive strength:</b> Seasoned team with expertise across ALM and FX with an excellent track record	<b>Operating environment:</b> Greater depth of operating in the treasury market with a large balance sheet	<b>Revenue diversification:</b> Greater diversification with shifting focus on fixed income investment than NII	<b>Risk accumulation:</b> Reduction in risk accumulation as greater volume of asset creation in risk-free assets such as high quality liquid assets	<b>Opportunity landscape:</b> Greater market participation, actively dealing in interbank market which has generated additional liquidity

### Leadership Overview

#### Focused on Optimal Liquidity Management for Enhanced Profitability Contribution

City Bank's Treasury is the backbone of the organization. It ensures that the bank maintains adequate liquidity in compliance with all banking regulations and is not caught off-guard during any crisis, while also aiming for maximising return on investment. Ultimately, the Treasury function is a vital element of the bank and plays a crucial role in maintaining institutional stability and the strength of the financial system.

For Treasury & Market Risk Division of City Bank, 2024 was yet another year of strengthening the bank's balance sheet, delivering demonstrable performance in profitability and implementing sustainable growth strategies to contribute to the bank's vision to be the leading commercial bank in the country.

For treasury managers across the globe, the year 2024 posed significant challenges and Bangladesh was no exception. Prolonged and elevated geopolitical tensions, ramification of two global conflicts, financial strain, policy uncertainties and persistent inflation dynamics comprised major challenges that warranted new and more effective strategies in protecting the interests of bank depositors and other stakeholders. In such an economic landscape,

ensuring a strong and resilient balance sheet was the core agenda of the team to support the bank's sustainable growth.

Bangladesh's economy passed 2024, facing multifaceted crisis comprising political upheaval, elevated inflation, volatile exchange rate and intense currency devaluation, depleting forex reserves. Amidst these challenges, Bangladesh's GDP remained sluggish, experiencing its lowest growth in four years at 4.2% (Source: Bangladesh Bureau of Statistics), compared to World Bank's 5.7% growth projection at the start of the year.

During 2024, Bangladesh Bank focused on modernising its monetary operations for ensuring more effective monetary policy transmission to the broader economy. It thus launched Interest Rate Targeting framework, replacing the Reserve Money Targeting method. Interest Rate Corridor with marked floor and ceiling was also introduced to harmonize the market along with standing facilities, OMO (open market operations), etc.

Interest rate movement was one the most notable developments in the treasury market in 2024, as Bangladesh's yield curve underwent significant shifts caused by monetary policy stance, inflationary pressure and other external factors. Over the past year, the central bank aggressively hiked the policy rate five times, which went up from 7.75% in December 2023 to 10% in December 2024, aimed at reducing the aggregate demand in the economy.



Short-term yield curve dynamics exhibited an upward shift across all maturities, as 91 Day T-Bill rate jumped from 11.10% in December 2023 to a peak of 11.75% in October 2024; 182 Day T-Bill rate touched a peak of 11.90% in October 2024 from 11.20% in December 2023, and the 364 Day T-Bill reached a peak of 12% in May 2024 and finished at 11.99% in December 2024, up from 11.50% in December 2023.

Long-term yield curve dynamics followed the same trajectory, as bonds across all maturities also ended higher in December 2024 vs. December 2023. Yield on 10 Year T-Bond touched a peak of 12.60% in June 2024, up sharply from 10.82% in December 2023 and 20 Year T-Bond yield touched a high of 12.84% in June 2024, up from 11.22% in December 2023.

Across all maturities – short and long-term, yield dynamics responded to strategic monetary policies aimed at economic stability. Weighted average interest rate on deposits for private banks, which stood at 4.93% in December 2023, jumped to 6.49% in December 2024. Similarly, weighted average lending rate on advances for private banks that stood at 9.40% in December 2023 increased to 12.07% in December 2024.

Inflationary pressure and hence a contractionary monetary policy of the central bank has been a key contributor to the rising interest rate regime. Point-to-point inflation increased from 9.41% in December 2023 to a peak of 11.38% in November 2024 and stood at 10.89% in December 2024. Food and non-food inflation saw an upward spiral.

The impact of policy rate hike to tame inflation had a consequence on the GDP, with the pace of growth declining to 4.2% in 2024 as mentioned earlier, down from 7.10% in 2022. Consequently, domestic credit growth remained subdued throughout the year.

The actual picture of the credit appetite in the economy can be further understood by the fact that while public sector credit growth was 16.32%, private sector credit growth came at 7.28% in December 2024, against monetary policy target of 9.8% (for H12025). This indicates the effects of the monetary policy stance resulting in high cost of doing business, as evident by the spike in average lending rates in the banking sector from 9.36% in December 2023 to 11.84% in December 2024.

Based on an analysis of leading macroeconomic indicators and responding to the unfolding macroeconomic trends, City Bank proactively increased deposit rates from Q3, 2023 to stay ahead of the curve. This proactive move proved to be advantageous throughout 2024 as deposit mobilization ahead of the industry resulted in the bank's deposit growth of 31% in 2024, compared to the industry average of 7.4%. Thus, the bank's Treasury materially contributed to this performance by accurately projecting interest rate movements and effectively managing deposit cost.

With 3 to 12 months of cost of funds of the bank being below the policy rate, we strategically shifted the excess liquidity in risk-free treasury instruments that bore high yields as the yield curve underwent a significant upward shift. This provided the bank with a strong liquidity fountain with the investment income contributing handsomely to bank's profitability in 2024.

Immunizing the balance sheet to market shocks and volatility, timely investment in government securities and utmost focus on liquidity and compliance were the key focus areas of 2024. Going forward, while we will continue with this strategy, we will also deepen our efforts to enhance our understanding and analysis of the market to take opportunistic calls based on the ongoing events.

## Key Divisional Activities

City Bank's Treasury function is an integral aspect of the bank. It encompasses managing financial assets and liabilities, ensuring

sufficient liquidity and capitalizing on specific market opportunities to maximize returns and profitability.

Treasury management requires a combination of analytical skills, financial acumen and a deep understanding of the economic landscape, which we develop by keeping track of the latest events and happenings in the world and in Bangladesh, movement of interest rates and how key global and local events and news impact interest and exchange rates, while keeping abreast of all regulatory changes. Moreover, regulatory and risk management considerations are paramount for us as we balance profitability with safety.

Thus, the bank's Treasury & Market Risk Division prioritises the management of the bank's overall liquidity and focuses on fortifying the bank's balance sheet.



### The treasury division has two units:

- Asset Liability Management (ALM) & Money Market
- Foreign Exchange

### Asset Liability Management (ALM) & Money Market

Asset-Liability Management (ALM) & Money Market function is headed by the Head of ALM who oversees the bank's overall liquidity in local and foreign currency through the Money Market Desk. This desk ensures sufficient systemic liquidity by utilizing a variety of money market instruments.

### The ALM desk consists of three sub-units:

- Money Market Desk
- Fixed Income Desk
- Balance Sheet & Fund Management Desk

The ALM Desk is responsible for the critical process that ensures a balanced alignment between the bank's assets and liabilities. This is essential to maintain liquidity to address potential liability shortfalls and ensure operational sustenance. The bank carefully balances the need to generate revenue from lending activities with maintaining adequate cash reserves to meet deposit withdrawals.

Acting as the Member Secretary of Asset-Liability Committee (ALCO), the apex committee of the bank, Head of Treasury conducts ALCO



meetings with the Head of ALM. ALM Desk is responsible for preparing ALCO presentation with in-depth analysis of the balance sheet. ALCO closely monitors the developments around various liquidity issues in mandatory monthly meetings. As guided by the bank's ALM policy, ALM desk provides updates on various liquidity measures such as LCR, NSFR, CRR, SLR, SLP, ADR, IDR, Commitment Limit and Wholesale Banking Guarantee Limit. ALCO ensures regulatory compliance with statutory liquidity and capital requirements while helping the bank maintain a competitive position in both assets and liabilities. The ALM Desk provides market insights aligned to the bank's financial position, enabling ALCO to deliver effective fund management and investment strategies.

Head of Treasury, as a member of the bank's Investment Committee, is assisted by the ALM Desk to ensure implementation of the bank's Investment Policy and prudent decisions taken by the Investment Committee. Investment Committee oversees investment activities and formulates policies and guidelines pertaining to the bank's investment activities which include fixed income treasury securities, corporate bonds and alternative investment instruments and listed shares and non-listed share investments.

#### The ALM and Money Market Desk performs a dual role:

- Strategy and Oversight: It guides the bank's balance sheet management by setting strategies and monitoring asset-liability alignment.
- Execution: The Money Market Desk actively participates in the interbank money market to generate revenue through net interest income and investment income from government securities, corporate bonds and opportunistic secondary market trading. This desk contributes to the bank's stability by generating revenue and containing risks.

In 2024, effective liquidity management was the key focus of the ALM Desk. In a volatile market, surplus units in the economy chose City Bank for protection of their wealth based on the bank's strong financial foundation, commitment to transparency and proven track record. City Bank achieved 31% deposit growth in 2024, which is

more than 4x the industry average, the ALM desk took all measures to ensure protection of depositors' funds and maintain adequate liquidity for seamless daily operations while executing strategic multi-asset investment decisions.

#### Foreign Exchange

Head of Foreign Exchange (FX) oversees the bank's foreign exchange operations with the objective of managing foreign exchange exposure, thus ensuring support to all clients requiring foreign currency over the course of trade and cross-border business. The Foreign Exchange Desk consists of two sub-units:

- Interbank Desk
- Corporate Sales Desk

Major activities by the FX Desk include facilitating the bank's growth plans across trade and cross-border funded and non-funded business, ensuring compliance with regulatory limits (Net Open Position), supporting customers with derivative solutions and running proprietary cross-currency trade.

The FX Desk plays a pivotal role in supporting the expansion of the bank's trade business by effectively managing foreign currency exposures as well as providing competitive pricing to customers and business stakeholders. The desk provides technology-driven tailored solutions to meet specific customer needs through the Corporate Sales Desk. The Interbank Desk manages foreign currency from diversified sources in the interbank. Alongside interbank market, the FX Desk also sources foreign currency from NRB to provide cost-effective pricing.

The introduction of Crawling Peg Exchange Rate System in 2024 marked a major shift in the exchange rate system in the FX market. Currency devaluation has continued as official exchange rate reached BDT 122 per USD. Dwindling forex reserves has exerted economic strain. Coupled with policy reforms and efforts to bring uniformity in the exchange rate, remittance inflow has experienced significant growth in 2024.

#### Financial Highlights

##### Investment Income

**252.6%**

##### Liquidity Coverage Ratio (LCR):

**193.95%**

##### Net Stable Funding Ratio (NSFR):

**108.54%**

#### Business Dashboard



##### Key value



Treasury market risk management, including asset-liability mgmt., balance sheet mgmt., etc.



##### Capitals impacted

- Financial capital
  - Total investment income: BDT 16,615 mn
  - Contribution to bank's total revenue: 24%



##### Stakeholders impacted



Bank and its operations



##### SDGs impacted



Provision for innovative solutions  
Industry innovation and infrastructure



##### ESG focal points

- Environmental
  - Digital and less-paper operations



Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
 Funding, liquidity and capital strategy	<b>Social and relationship capital</b> • Treasury solutions to bank's customers	 Country's financial markets	 Strong regulatory compliance and ethics ensuring financial system stability	<b>Social</b> • Bank depositholders and other stakeholders through stability • Strong relationships with other banks and Fis
 Balance sheet management	<b>Human capital</b> • Treasury team strength: 8 • Cumulative team experience in treasury dealing : more than six decades	 Corporate treasuries		<b>Governance</b> • Robust financial reporting • Strong compliance to all rules and regulations
 Interest and market risk mitigation	<b>Intellectual capital</b> • Deep, analytical understanding of financial and forex markets • Strong knowhow of investment instruments • Robust market risk mgmt experience			

## Strategic Roadmap

### Short-term goals

- Tech-driven asset liability management, incorporating real-time behavioral analysis
- Digital enablement in remittance solutions (NRB Business)

### Long-term goal

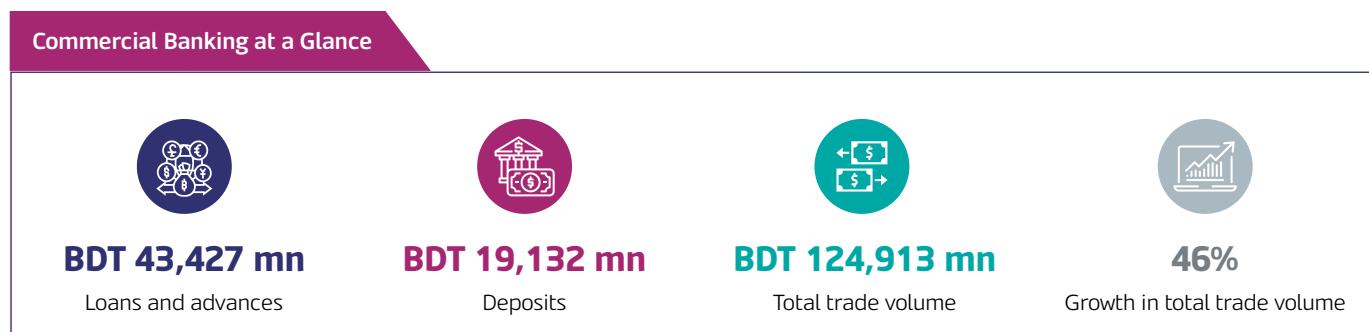
- Launch FX Dealing Platform to enhance market footprint

## BUSINESS SEGMENT

# COMMERCIAL BANKING

### PROVIDING GLOBAL EXPERTISE FOR OUR CUSTOMERS TO THRIVE

Commercial Banking of City Bank serves hundreds of businesses comprising enterprises and mid-market companies, providing the services and expertise they need to thrive. We support our customers to make inbound/outbound business easier for them. We have a particular focus on companies that aspire to scale and we use our connections and expertise to spot trends and identify opportunities for them. Through this we build long-term relationships with our customers.



### Leadership Overview

#### Global Expertise to Maximise our Customers' Potential

For us at City Commercial Banking, today's mid corporates and emerging corporates are the large conglomerates of the future. By understanding their industry and knowing their business priorities, our relationship managers bring them valuable insights to help them succeed. With the full spectrum of the bank's capabilities and access to our global network, we deliver tailored solutions to meet their unique goals and objectives by enabling them to capitalize on opportunities and tackle the challenges.

Importantly, relationship management is at the heart of our business and our teams work closely with customers to build an in-depth understanding of their needs. They possess good business judgment and commercial knowledge as well as strong interpersonal skills. Our customer-facing teams are supported by product specialists. In addition to having strong technical skills, they often liaise with and advise clients. This operating model has enabled us to harvest success year after year, as evidenced by our performance for 2024

in which we accomplished 46% YoY growth in trade volumes to BDT 124,913 mn.

We understand that our target clients have unique hybrid needs, something that few other banks in the nation have been able to successfully cater to. As a business with distinguished and specialist capabilities built over time, we understand the market and this places us in a favorable position to continue harnessing possibilities as our customers scale to become the giants of tomorrow. We are committed to enable our customers to unlock their growth potential.

In this regard, during the year, we perceived our customers' intent to regain their market position in Bangladesh and overseas in the aftermath of the business disruptions that rocked the country in the middle of the year due to the student-led protests. Our customers re-assessed their strategies and remained devoted to build for the future and their success embodied our performance too.

Considering our unique expertise and strong expertise in business, banking and relationship-based approach, we are well-poised to continue with our growth story that is well and truly linked to the growth journey of our mid-market enterprises and customers.

### Strategic Intent

#### City Commercial Bank's Strategic Framework for Financial Value and Customer Success





## Operating Review

As a significant financial services provider to emerging corporate companies of Bangladesh that have unique banking requirements with respect to them being big for SME Banking and small for large Corporate Banking, City's Commercial Banking has made a mark with custom solutions and global resources designed to help clients thrive in a dynamic environment.

Through a dedicated banking relationship, our clients can gain access to an extensive suite of our solutions, which include:



Each of these solutions scale to fit our customers' size and aspirations, thus ensuring they remain relevant to their business objectives and growth cycle. Within our framework, we are size-agnostic and have only one aim which is to help our customers succeed and grow in scale.

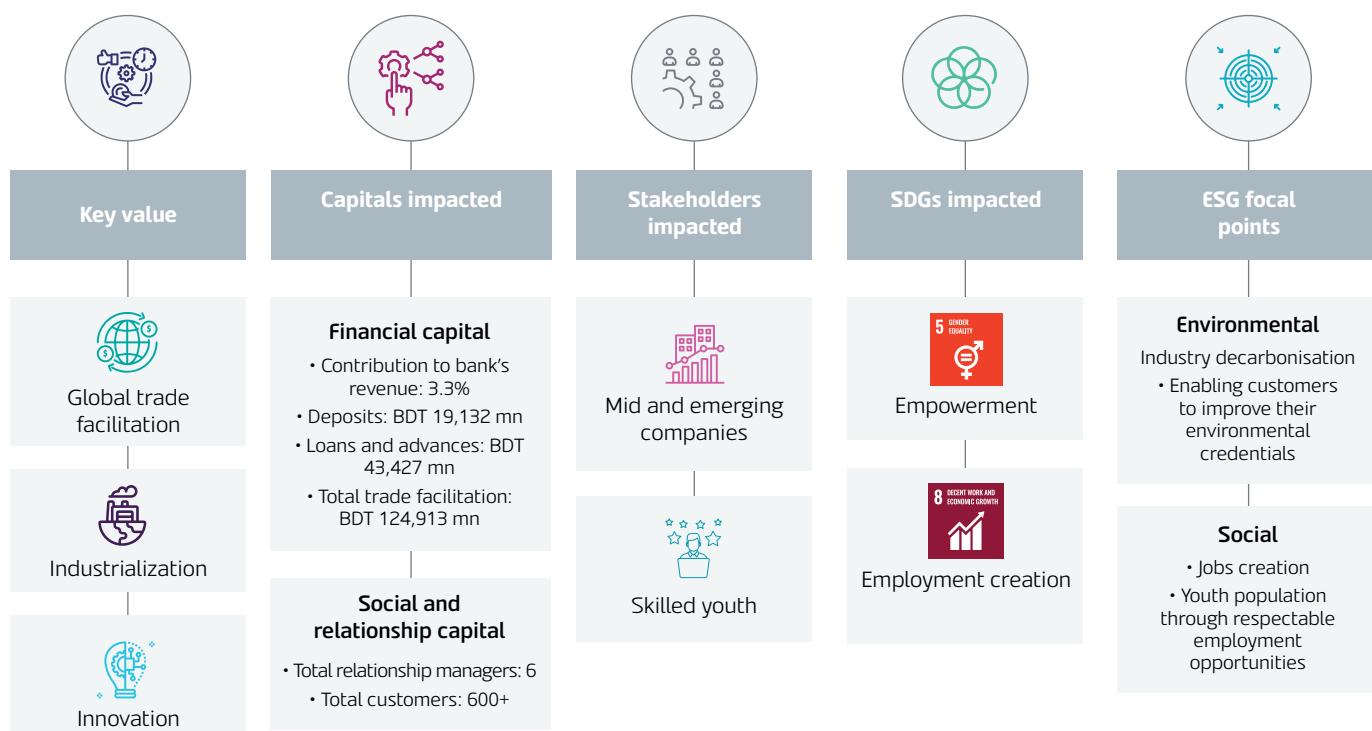
We also enrich our solutions capabilities to continuously offer our clients cutting-edge products and services via our professional financial advisory services, leveraging our global network, such as our subsidiary City HK, while also providing valuable information and constructive insights on refinance programs of Bangladesh Bank, etc.

## Financial Update

City Commercial Banking reported a commendable performance in 2024. Total revenue expanded by 17% to BDT 1,295 mn, operating profit scaled by 15% to BDT 911 mn and loans and advances rose by 27% to BDT 43,427 mn. Moreover, growth in total deposits was up by 11% to BDT 19,132 mn.

Key metrics (BDT mn)	2024	2023
Loans and advances	43,427	34,119
Deposits	19,132	16,690
Import and BG	83,238	54,505
Export	41,675	30,800
Total trade volume	124,913	85,306

## Business Dashboard





Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
 Jobs creation	<b>Intellectual capital</b> Strong technical understanding of mid-market businesses • Customised products and solutions tailored to specific client needs	 Local women population	 Rural prosperity	<b>Governance</b> • Robust compliance practices • Strong systems and standards for customers and data protection



## Success Story

GMS Textiles Ltd is a LEED Platinum-certified RMG factory of GMS Group located in Gazipur near Dhaka. The project is situated on 42-bigha land and employs around 9,000 people. City Bank's Commercial Bank division disbursed an effective financial solution to this green factory and is proud of the association with the client who is a major RMG player in Bangladesh.

## Way Forward, 2025

- Pursue opportunities in Islamic finance
- Enhance fee/commission-based income
- Work closely with other stakeholders such as Cash Management & Structured Finance Unit (SFU) for offering complementary solutions to clients
- Work towards garnering low-cost funds
- Focus on stressed accounts collections and recovery



## BUSINESS SEGMENT

# SUPPLY CHAIN FINANCE

### BRINGING "VALUE" TO THE VALUE CHAIN

Providing financial solutions that enhance trade efficiency and unlock liquidity-driven supply chain value for customers.

#### Overview

The macroeconomic environment in 2024 presented its own set of challenges, leading to a subdued business and trade landscape in Bangladesh.

Despite this, City's Supply Chain Finance (SCF) proposition played a role in helping customers unlock value from their supply chains, ensuring resilience in this segment of the credit market. The program's relevance was further amplified by the pressures on trade and supply chains due to heightened geopolitical risks and emerging trends like the "China +1" diversification strategy of global buyers.

Further, our supply chain finance solutions are more cost-effective than direct working capital finance or conventional trade finance, thus enhancing product desirability.

Since its launch in 2018, City SCF has been a leader in digital supply chain finance innovation, offering financial solutions aimed at optimising cashflow and working capital for suppliers and distributors. Our attractive market solutions have increased in popularity among major Bangladeshi corporations and their suppliers.

This success is driven by our ability to provide a comprehensive range of solutions accessible through our online SCF platform, such as online supplier finance, factoring, reverse factoring and purchase order financing.

#### Leadership Message

##### "An Open Opportunity in Closing the Trade Finance Gap"

Supply Chain Finance (SCF) is a relatively new financing concept in Bangladesh and City Bank's SCF is a pioneer in the field. SCF comprises a purchase of trade receivables from suppliers which supply goods or services to customers of City Bank.

SCF enhances working capital financing efficiency for both our customers and their suppliers. Customers benefit from improved payment terms, while suppliers enjoy an accelerated cash conversion of trade receivables. For our customers, it comprises a way to improve payment terms and raise financing via working capital. For suppliers, it is a means to improve their cash-conversion cycle and that too at a lower funding rate.

SCF is at an interesting juncture at this point in Bangladesh where a large number of customers have realised its benefits, yet there is a big market that is still untapped. The concept was primarily seeded by the country's RMG sector that has been successful due to its linkage with the global apparel and textile supply chain.

The recent political transition enforced supply chain disruptions and SCF will be instrumental in the re-building efforts as it provides much-needed liquidity. So the sense is that City SCF, with a demonstrated track record, will be in a sweet-spot to educate customers and suppliers on the benefits of SCF and thus further grow the business. Our total assets have expanded to BDT 1,300 million and we have just about scratched the surface.

#### As part of our mid-term strategy, some of the key initiatives we expect to take up include:

Targeting manufacturing-based suppliers and service providers that ensure year-round supply to corporations

Prioritizing suppliers of City Bank's existing commercial and mid-sized clients

Engaging top industry anchors, including the leading 15 pharma companies, poultry feed mills, RMG players, MNCs, FMCG companies and cement and steel firms

Offering competitive pricing for new and takeover clients with strong credit profiles

Strengthening digital engagement with anchors and suppliers to streamline invoice submission, receipt and collection processes

Launch a new product based on market demand and opportunities

With a strong team in place supported by systems and processes, we will continue to pursue excellence in growing our asset book while maintaining pristine book quality. Together, we will work towards closing the trade finance gap by offering effective financial solutions that enhance efficiency and unlock liquidity-driven supply chain value for our customers.



## City SCF Value Proposition

Real-time transaction

Trade simplification

Direct linkage of small suppliers

Lower documentation

Improved risk control

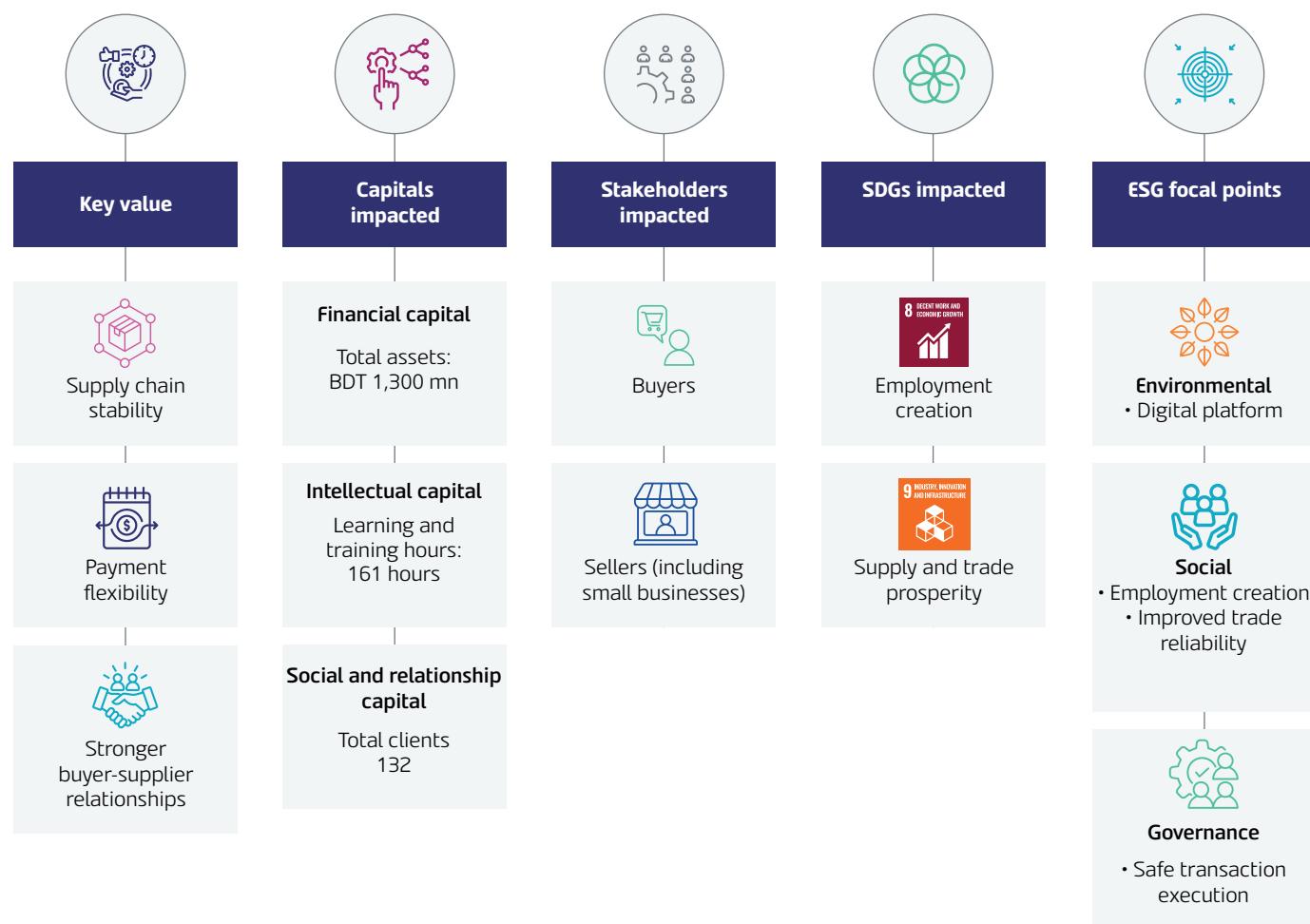
Higher supply chain efficiency

## Major Customers

PRAN RFL, ACI, ACME Laboratories, Paragon Group, Quality Feeds, Banglalink, edotco, Arla Foods, Akij Group, City Group, UNHCR, Renata, Eskayef Pharmaceuticals

Key metrics	2024	2023	2022
Total assets (BDT mn)	1300	1600	1680
Profit before tax (BDT mn)	74	60	53
Total customers	150	125	135
Team size	9	9	8

## Business Dashboard





## Outlook, 2025

- Initiate a targeted campaign to attract factoring clients from NBFI's by offering a more cost-effective solution while maintaining City SCF's unique features
- Strengthen collaboration with Corporate, Commercial, Medium and Small Finance teams to generate business leads
- Organise a supplier event and launch a social media campaign to boost awareness about City SCF
- Prioritise monitoring supplier repayments through anchor partners to ensure smooth transactions



### Success Story

**Mr. Syed Mahbub Murad**  
Managing Director, DFL Plastic (Pvt.) Ltd

"I fully recommend City SCF. Our experience with the facility has been overwhelmingly positive and satisfying. The product stands out in the industry for its innovative features and digital capabilities, particularly in supplier onboarding. As a service-focused business, we greatly value how City SCF aligns perfectly with our requirements. In our view, City SCF is not just a service—it's a strategic partnership!"

Mr. Syed Mahbub Murad is a self-made business leader and the driving force behind the company's success. With his extensive expertise in the plastic manufacturing industry, he has fuelled the company's achievements over the years and has established a solid presence in the plastic packaging industry.

He mentions that the financial solution from City SCF was instrumental in strengthening the company's financial position, leading to a significant improvement in the credit ratings. By leveraging this facility, the company enhanced its creditworthiness too, unlocking a wealth of new opportunities. The SCF solution also boosted shareholder confidence, with investors recognising the strategic value of the financial tool. This enhanced the overall value of the business.



■ SCF Collaboration session with corporate, CRM, Finance and CAD followed by dinner at Crown plaza



■ SCF Collaboration session with corporate, CRM, Finance and CAD Division at Crown plaza

## BUSINESS SEGMENT

# CITY RETAIL BANKING

### Catering To A Varied And Diversified Customer Base Through Personalised Products And Distinctive Solutions

The Retail Banking Business of City Bank caters to a varied client base which includes individuals, salaried professionals, small businesses, women entrepreneurs, etc. The bank's objective is to develop and tailor products and services that address the unique requirements of these customers. Among the offerings are savings and current accounts, various loan options for personal and business needs, credit cards and insurance products. We combine our physical and digital capabilities with specialist expertise to ensure a smooth and convenient experience for our customers.

Retail Banking at a Glance			
<b>BDT 84,180 mn</b>	<b>8.28%</b>	<b>BDT 335,396 mn</b>	<b>31%</b>
Total assets	YoY growth in total assets	Total liabilities	YoY growth in total liabilities
<b>BDT 419,604 mn</b>	<b>BDT 27,139</b>	<b>1,747,022</b>	
Total funds under management	Retail assets disbursed	Total customers	

### Leadership Overview

#### "Last Mile Financial Inclusion, Long-term Value Creation"

City Bank's Retail Banking Division combines four decades of tradition with innovation, aiming to be a reliable and futuristic financial partner focused on our customers' financial success and societal progress through financial inclusion and empowerment.

In 2024, despite facing economic challenges and uncertainties, Retail Banking maintained its performance and achieved significant milestones in various performance areas. These outcomes were due to years of focus on innovation, responsiveness, adaptability and customer-centricity. The division upheld high work and ethical standards, ensuring preparedness for the challenges and equipping the team to provide comprehensive and timely solutions for market and financial sector needs and expectations.

Retail Division offers comprehensive financial solutions for individuals at all stages of their life. It provides accounts for newborns, senior citizens, students and even freelancers. It offers deposit and transactional facilities in both local and foreign currencies. Customers can choose nano loans or credit cards for meeting their immediate financial needs, as well as car and home loans. Furthermore, our specialized services include Employee Banking, Women Banking (City Alo), Shari'ah-based Islamic Banking (City Islamic) and Priority Banking (Citygem).

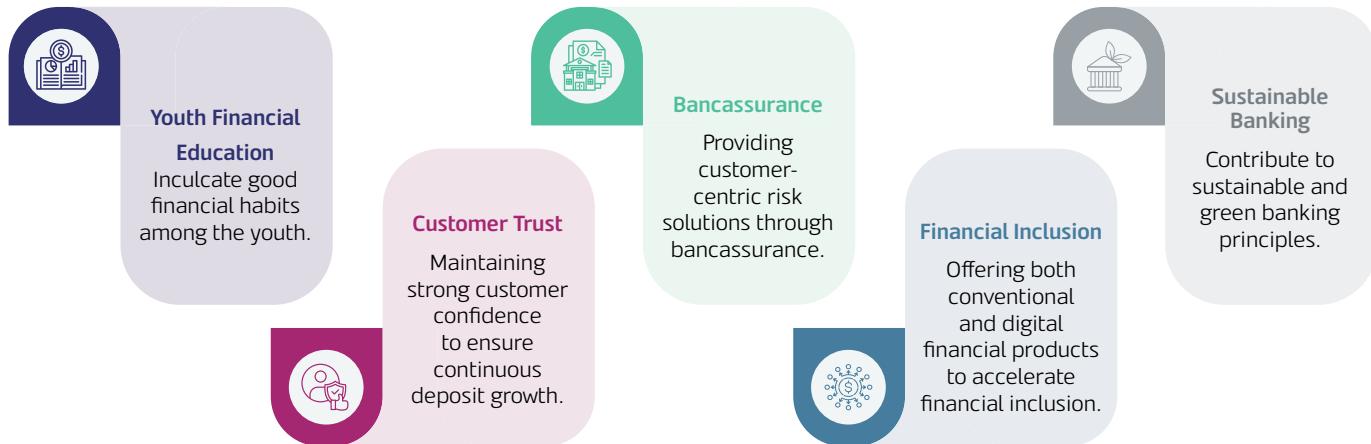
City Retail's services thus cater to the unique requirements of a broad customer segment, ensuring we remain the preferred retail banking partner for all our customers, everywhere.

### Strategic Intent

Over the last year, City Retail has accomplished significant milestones, remaining focused on its key pillars of innovation, financial inclusion and value creation. Some of the notable initiatives are given below.



## City Retail's Journey Towards Customer-Centric Financial Solutions



### Exponential deposit growth that reflects strong customer trust

In 2024, City Bank recorded a milestone achievement in deposit mobilization, garnering BDT 514 bn of total deposits, the highest-ever for the bank, representing a 31% growth over the previous year. City Retail, being the fulcrum of the bank for deposit mobilization, accounted for 66% of the total deposits of the bank. The division, in addition to playing a significant role in deposit mobilization, also contributed to driving cost efficiency with the result that avg cost of deposits was maintained at 5.08% against the industry average is 5.6%. This hence represented a double-engine growth that added to the overall financial performance of the bank.

### Taking-off with bancassurance that centers on providing effective customer-centric risk solutions

City Bank is Bangladesh's first bank to receive a bancassurance license, enabling it to commence sales of insurance policies of its bancassurance partners via its network. City Bank bagged the honor to book the country's first-ever bancassurance policy on the very first day of the official launch of the bancassurance business. Bancassurance is a new concept in the country that aims to deepen insurance penetration via a bank's extensive customer network.

City Bank has tied-up with six prominent insurance partners, including Guardian Life Insurance Ltd, Akij Takaful Life Insurance PLC, Delta Life Insurance Co. Ltd, Reliance Insurance Ltd, Pioneer Insurance Co. Ltd and City General Insurance Co. Ltd. Through these insurance partners, the bank provides health, education, pension and life insurance products that ensures a wide safety net for customers against any exigencies. During the year, bancassurance service was launched in 67 physical touchpoints of the bank that were equipped with human and infrastructural resources to facilitate the business through which a total of 9,897 policies with coverage amount of BDT 867 cr was sold. Leveraging the extensive reach of the bank and the expertise of its partner insurance partner companies, City Bank has set the foundation for accelerated growth in the coming years.

### Enabling financial inclusion through both conventional and digital products

Leveraging a robust tech-centric digital banking platform and partnership with bKash, the country's leading MFS player, City Retail's Digital Nano Loan product witnessed a significant acceleration this past year, with total disbursements surpassing BDT 857 cr,

representing a striking 73% YoY growth. As many as 1.9 million loans were disbursed last year and, interestingly, 69% of these loans were outside metro areas and 24% were availed by female borrowers. This represents financial inclusion in the true sense as the product's proposition resonates with intended beneficiaries comprising non-metro and marginalised populations. During the year, another variant of digital loan, "Buy now, pay later (BNPL)", was launched, which provides both business entities and retail consumers more flexibility in availing credit facilities.

The division also launched affordable home construction loan, a new variant of the existing home loan offering, targeting middle and lower-middle income groups in semi-urban and rural areas. Designed with a simplified lending process for the less-privileged communities, this product endeavours to fulfill the house ownership dreams of our customers. Yet another service that has championed financial inclusion has been City Alo, City Bank's women banking wing that has created a characteristic bright mark on the targeted beneficiaries of under/unbanked and unprivileged female population of the country.

### Contribution to sustainable and green banking principles

In 2024, City Retail launched its first-ever green deposit product, Green Savings Account. The product received sound response from customers, with 20,000+ accounts opened within a short span of time. The product showcased some unique, first-of-its-kind features, including the bank planting a tree for every account opened. That is not all. With a view to ensure authenticity and deeper customer engagement, the GPS location of the tree is shared with the account-owner. Such tree plantation programs against the Green Savings Account were launched in Gulshan, Ratargul and Khadimnagar. Another example of City Retail's commitment to environmental preservation is its commitment to hybrid vehicle financing. This past year, BDT 196 cr was disbursed as loan against hybrid vehicles, constituting more than 50% of the total auto loan business.

### Instilling good financial management and banking habits among the youth

With a wide array of financial products serving every stage of life and driven by a responsibility to the society, City Retail undertakes several initiatives to create financial literacy and awareness among the younger generation. To instill good financial habits and discipline at an early stage of life, the bank participates in the "School Banking Conference" as a lead organizer every year in suburban areas, in collaboration with all scheduled banks of that area.



Through the conference, bank officials educate school-going children about financial management and bank products that promote financial discipline and efficient money management in terms of inculcating a savings habit early on. Further, City Retail also arranged extensive week-long awareness campaigns in major universities for youth pursuing undergraduate programs and preparing to enter the professional world. Such initiatives are playing a key role in bringing the youth into mainstream finance channels.

### Strong relationship management with ecosystem partners

City Retail nurtures strong relationships with external stakeholders

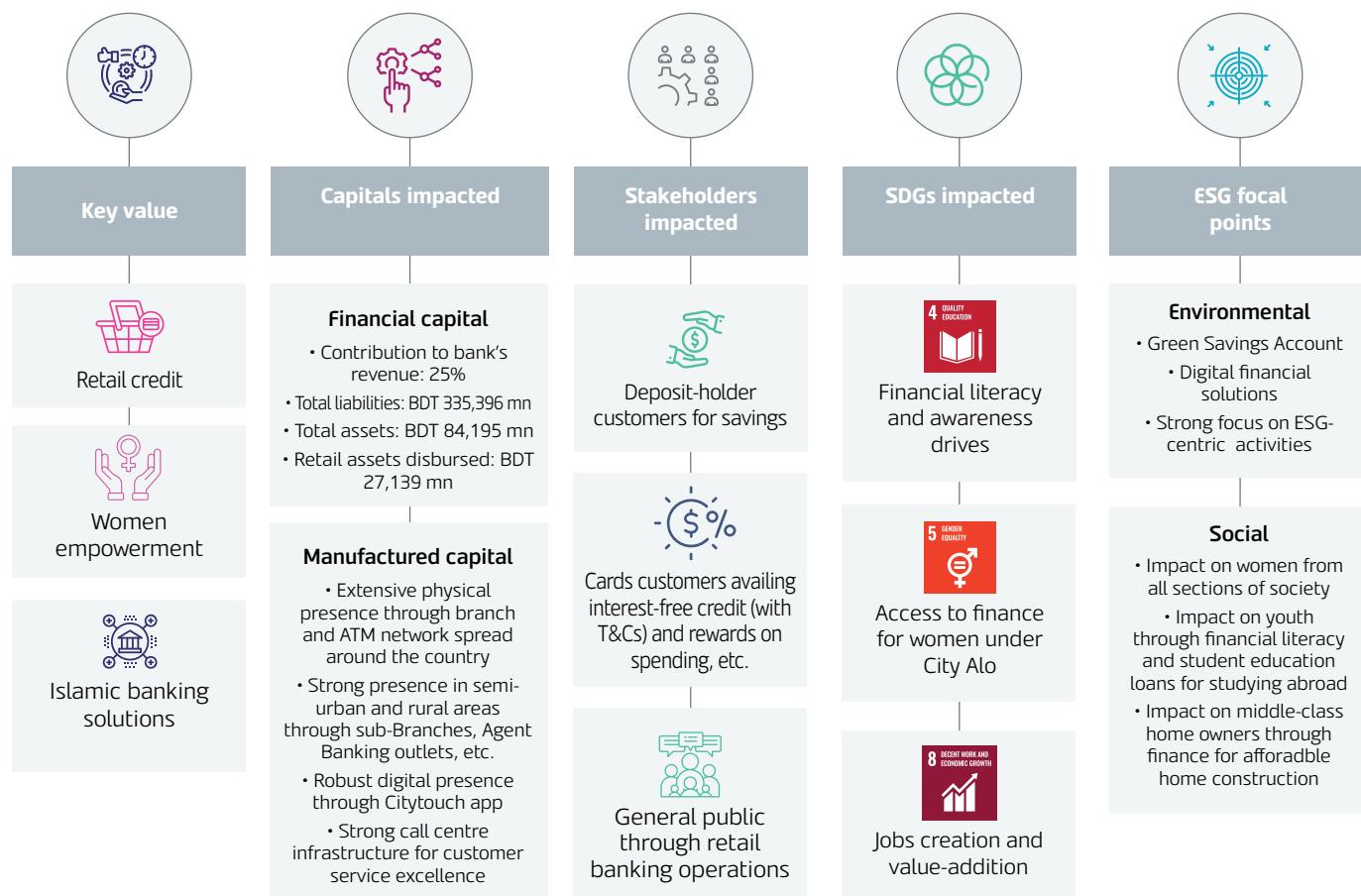
as well as diverse govt. bodies, international and local organizations, merchant partners, consultancy centers and many more to create a vibrant banking ecosystem for the retail business to thrive. Through its relationship management (RM) team, City Retail has forged partnerships with 300+ real estate development and brokerage companies and 700+ automobile showrooms through which the bank sourced more than 70% of its home and auto loans in 2024. Student Centers, another torchbearer of City Retail, forged a partnership with 650+ consultancy firms, providing the bank with a competitive edge in ensuring file processing for eligible students desiring to pursue higher education abroad.

### Financial Update

5-year financial performance summary

Metric	2024	2023	2022	2021	2020
Total Assets (BDT mn)	84,180	77,755	70,003	56,530	47,022
Total Liabilities (BDT mn)	335,396	259,392	221,791	193,419	181,545
Total Funds under Management (BDT mn)	419,604	337,147	291,794	249,949	228,567
Retail Assets disbursed (BDT mn)	27,139	26,991	30,266	22,169	10,754
NPL (%)	3.5	3.2	2.9	2.8	3.7
Total customers	1,747,022	1,528,246	1,379,585	1,187,719	1,044,562

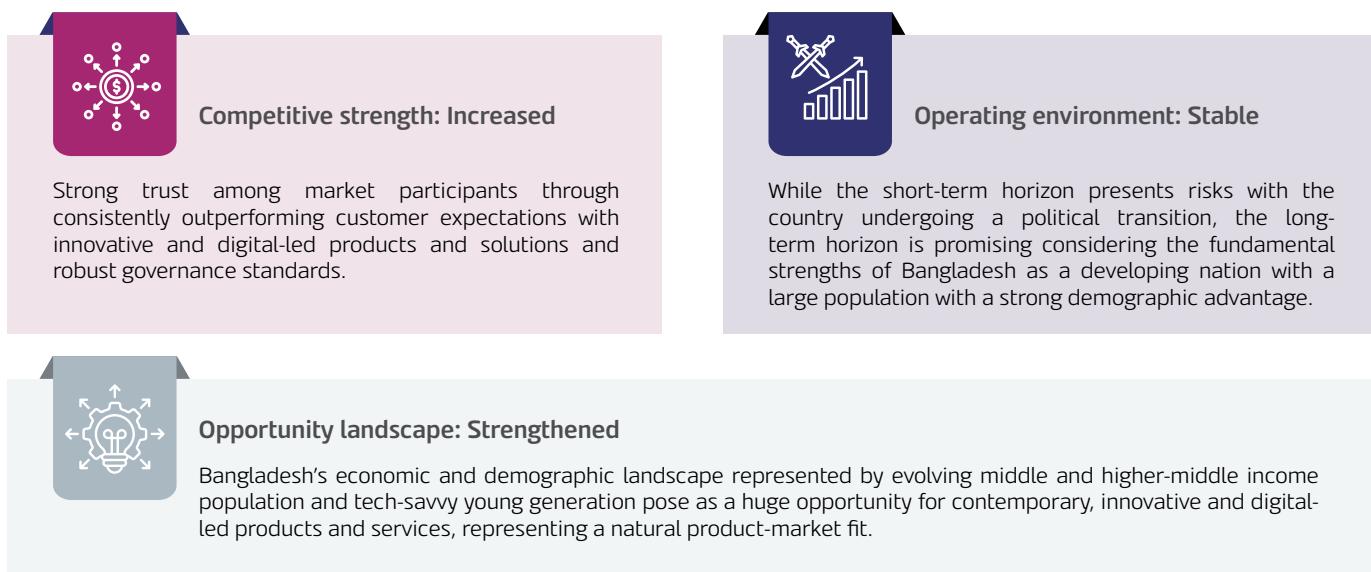
## Business Dashboard





Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
 Credit and rewards through cards	<b>Social and relationship capital</b> <ul style="list-style-type: none"> <li>Total customers: 2.20mn</li> <li>Total retail customers: 1.7mn</li> <li>Total City Alo customers: 0.59mn</li> <li>Total Citygem customers: 13,376               <ul style="list-style-type: none"> <li>Total City Islamic customers: 0.17mn</li> </ul> </li> <li>Total cards customers: 0.36mn</li> <li>Total cards partners, including merchants, etc.: 21,200</li> </ul>	 Muslim population through Shari'ah-based banking services	 Innovative banking products and solutions	<b>Governance</b> <ul style="list-style-type: none"> <li>Strong compliance and regulatory standards</li> <li>Strong focus on asset-liability and liquidity management</li> </ul>
 Bancassurance				
 Savings and investment	<b>Human capital</b> <ul style="list-style-type: none"> <li>Total team strength: 2,322(permanent)</li> <li>Relationship managers: 210</li> <li>Total product learning and training: 108,345 hours</li> </ul>	 Insurance companies through bancassurance partnerships		
 Financial inclusion	<b>Intellectual capital</b> <ul style="list-style-type: none"> <li>Strong focus on innovative products and solutions, such as home loan for affordable housing</li> <li>Personalised financial solutions               <ul style="list-style-type: none"> <li>Robust on-ground presence helping evolve new products as per market needs, such as BNPL and bancassurance, etc.</li> </ul> </li> </ul>	 Women, especially from marginalised sections		
 Financial innovation				
 Youth financial literacy	<b>Natural capital</b> <ul style="list-style-type: none"> <li>Focus on products integrating business growth and environmental sustenance, such as Green Savings Account</li> </ul>	 Planet through Green Savings Account, etc.		

## Performance Gradation





### Revenue diversification: Strengthened

City Retail is anchored on innovation and customer-centricity. In this regard, the bank has launched exciting new products and services together with product updates and variants, keeping pace with evolving financial landscape and customer requirements, which has enabled growth in the customer base and strong platform for revenue diversification.



### Major risk accumulation: Stable

Even though the market remained challenging due to elevated inflationary pressure on retail consumers, together with country-specific challenges such as the political transition, our time-bound initiatives and effective risk strategies helped us to create new growth opportunities as well as serve existing pockets of value.

## Performance Gradation in a Nutshell



## Strategic Roadmap

Driving deposit growth will be the prime area of focus for City Retail which will be materialized through ensuring expansion of physical footprint to broaden community coverage, expanding the sales team for deposit acquisition and provide extensive training to bolster capacity, focus on deposit mobilization of non-individual accounts and embracing all-around digitization to empower users with self-service facilities.

Few of the other key initiatives expected in the current year include:

- Achieve growth in bancassurance by more extensively leveraging our network, including Branches, Sub-Banches and Citygem Centers. We also expect to work with our bancassurance partners to launch more products to provide customers with greater choice.
- Enhance Citytouch experience by integrating account opening process through digital onboarding and adding major utility service providers and lifestyle payment options, while incorporating numerous other self-service features.
- Launch Amex Platinum Reserve, the country's first metallic American Express Credit Card to tap into new customer segments, such as ultra-HNIs.
- Introduce "Purchase with Points" feature for American Express credit card members which will allow them to redeem their membership rewards (MR) points directly through the Citytouch app to cover their next eligible purchase, giving them flexibility and control over how they use their earned points.
- Expand physical footprint through establishment of more Branches, Sub-Banches and Smart ATM network, ensuring more extensive coverage. One of the major initiatives for network expansion will be the establishment of ATMs throughout high-footfall metro rail stations.
- Focus on Green Savings Accounts, affordable home construction loan and auto loan for hybrid vehicles.
- Deepen collaboration with women-centric organizations, industry enablers and advocacy groups and implement comprehensive training and capacity-building programs on skill development, mentorship and access to networks to enable women entrepreneurs to scale-up their business.



## Sub-Segments of Retail Banking



### Physical Channels – Fostering Trust, Connection And Empowerment With Our Customer Communities

#### Overview

City Retail's distribution network acts as the experience hub and centre of the bank, facilitating deeper customer relationships and engagement, thus enhancing the overall banking experience through our physical proximity. Via our wide network of physical touchpoints we thus ostensibly offer a doorstep banking experience to our customers.

<b>134</b>	<b>52</b>	<b>49</b>	<b>BDT 251 bn</b>	<b>41 hours</b>	<b>350</b>
Branches	Sub-Banches	Districts covered	Branch deposit portfolio	Training to each Branch employee	Smart ATMs

#### Branches and Sub-Banches

City Bank has strategically positioned its 134 Branches and 52 Sub-Banches spanning metro, urban, semi-urban and rural areas. This extensive geographical coverage encompassing a deep footprint in 49 districts of Bangladesh has not only broadened accessibility of a wide spectrum of communities to our financial products and services, but has also provided us with invaluable insights of diverse regions to undertake strategic initiatives for growth.

Aligned with our national financial inclusion initiative, City Retail is extensively broadening its footprint through Sub-Banches that are located primarily in semi-urban and rural areas which were previously underserved regions, thus ensuring comprehensive financial service coverage across the country.

#### Key stats

- 134 Branches
- 52 Sub-Banches
- 105 foreign currency transaction-enabled Branches
- 1 CR booth at HSIA that facilitates 24/7 import duty payments
- 1,700+ professionals deputed at Branches and Sub-Banches
- BDT 251 bn Branch deposit portfolio, representing 31% YoY growth
- BDT 31 bn Branch asset portfolio

#### Major accomplishments, 2024

- Inaugurated 12 new Sub-Banches, mostly in rural and suburban areas, bringing banking convenience to unbanked populations
- Enabled 60 new branches with foreign currency transaction services, taking the total count to 105 AD and limited AD branches
- Renovated 10 branches and relocated 2 branches, providing customers' with greater locational advantage and scope of engagement
- Undertook solarization initiative by installing solar panels in 33 Branches, ensuring energy self-sufficiency to a large extent

- Conducted 370 training programs for Branch professionals

#### Smart ATM Network

City Bank's City Smart ATM network has significantly enhanced the bank's connectivity and accessibility across the nation, providing seamless last-mile network coverage. With over 453 terminals of RATMs and ATMs nationwide, our self-service banking platform offers 24/7 access to customers, empowering them with cutting-edge technology and instant cash processing services. This expansion has not only strengthened our physical presence but has also brought smart banking directly to customers' doorsteps. Furthermore, growing popularity of our instant cash deposit facility highlights our commitment to providing quick, convenient and secure banking solutions to our customers.

#### Key stats

- 453 terminals
- 350 smart ATMs with real-time cash deposit service
- BDT 371 bn ATM transaction volume, representing 25% YoY growth
- BDT 3.5 bn cash withdrawal via cash-by-code through ATM
- BDT 54.2 bn off-us transaction volume
- 60% manual cash loading reduction through smart ATM coverage
- BDT 450 mn average deposit per day using smart ATM self-note validation facility

#### Major accomplishments, 2024

- 42 new on-site and off-site locations brought under Smart ATM coverage
- 27 Branches and Sub-Banches equipped with Smart ATMs, replacing earlier ATM models
- 15 RATMs added and relocated as per traffic patterns

Smart ATMs integrated to facilitate Taka Pay cards, NFC card technology and wearables, and cash-out with bKash



## Digital Platforms Bringing City Bank To The Fingertips Of Our Customers

City Bank's digital banking platforms, backed by robust technology infrastructure, achieved numerous milestones in key products and services of Retail Banking. Being an early adopter of technology, the bank's focus remains on broadening customer accessibility, enhancing customer experience and obtaining increased share of wallet through innovation and technology via its state-of-the-art digital banking platforms.

### Citytouch

Citytouch, a pioneering mobile banking app which is one of the key differentiators of City Bank, is a cutting-edge financial tool designed to bring convenience, security and innovation at the customer's fingertips. Seamlessly blending user-centric design with advanced technology, the app empowers users to manage their finances anytime, anywhere. Its intuitive interface with sleek, user-friendly design ensures effortless navigation, allowing quick access to banking services round-the-clock.

Going beyond the conventional concept of mobile banking, Citytouch offers a host of new features and experiences to customers. Even the simple task of fund transfer has been made ultra-convenient for users through integration with most of the mobile wallets and other alternative ways of transferring funds like cash-by-code and e-mail transfer.

The app is continuously upgraded with enhanced self-service features to empower users with a wide range of solutions, including opening and closure of FDs and DPS; downloading statements, solvency and tax certificates; updating credentials; or even redeeming reward points. A milestone of Citytouch is the record-breaking disbursement of BDT 857 cr small loans (Nano Loan product), registering a robust 73% YoY growth with a customer base of 3 million+.

Citytouch prioritizes convenience without compromising on safety. Its robust security system with multi-layered protection, including biometric verification like fingerprint or Face ID and two-factor authentication (TFA) keeps data and transactions secure, ensuring seamless service for 750,000+ users.

Whether someone is opting for instantaneous digital credit facility, monitoring savings, or simply paying bills, Citytouch transforms the smartphone into a powerful financial hub. By combining security, simplicity and innovation, it redefines the mobile banking experience for our customers.

### Merchant Network

City Bank's Merchant Business, facilitated by its extensive POS, QR and e-commerce network, holds the largest acquiring footprint in the country. Being the sole issuing and acquiring partner of American Express network in Bangladesh has positioned the bank's merchant acquiring network in a highly competitive and advantageous position. While e-commerce is seamlessly facilitated through partnerships with major payment gateways, POS and Bangla QR terminals are enabled with transaction processing capability of all major global payment partners such as Amex, Visa, MasterCard and UnionPay.

### Key stats

<b>34,000+</b>	<b>28,000+</b>	<b>2,100+</b>	<b>17%</b>	<b>31%</b>	<b>BDT 76.25 bn</b>
POS terminals (merchant points)	Bangla QR terminals	e-commerce partners	market share in merchant acquiring industry	market share in POS terminals	transaction volume through all merchant terminals, constituting 14% YoY growth



## Major accomplishments, 2024

- Achieved highest-ever transaction volume of BDT 76.25 bn, making the City Merchant network a pioneer in the industry
- Acquired BDT 11.17 bn transaction volume through e-commerce
- Integrated with Cyber Source payment gateway powered by Visa, which enables City Bank to onboard global merchants to our online platform
- Launched the first-ever campaign for small and micro merchants with the objective to make them habituated to digital payments
- Processed 15 million+ digital payment transactions
- Processed 48%+ transactions through contactless payments, a result achieved from continuous awareness initiatives

## Major accomplishments, 2024

- Upgraded Call Center virtual knowledge portal
- Achieved 9% improvement in service levels
- Tele Sales team generated BDT 75 cr in new business

## Call Center

City Bank's Call Center stands as a model of customer excellence, embodying how human expertise and empathy blended with technology can transform customer service into a seamless and reassuring experience. Equipped with trained and courteous professionals and Smart Interactive Voice Response (SIVR) portal, the center operates on a 24/7 basis, providing both human-assisted as well as self-service solutions. Call Center operations has further helped shift service requests from physical to digital channels.

### Key stats

- 99% CSAT score in 2024
- 53% calls converted to IVR and SIVR, up 12.5% YoY
- Call wait time of a mere 14 seconds, down 26% YoY



## Customer Propositions - Providing Value-Added Propositions That Enable Us To Meet Specific Customer Requirements

### Citygem – Priority Banking

Citygem, City Bank's award winning priority banking proposition, has continued to nurture strong relationships with its targetted customer base to enhance their banking experience by providing top-class distinctive solutions to them.

Segmented into mass, affluent and HNI categories based on their relationship value with the bank, customers are nurtured through a thoughtfully-designed relationship management framework to bring the right value proposition to them.

HNI customer segment, comprising the top-tier 2% of retail

customer base and maintaining a significant relationship value with the bank, is the most prized segment requiring highly personalised banking products, solutions and services. Citygem caters to them by providing dedicated premium banking experiences through seasoned wealth managers. In addition, HNI customers outside of Dhaka and Chattogram metro areas are catered to by City Bank's Branch network. Apart from fulfilling their financial requirements through personalized solutions, HNI customers are catered to with a wide array of exciting lifestyle propositions.

The prestigious accolade, "Bangladesh's Best Bank for Premium Service" by Asia Money, a renowned financial publication, reaffirms the superiority and service excellence of Citygem – Priority Banking proposition.

### Key stats

**BDT 860 mn**

Citygem revenue

**BDT 54.3 bn**

Deposit portfolio,  
representing 20% YoY  
growth

**BDT 2.9 bn**

Asset portfolio with  
0.70% NPL

**1,080**

New Citygem  
customers onboarded

**161**

Bancassurance  
policies sold

## Major accomplishments, 2024

- Achieved the highest-ever deposit growth of BDT 9.3 bn since inception.
- Asset disbursement achieved BDT 937 mn, contributing to asset growth of BDT 245 mn
- NPL ratio of Citygem Asset portfolio kept at 0.7%
- Organized engaging Customer Events in association with esteemed partners to enhance customer experience
- Successful strategic collaboration with Employee Banking to provide Citygem facilities to top management of payroll companies.
- 15 high end merchant on boarded for Priority Banking customers

## City Alo

City Alo, with a large boutique of financial service specifically tailored for women entrepreneurs, has positioned itself as the best women banking solution with unmatched brand image and market proposition. More than just banking solutions, City Alo offers significant initiatives and programs in awareness initiatives, enabling customers to thus confidently embrace their entrepreneurial journey.

City Alo experienced an eventful 2024, marked by significant developments in both business performance and non-financial activities which played a key role in empowering women across the country. In a notable achievement of the year, City Bank received an Honorable Mention in the 'SDG Brand Champion in Women Empowerment' category at the SDG Brand Champion Award 2024 and was also bestowed with the Platinum Award for 'Best Women SME Financier in Asia' at the SME Finance Award 2024 in Sao Paolo, Brazil.

### Learning and training initiatives

City Alo lays a huge thrust on learning and training, focusing on capacity-building which is the most effective route to entrepreneurial success of our women customers. During the year 2024, the following training sessions were held for City Alo customers.

- Organized 3 e-learning series for City Alo Women Entrepreneurship Certification program graduates, focusing on major areas like business management, digital wellbeing and cybersecurity. We further launched a digital learning bootcamp with 90% scholarship available for City Alo members
- Arranged a meetup session for 62 City Alo Service Desk Ambassadors
- Organized Entrepreneur Development Training in Jashore with participation of 25 women entrepreneurs, in collaboration with the SME-SB team. Training was conducted by an external expert on Facebook-commerce and digital marketing
- Conducted 3 Uthan Boithok sessions in Gazipur, Munshiganj and Tangail, in collaboration with City Bank Agent Banking, a social engagement session on financial literacy for the rural unbanked women, with 220 participants from the local community engaged



in diverse businesses; 147 accounts were opened during the session

- Arranged a 2-day fair at Shimanta Convention Center in collaboration with Bangladesh Carnival, with participation from 15 City Alo graduates
- Conducted a networking program for female customers on the event of welcoming the spring season, with participation from 65 female guests

### Key stats

- 591,505 City Alo customers, registering 17% YoY growth
- BDT 97.1 bn deposit portfolio, marking 32% YoY growth
- BDT 16.9 bn loan portfolio
- 13% growth achieved in City Alo credit card members
- 62 branches equipped with City Alo service desk

## Major accomplishments, 2024

- Achieved highest-ever deposit growth of BDT 23.8 bn since inception
- Recorded highest-ever loan disbursement of BDT 17.98 bn against female customers through all channels of the bank
- Acquired highest new-to-bank (NTB) customers under Retail Banking
- Conducted 8 customer loyalty programs especially designed for women customers across all regions of the country in collaboration with Branch Banking, covering 250 participants
- Initiated strategic promotional neighborhood campaign in Sylhet covering in-person discussions with 280+ women (homemakers, entrepreneurs, etc.), which resulted in onboarding 146 new accounts and collection of BDT 42 mn deposit and loan disbursement of BDT 35 lac
- Conducted 2 City Alo Women's Entrepreneurship Certification Program in collaboration with North South University, including factory visits, covering 66 participants; a total of 430 students have pursued the program since its inception





- Arranged an exhibition showcasing products of women entrepreneurship certification program's students at City Bank premises
- Revamped the value proposition of City Alo Amex Credit Card by introducing free lounge access and onboarding more lifestyle, grocery and restaurant partners to make it more lucrative for women customers through offering exclusive benefits like double reward points, discounts and cash backs

## Employee Banking

City Bank's Employee Banking (EB) solution is designed to cater to the diverse financial needs of the country's growing workforce. By offering an extensive suite of products and services, it enables employees of our customers to access tailored banking solutions that cater to their financial needs.

The program focuses on collaborating with leading corporate entities to establish seamless and efficient payroll services. Additionally, it provides the convenience of a single point of contact for all banking requirements, ensuring a time-saving and user-friendly experience.

Leveraging its dedicated Islamic Banking service, City Bank has emerged as the preferred choice for renowned organizations seeking customized Islamic financial solutions for their employees.

### Key stats

- 699 corporate customers availing our EB service
- 149,654 total EB accounts
- BDT 67.66 bn salary disbursement enabled in 2024, registering a 33% YoY growth
- BDT 3.7 bn loan portfolio, with BDT 808 mn net loans disbursed in 2024
- BDT 10 bn deposit portfolio, with 39% YoY growth

### Major accomplishments, 2024

- Onboarded 115 new corporate customers under EB
- Corporate icons like Walton, Transcom, Pathao and Citi Bank NA onboarded as EB customers
- Opened 48,459 new accounts under EB
- 175 companies are disbursing salary through "City Live"
- Avg. salary disbursement per account stood at BDT 47,000, attaining a strong 77% YoY growth in the last 3 years
- Less than 2% of our EB customers had to visit a Branch for banking service as a consequence of Citytouch augmentation

## City Islamic

City Islamic, City Bank's Islamic Banking wing, is an established and distinguished name in the Islamic banking sector. With a comprehensive array of fully Shari'ah-compliant products and services, City Islamic continues to meet the growing demands for ethical banking solutions rooted in Islamic culture and values.

City Islamic's operations are guided by the highest standards of Shari'ah compliance, overseen by an independent Shari'ah Supervisory Committee comprising esteemed industry experts, scholars and seasoned practitioners. This ensures that all financial solutions of the bank adhere to both the principles of Islamic finance and the expectations of our valued customers.

City Islamic holds membership with the Bahrain-based Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), a non-profit organization recognized for setting Shari'ah-based benchmarks for the global Islamic finance sector.

In 2024, City Islamic proudly celebrated 21 years of excellence in Islamic banking. Over the years, it has continuously enhanced its offering for retail, corporate and SME customers through both physical and digital platforms, delivering superior banking experiences while upholding the principles of Shari'ah.

In a major endorsement of the year, City Bank was adjudged as the "Best Islamic Retail Bank - Bangladesh" at the Global Islamic Finance Awards 2024 by the Digital Banker. The award underscores the bank's leadership and innovation in Islamic Banking. The recognition also reflects City Islamic's commitment to Shari'ah-compliant financial services and its strong performance even in a challenging environment.

### Key stats

- 166,385 City Islamic customers
- 1 exclusive Islamic Banking Branch
- 60 branches with City Islamic service
- BDT 2.6 bn City Islamic Operating Profit achieved (BDT)
- BDT 60.9 bn investment portfolio, with 0.7% NPL
- BDT 63.5 bn deposit portfolio
- 34% growth achieved in Funds under Management

### Delivering a promising all-round performance

In 2024, City Islamic demonstrated remarkable resilience and growth amidst a challenging environment. It achieved an operating profit of BDT 266 crore, marking a 15.65% increase from BDT 230 crore in 2023, while Funds under Management (FUM) reached BDT 12,422



crore demonstrating a strong 34% YoY growth, showcasing its ability to attract substantial investments. NPL ratio was maintained at 0.7%, reflecting robust monitoring and relationship management despite widespread sectoral challenges.

Deposits expanded by 33% YoY, with net addition of BDT 1,574 crore that took the total portfolio to BDT 6,340 crore, signalling strong customer confidence. In terms of assets, the segment reported a 35% YoY loan growth, with net addition of BDT 1,578 crore that took the total loan portfolio to BDT 6,086 crore. City Islamic added 34,532 new-to-bank customers, underscoring strong performance in a tepid environment.

### Liquidity support to other Islamic banks

The year 2024 brought significant economic challenges to Bangladesh, including a severe liquidity crisis in the banking sector following the political upheaval. Islamic banks faced particular difficulties, with some unable to meet their financial obligations, leading to customer dissatisfaction. In response, City Islamic provided crucial liquidity support to the tune of BDT 1,445 crore to various Islamic banks under Bangladesh Bank's guarantee. Despite sector-wide struggles, City Islamic maintained robust liquidity, ensuring its own stability while supporting peer banks.

### Islamic Banking service expansion

In 2024, to provide a more seamless banking experience and strengthen its visibility, City Islamic strategically established Islamic Banking service desk in 60 branches. Notably, 30 of these branches

are located outside Dhaka, ensuring accessibility for customers beyond the metropolis. The impact of this expansion is evident in the addition of 34,532 new-to-bank customers. Furthermore, 5,835 City Islamic credit cards were issued in 2024, underscoring the growing trust of customers with City Islamic's offerings.

### Training for awareness-building

To enhance understanding of Islamic Banking's offering, the division provided 3,783 man-hours of training in 2024. Around 25 training sessions were held nationwide, led by senior officials and even the Shariah Supervisory Committee members. The trainings aimed to not only educate employees on City Islamic products but also to highlight the core principles of Islamic banking, emphasizing its similarities to conventional banking, yet with distinctions based on Shari'ah norms. These sessions demonstrated an impact on performance with positive future implications.

### Female customers in City Islamic

More than half of Bangladesh's population are women and so any national development is contingent on women empowerment. City Islamic recognises this and has taken rapid strides in this regard. A total of 16,381 new-to-bank women customers were added to the list of City Islamic in 2024, which is 10% higher than the previous year. With the overall political climate of Bangladesh coming to a more stable position with increased focus on inclusion and diversity, the prospects of women empowerment through financial services enrollment appear bright in 2025 and beyond.



## Customer Experience - Providing a Secure, Superior and Superlative Experience To Our Customers

### Overview

At City Bank, "Customer Happiness" is a cornerstone of our 'service first' culture, enabling us to focus on customer satisfaction in every interaction with the bank. This not only ensures heightened brand visibility, but also customer retention and acquisition.

Leveraging our widespread physical network, numerous customer touchpoints and skilled resources ready to serve, City Bank strives to put a smile on the face of their valued patrons by ensuring seamless customer experience and providing effective solutions to any banking problem they face.

#### Key stats

Met 94% of SLA

Resolved 7,271 customer grievances

Served 8,777 customer queries and service requests

### Major accomplishments, 2024

- Achieved 86% NPS, 3% higher from the previous year, with 12% increased response rate
- Installed NPS devices at 12 high-traffic branches and 3 airport lounges; NPS score improved by 18% in those locations
- Included 3 new customer segments for NPS survey – City Alo, Citytouch and Student Banking
- Ensured timely service with 99% average EQM uptime at various touchpoints
- Dealt with 79,988 comments and 163,211 messages as query management through 4 Facebook pages
- Trained 3,055 employees on various soft and functional skills, achieving 19 training hours per employee
- Introduced monthly online exams for Branch and Center Managers



## Cards - A Rewarding Experience For Our Card-Membership

### Overview

City Bank Cards offer a wide range of premium cards with special privileges, exciting rewards, incredible discounts and extraordinary services that complements the lifestyle of our 0.4 million cardholder customers across the country.

Our cards stand out as a paragon of innovation, offering a suite of features designed to enrich cardholders' lives. With versatile reward programs, from generous cashback on everyday purchases to access to premium benefits such as airport lounges and exclusive lifestyle discounts, City Retail strives to elevate the lifestyle of its card users beyond just ordinary spending. Indeed, our partnership with leading brands offer tailored reward categories that ensure every transaction feels rewarding. Complemented by cutting-edge technology for ironclad security, cardholders are safeguarded against threats, fostering long-term trust and satisfaction.

Particularly, City Bank's exclusive partnership with American Express bestows a status symbol for customers seeking a premium banking experience. Furthermore, relationship with all major operational network partners in Bangladesh such as Visa, MasterCard and UnionPay International put City Bank's cards well ahead of competition.

City Bank Cards blend practicality with prestige, transforming everyday spending into opportunities for growth, delight and lifestyle enhancement.

### Key stats

- 25% country-wide credit card market share
- BDT 260 bn card billing, with 26% YoY growth in billing volume
- 260,000+ cards issued
- 90% NPS achieved

### Major accomplishments, 2024

- Achieved milestone of BDT 16 bn outstanding balance for credit cards in 2024
- Purchase billing of both debit and credit cards surpassed the BDT 50

bn mark, reaching BDT 53.6 bn with 18% YoY growth

- Achieved "Add money" volume of BDT 2.53 bn
- Introduced VISA Infinite, Bangladesh's first vertical quick read credit card
- Revamped City Islamic American Express Card and City Alo Card with many new useful features
- Partnered with bKash, the largest MFS in the country
- Forged exclusive partnership with Royal Enfield for their motorcycle launch in Bangladesh
- Offered access to pre-ticket sales to large global events such as Formula-1

### Customer Success Story

I am Musfera Zahan, owner of a Facebook-based e-commerce clothing brand Momo Fanush.

Starting my entrepreneurial journey through selling block print sarees and sewing dresses to my known circle, I eventually decided to scale up and thus launched a Facebook page. This helped me gain popularity over time due to the quality of my products and commitment to customer satisfaction.

With the intent to further expand my business, I participated in a 30-day SEIP training program organized by City Alo and Bangladesh Bank, where I learned various topics such as business planning, financial efficiency and customer management.

After training completion, I received City Alo Women Entrepreneur Finance from City Bank twice, first the sum of Tk. 3 lac and then Tk. 5 lac, both of which I invested to procure new sewing machines

to expand my production capacity. I have also established a small training center where I coach people in block design and sewing, ensuring their employability. Today, 15 of such trainees are currently employed in my venture.

I wanted to share my story to set an example that small footsteps can lead to big achievements and women can create their own identity even while handling family responsibilities. It takes time to grow a small enterprise; yet, success is inevitable with proper planning in which City Alo has played a huge role by providing essential training and financial support.

I would like to convey my gratitude to City Alo for its invaluable support in shaping my business through providing mentorship and financial resources.

#### **Musfera Zahan**

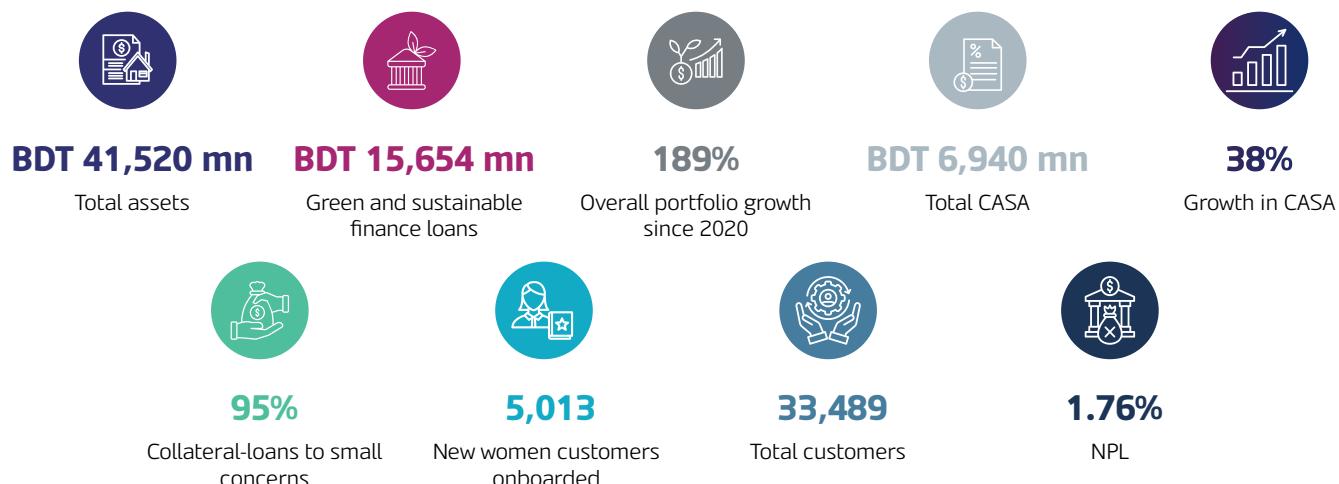
Proprietor, Momo Fanush

## BUSINESS SEGMENT

# SMALL AND MICROFINANCE BUSINESS

### DEMOCRATISING ACCESS TO CREDIT IN UNDERSERVED AREAS

At City Bank's Small and Microfinance Business Division, we offer banking services to groups that wouldn't otherwise be able to access financing. Whether due to poverty, geographic location or other disadvantages, it is difficult for many would-be entrepreneurs and other such segments to access loans. We bridge this gap by serving marginalised individuals with the capital they need to start a business or establish financial independence. So in a number of ways we democratize access to credit in underserved areas of Bangladesh.



### Leadership Overview

#### "Catalyzing Financial Inclusion through Empowerment, Transformation and Resilience"

The year 2024 tested Bangladesh's economic resilience amid geopolitical instability, volatile commodity prices, and a depreciating BDT, which was down a significant 12% YoY against the USD. The knock-on effects of economic pressures and political instability created a challenging environment which hit hard all businesses, particularly MSMEs.

As of December 31, 2024, City Bank's Small and MF Business Division's loan portfolio delivered a 7% YoY growth to BDT 41,520 mn, serving more than 35,000 small-scale enterprises, of which 26% were female entrepreneurs (8,778). Notably, 82% of the loans have been extended to cottage, small and micro-enterprises in rural and sub-urban areas, with 29% of the portfolio or BDT 790 crore allocated to women. Throughout 2024, the division disbursed BDT 3,676 crore (approximately US\$ 342 mn) in loans, supporting thousands of small businesses across the country in the midst of continuous economic and political turmoil. Importantly, the NPL ratio stood at 1.76%, significantly below the industry average of ~3.5%.

In 2024, BDT 22,301 mn was disbursed under Sustainable Finance and a further BDT 5,585 mn in Green Finance for sectors/products such as compost production, cottage businesses, IT solutions, jute manufacturing, etc., owned by both men and women entrepreneurs. Decarbonization and green transition are important facets of our business.

Further, during the year, strategic innovations like Digital Agri Loans and Remittance-Backed Financing drove market differentiation, while 95% collateral-free loans democratized access to credit, making it especially accessible to underserved and unserved communities.

Leveraging an expanded network of 134 branches, 52 sub-branches and 470 agent outlets, we bridged the urban-rural divide. Partnerships with fintech firms also streamlined digital transactions and digital loans and helped subsidize agri loans at 4-8% interest, well below market rates, aligned with Bangladesh Bank's financial inclusion mandate.

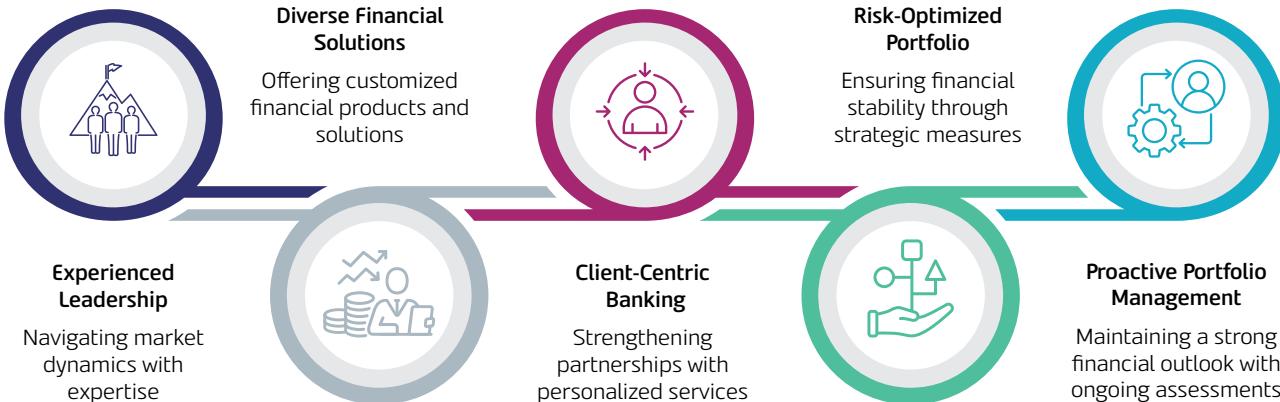
Looking ahead, we expect to facilitate trade solution for cross-border transactions for cottage, micro and small segments. We also expect to leverage advanced technology to further reduce loan TAT.

We have continued our outreach and development program in collaboration with key partners to foster sustainable economic growth. With that objective in mind, we have inked new partnerships with Syngenta Bangladesh and fin-tech like WeGro Technologies. We are also actively engaged with development partners, development financiers, regulators, local NGOs and consulting firms to build long-term outreach programs, capacity-building initiatives and financial inclusion programs, with a robust pipeline developed for 2025.

Anchored on our pillars of Empowerment, Transformation and Resilience, we expect to scale our digital solutions, deepen ESG integration and fortify our risk framework, thus sustaining growth while navigating the macroeconomic headwinds.



## City Bank's SMB: Key Drivers of Sustainable Growth



### Major Successes, 2024

In 2024, we remained dedicated to empowering cottage, micro and small businesses, particularly in manufacturing, trading, agriculture and women-led enterprises, by facilitating access to formal financing and fostering financial literacy to support their growth and resilience. We remained rooted in our drive to ensure customer self-sufficiency which has enhanced our lending activities and supported our asset portfolio diversification strategy.

#### • Hyperlocal Financial Solutions

- In 2024, we launched Digital Agri Loans in collaboration with Syngenta Bangladesh as part of a pilot program, automating credit scoring for 2,509 farmers using a digital Agri Loan application. The scope of the pilot was further expanded in partnership with agri-fintech companies like WeGro. Product innovation and strategic partnerships, coupled with increased drive in agri disbursements in regular channels spurred a 128% YoY surge in agri disbursements to BDT 208 crore. Few of our other hyperlocal financial solutions included:
- Distributor & Retailer Financing Program that provided BDT 194 crore in working capital support to 1,978 rural retailers,

60% of whom were first-time borrowers

- Remittance Beneficiary Loans, our flagship program running since 2019, continued providing support to local beneficiaries of migrant workers by providing credit to purchase agri-inputs, cattle feed and other resources to set up their own businesses and build self-sufficiency

#### • Women Empowerment

We onboarded 5,013 new women entrepreneurs through tailored programs under City Alo by offering financial literacy, capacity building and networking opportunities; coupled with low-interest loans and refinance facilities, raising total women-led disbursements to BDT 647 crore (+4.6% YoY).

#### • Rural Outreach & Digitization

Our 470 agent outlets and 33 SME Unit Offices covered 95% of Bangladesh's districts, offering doorstep banking with <72-hour loan approvals. Internal process re-engineering initiatives reduced document requirements by 50%, while the division is working to develop internal LOS for digital loan approval systems, which is expected to cut processing time by over 53%.

### Key Performance Metrics

Figures in BDT mn

Metrics	2024	2023	2022	2021	2020	5-year CAGR
Total Assets	41,520	38,660	31,413	19,823	14,360	30.3%
Total Liabilities	6,940	5,030	2,990	2,039	1,390	49.3%
NPL (%)	1.76%	0.98%	0.54%	0.16%	0.07%	-
Customers	33,489	32,493	29,011	20,952	15,117	22.1%
Team Size	959	862	803	552	463	20.1%

### Granular Business Insights

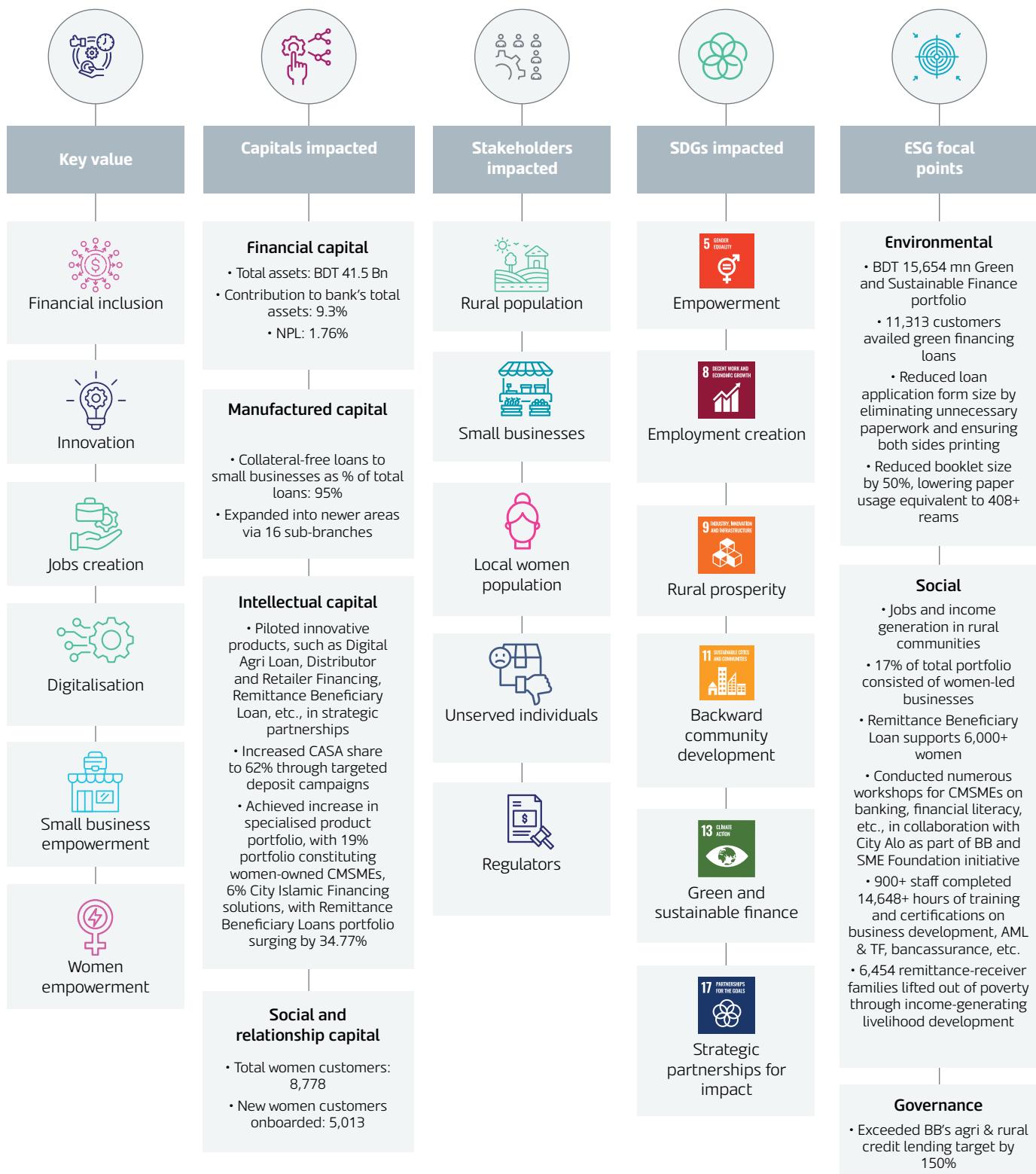
- 95% of credit provided to small enterprises comprise collateral-free loans
- Portfolio surged 189% since 2020, driven by innovative and tailored financial products and geographic expansion into newer areas
- CASA deposits grew 38% YoY to BDT 6,940 mn, with 62%

constituting low-cost funds, thus optimizing interest margins

- Despite macroeconomic stress, NPLs remained 50% below industry benchmarks due to stringent risk control, including AI-driven credit assessments
- Registered a 11% increase in officers to cater to future customer demand by proactively recruiting resources for untapped and potential geographic areas



## Business Dashboard





## Performance Gradation

Competitive Strength	Operating Environment	Revenue Diversification	Major Risk Accumulation	Opportunity Landscape
 <b>Stable</b> Maintained market leadership despite fintech and digital disruption	 <b>Stable</b> Navigated political and economic volatility without any major setback	 <b>Strengthened</b> Multi-faceted products and geographic diversification	 <b>Stable</b> NPLs controlled via increased monitoring and proactive customer relationship strategies	 <b>Strengthened</b> Rural penetration increased and green, women and digital product/process demand identified and being worked on

## SMB's Multifaceted Impacts on Society

### Impacts on Society



### Impact on Female Empowerment and Economic Participation

- New women customers increased from 4,765 in 2023 to 5,013 in 2024, a 5.2% growth
- Total women customers increased from 7,118 in 2023 to 8,778 in 2024, a 23.3% rise
- Women asset portfolio increased from BDT 6,042.15 mn in 2023 to BDT 7,907.90 mn in 2024, a 30.9% rise
- Women disbursement increased from BDT 6,188.75 mn in 2023 to BDT 6,473 mn in 2024, a 4.6% growth

- Out of the total amount, 79% was disbursed to women beneficiaries that fostered agri production, livelihood development and income-generation activities all over the country

### Awards and Accolades

- Received 'Women Financier of the Year – Asia' Platinum Award at the Global SME Finance Awards 2024 at Sao Paulo, Brazil in recognition of our efforts of championing women entrepreneurs across Bangladesh
- Bestowed with prestigious 'Best Bank for SME in Bangladesh' by Euromoney Awards for Excellence 2024

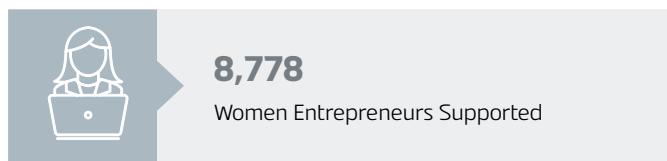
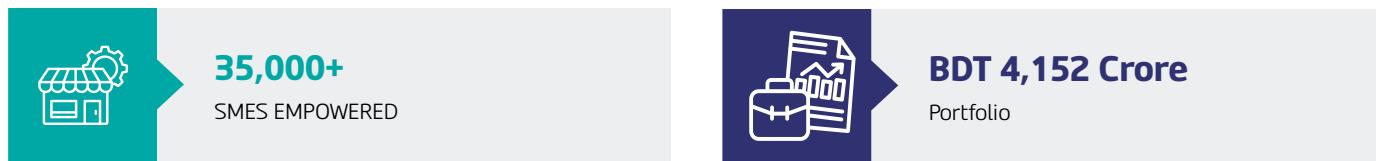
### Impact on Agricultural Production and Food Security:

- Achieved Bangladesh Bank target by successfully enabling agricultural & rural credit disbursement, mobilizing BDT 11,740 mn that represented a 150% achievement of the target
- Agri loan customers more than doubled, rising from 1,127 in 2023 to 2,509 in 2024, a 122.6% increase



### Impact on Foreign Remitters and their Families

- Remittance loan portfolio grew by 34.77% to BDT 5,631 mn in 2024, against BDT 4178 mn in 2023



## Success Story

### From Engineer to Entrepreneur: The Inspiring Journey of Abu Bakar Siddik

My name is Abu Bakar Siddik. Although I trained as an electrical engineer, I soon realized that my true passion lay in entrepreneurship rather than following a conventional career path.

After graduating with a diploma in engineering, I struggled to secure a job. Many assumed that as an engineer, I would naturally gravitate toward a stable office position. However, my heart was set on building a business. With limited financial support at the outset, I turned to what I knew best. I began by investing in 200 chickens using funds I had earned from tutoring. This modest start generated an income of BDT 5,000 and gradually, I expanded my broiler operation from 200 to 1,500 chickens. Not long after, I ventured into poultry layer farming by adding another 1,000 chickens to my enterprise.

My big breakthrough came when I learned that financial institutions were ready to support business ventures like mine. I reached out to City Bank and after a series of inquiries, follow-ups and routine communication, I secured an SME loan of BDT 500,000 from their Fakirhat Unit Office.

This crucial support allowed me to invest in my business further and today, my farm proudly maintains a capacity of 6,500 layer chickens. I

also take pride in my record of punctual monthly instalment payments.

The success of my farm has had a meaningful impact on my community. I now provide employment to four previously unemployed youth and my journey has inspired others in the area to explore poultry farming too. Many locals have followed suit, launching their own broiler and layer businesses, which has contributed to the region's economic growth.

I am grateful to City Bank for playing an essential role in my transformation from a struggling engineer to a thriving entrepreneur. More importantly, I am honored to be a source of inspiration for the next generation in our community. Together, we are paving the way for economic progress and contributing to the strength of Bangladesh."

#### Abu Bakar Siddik

Proprietor, Nurjanah Lear Farm

## Strategic Roadmap

### Short-Term Goals (12 months)

- Focus on other non-funded income generating products and services like Universal Pension Scheme and bancassurance, integrating insurance and savings into our core offering
- Expand small & microfinance business reach to newer sub-branches, targeting 100% district coverage
- Focus on quality control by enhancing monitoring and recovery by deploying resources in each territory and region, especially with changes in provisioning and classification guidelines
- Foster sustainable economic growth in underserved markets and populations by piloting innovative product and financial literacy programs for key underserved beneficiaries



## BUSINESS SEGMENT

# SME-MEDIUM BANKING

### PROVIDING EFFECTIVE SOLUTIONS THAT MEET THE REAL CHALLENGES OF OUR CUSTOMERS

At SME-Medium Banking Segment, we enable our customers who are typically mid-sized concerns to access a wide spectrum of banking solutions that enable them to achieve differentiation that is critical to succeed in a fiercely competitive market environment. Providing specific solutions tailored to their unique requirements is a prerequisite to success and our ability in this realm is a showcase of our performance, which is represented in SME-M's total assets increasing at a 7.90% CAGR over the past 5 years.

#### SME-Medium Banking at a Glance

<b>BDT 48,890 mn</b>	<b>BDT 16,010 mn</b>	<b>238 bps</b>
Total assets	Total liabilities	Reduction in NPLs

#### Leadership Overview

##### "Our Potential is Rooted in our Steady and Secure Business Transformation"

The year 2024 posed complexity for City Bank's SME-Medium (SME-M) business as we operated in a challenging environment marked by high inflation, currency devaluation, foreign currency shortages and political uncertainty. This especially impacted import businesses. Additionally, Bangladesh Bank's contractionary monetary policy sparked an environment of high borrowing costs for customers.

Despite these hurdles, the division remained committed to achieve its performance targets through low-cost deposit mobilization and ensuring portfolio sustainability. We also prioritized supporting our manufacturing sector clients with import facilities to help them navigate the difficult times. This boosted our NFB that grew from BDT 26,858 mn in 2023 to BDT 42,540 mn in 2024, representing a very significant YoY jump.

Moving forward, as part of our strategic vision, SME-M is committed to foster sustainable growth by expanding presence in the export business sector as well as other customer segments in selective sectors. We will continue to remain highly conservative in new business underwriting and, in parallel, our focus will be to also step-up collections and recovery to further push down our NPLs.

We are steadily and securely transforming the business and the objective is to add value to our clients by becoming their partner of choice. If everything remains on track, SME-M's total assets will potentially cross BDT 50,000 mn in the current year, a milestone that will be worth pushing for.

#### Our competitive strengths

- Strong brand and market position
- Tailored financial solutions
- Countrywide presence through branch network
- Digital banking with innovative products
- Competitive pricing through attractive interest rates
- Dedicated relationship-based banking with expert advisors

#### Strategic Intent

With a focus on serving the real needs of our customers, SME-M's activity scope and strategic intent is highlighted below:

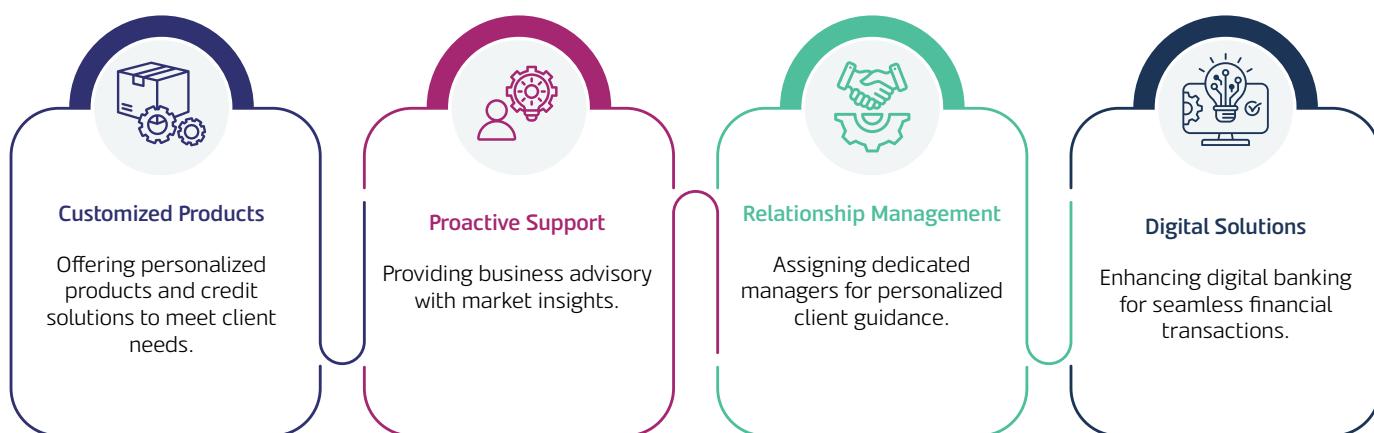
- Offer customized and effective products and credit solutions
- Enable proactive business support and play an advisory role

by providing market insights, economic trends and regulatory updates that help clients take crucial decisions

- Assign dedicated Relationship Managers to provide specific guidance to customers
- Enhance digital banking solutions for seamless transactions and financial management



## Driving SME-M Success Through Pertinent Solutions and Support



### Operating Review

City Bank's SME-M stands out in the crowded SME financing industry with its strong brand reputation, financial stability and customer-centric approach. While the division focused on the normal course of business in 2024, sustainability remained a key focus area.

During the year in review, we organised several training sessions

on climate risk and green and sustainable financing, weaving ESG principles into our credit underwriting decisions and everyday operations. We also focused on disbursement stimulation of green and sustainable financing loans through offering lower interest rates via availing refinance schemes and sustainable agricultural loans from Bangladesh Bank. Our focus during the year was also on community impact loans, for example finance to women borrowers, through micro-financing via indirect channels.

### Key priorities of the year



Ensured sustainable portfolio management amid turbulent political and economic situation

Achieved sustainable financing growth target

Prioritized manufacturing clients and ensured continuation of import facility for manufacturers despite foreign currency shortages

Opened a finance line for local procurement towards import substitution

Extended temporary funding facility to clients on need basis

Ensured best utilization of BB refinance schemes as well as BB Agricultural & Rural Credit Policy and Program for financial impact

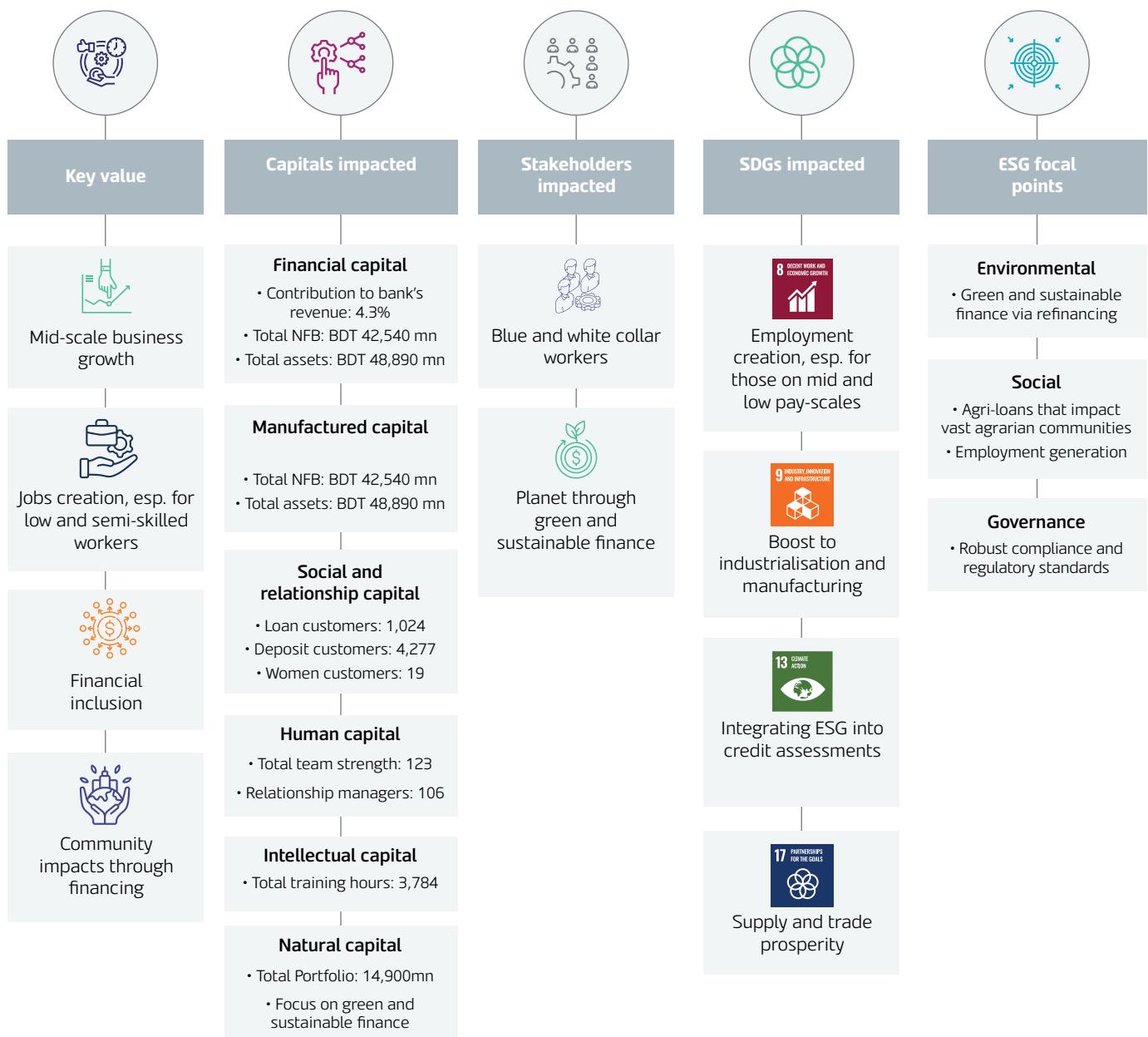
### Financial Update

Despite the market challenges, SME-M performed credibly during the year 2024. Total assets rose by 2.3% YoY to BDT 48,890 mn, while total liabilities grew by 32.12% YoY to BDT 15,491 mn. The highlight of the year was the huge upsurge in total NFB (Non Fund-based Facilities) in terms of LCs, bank guarantees, etc., that rose considerably by 58.3% YoY to BDT 42,540 mn. A further key point of the year was the YoY decline in the NPL ratio from 13% in 2023 to 11.38% in 2024, representing a degrowth of 238 basis points. The NPL ratio has witnessed a steady downward trend over the years, which attests to our efforts in operational efficiency and business transformation.

Key metric (BDT mn)	2024	2023	2022	2021	2020
Total Assets	48,890	47,788	45,280	40,255	36,070
Total NFB	42,540	26,858	32,431	29,384	-
Total Liabilities	16,010	12,118	9,201	7,175	6,013
NPA (%)	11.38%	13%	14%	17.50%	17.0%



## Business Dashboard



## Strategic Roadmap, 2025

### Short-term goals

- Creation of a separate Stressed Account Management Department to focus on proactive risk management of default accounts while allowing the main business team to concentrate on portfolio growth
- Creation of a dedicated export wing to meet the growing demands of export clients and provide specialized expertise while ensuring maximization of non-funded revenue

## Mid-term goals

- Further lower NPL ratio within the regulator's bucket
- Introduce paper-less banking through Credit Memorandum automation
- Bring maximum customers under digital financial solutions to book low-cost deposits
- Cover 100% operational cost by non-funded income that will eventually bring down the financing risk as well as improve capital efficiency
- Ensure growth with sustainability following ESG principles

## Success Story



At Artisan House BD Ltd, we are leading the way in eco-friendly handicrafts, enabling economic prosperity for our local communities.

For us, sustainability and eco-sensitivity are the cornerstone of our business. We are a 100% export-oriented manufacturer of handmade home decor products, specializing in items made from natural, biodegradable materials like jute, sea grass and recycled cotton. Total export volume is \$21.2 lakh in 2023-2024.

In 2018, we embarked on a journey to revolutionize the handicrafts industry of Bangladesh with a focus on sustainability. To scale our business and meet global demand, we needed strategic planning backed by significant financial support.

Recognizing our potential, City Bank's SME-M team became our crucial partner. They provided essential financial backing, enabling

us to expand our production capacity and secure international orders. With their facilitation, we invested in new factory facilities, warehouses and R&D units, establishing production units in Ashulia, Bogura and Nilphamari, employing over 1,000 workers. City Bank's expertise helped us overcome obstacles and maintain high product quality and operational sustainability standards.

Their financial solution helped propel our business forward, which led to women empowerment, especially rural women via local employment opportunities, thus enabling their financial independence and social standing. Importantly, through our business we are also able to preserve the skills and cultural heritage of artisan communities.

Together with City Bank, we remain dedicated to driving sustainable growth and economic prosperity for all our stakeholders.



## BUSINESS SEGMENT

# DIGITAL FINANCIAL SERVICES

### THE FUTURE OF BANKING – TODAY!

Driving continuous innovation in the digital financial landscape with strategic priorities that comprise shifting more and more banking services to the digital realm and offering an exceptional digital experience to our customers.

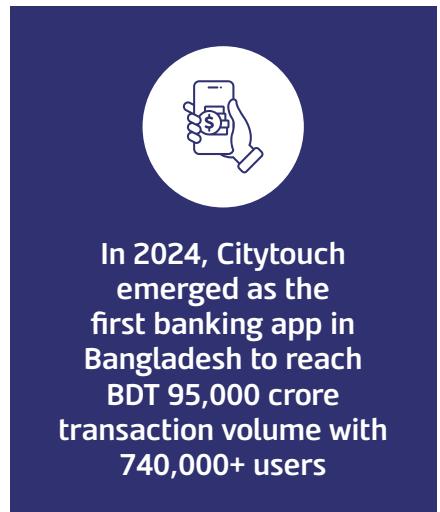
#### Leadership Overview

**"Not just a digital bank but a statement of intent!"**

City Bank's Digital Financial Services (DFS) division delivers innovative, accessible and convenient digital financial solutions that empower clients and contribute to financial inclusion objectives.

The year 2024 marked a momentous period of advancement for City Bank's DFS division. Guided by a steadfast commitment to customer-centricity and sustainable practices, we achieved substantial growth across our digital platforms during the year, marked by a growing number of customers access our digital banking platforms and with higher frequency.

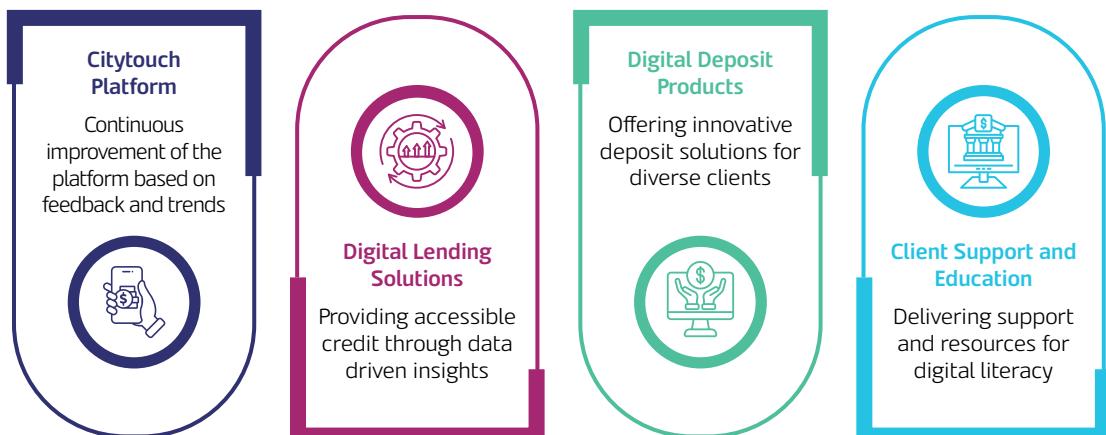
This success is attributable to our focus on enhancing accessibility, convenience and security for our clients. Our strategic emphasis on financial inclusion has yielded demonstrable positive impacts, particularly through our flagship products such as Digital Nano Loans and Digital Islamic DPS, extending vital financial services to previously underserved communities.



The Citytouch platform has bolstered its position as a central pillar of our digital strategy, offering a comprehensive suite of banking services accessible at our clients' convenience. Key enhancements, including the launch of industry-first virtual cards, seamless integration with national interoperability platforms (Bangla QR, Binimoy) and an expanded range of utility bill payment options significantly enriched client experience while driving increased engagement. This is evident in the app becoming the first in Bangladesh's banking industry to register a transaction throughput of BDT 95,000 crore in 2024 with lakhs of customers using it daily for their myriad financial activities. This shows we are making a positive impact on the lives of our customers every day and that is extremely humbling and yet deeply fulfilling.

#### Key Business Activities

Our operational model is rooted in a client-centric philosophy. We have a deep understanding of client needs and challenges and ensure our digital solutions provide tangible value and convenience.

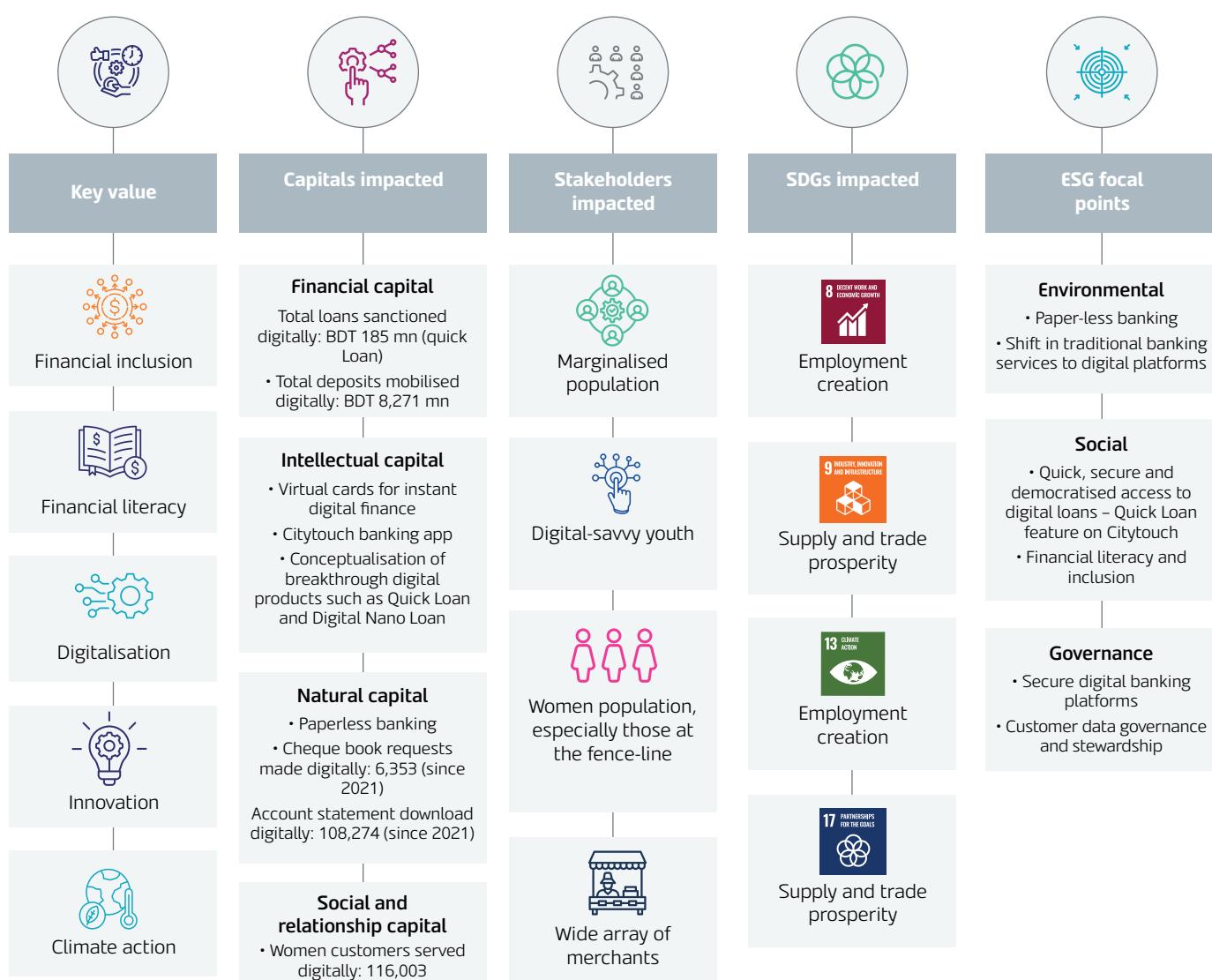




## DFS' core activities:

			
<b>Citytouch platform enhancement:</b> Continuous development and refinement of the Citytouch platform based on client feedback and emerging trends, including expanding payment functionality, optimising UI/UX and integrating with relevant third-party services.	<b>Digital lending solutions:</b> Provision of accessible credit facilities through the Digital Nano Loan program, employing data-driven insights to reach underserved segments and promoting economic development in underserved regions.	<b>Digital deposit products:</b> Offering innovative digital deposit solutions, such as the Digital Islamic DPS, catering to diverse client segments and promoting inclusive finance.	<b>Client support and education:</b> Delivering comprehensive client support and educational resources to ensure effective and secure utilisation of our digital platforms.

## Business Dashboard





## Key Highlights, 2024

- Launch of an industry-first virtual card, empowering clients with instant access to digital payments
- Strategic partnership forged with bKash that expands financial inclusion initiatives, helping reach millions of underserved clients

## Financial Performance

DFS' financial performance demonstrates robust growth across key financial indicators. Transaction volume and value on the Citytouch platform have shown substantial YoY increase, reflecting strong market fit and customer adoption.

The loan portfolio for Digital Nano Loans and the deposit portfolio for Digital Islamic DPS also experienced healthy expansion, underscoring the success of our financial inclusion initiatives. Rural areas constitute the largest segment at 36%. While the gender distribution exhibits a predominantly male customer base with only one-fourth female representation, this reflects potential opportunity to diversify and engage with female customers in the true spirit of financial inclusivity.

Key metrics	2024	2023	2022	2021
Citytouch transactions (mn)	27.4	22.2	16.4	8.1
Citytouch transaction value (BDT bn)	957.46	646.39	352.22	184.35
Digital Nano Loan portfolio (BDT mn)	1580	934.75	174.36	24.65
Digital Islamic DPS portfolio (BDT mn)	327.77	315.45	25.62	-

## Green Initiatives

City Bank's DFS contributes to the broader goals of green finance and sustainable banking by shifting traditional banking services to the digital realm. Key steps in this regard are given below:

- Reduced environmental impact:**

Our digital platforms contribute to less-paper consumption and reducing the need for physical branch visits, thus leading to travel and carbon emissions avoidance. We have made remarkable progress, an example being a 71% rise achieved in cheque book requests via Citytouch since 2021. Below are additional activities as part of our endeavor to becoming digital-first and paperless:

Cheque book requests	FD/DPS closing	Tax Certificate issuance	Account statement downloads	PSR submissions	Solvency Certificate
6,353	18,514	34,960	108,274	22,684	26,385

- Green IT initiatives:**

We are committed to adopting environmentally responsible IT practices, including digital archiving solutions designed to reduce our carbon footprint.

**83,510**

Total MFS transactions (BDT mn)

- Promoting financial inclusion:**

By providing accessible digital financial services, we empower underserved communities and contribute to broader social and economic development.

- Ethical finance:**

The Digital Islamic DPS product aligns with principles of ethical and sustainable finance, offering clients Shariah-compliant financial solutions.

## Value Creation

Area	Milestones	Outcomes
Security as a strategic pillar	95% of digital transactions secured with multi-layered protocols, including advanced threat detection.	<ul style="list-style-type: none"> <li>Enhanced trust leading to higher digital services adoption</li> <li>Contribution to retention and new customer acquisition</li> </ul>
	Zero major data breaches recorded in FY2024, ensuring uninterrupted service for 750,000+ users.	



Area	Milestones	Outcomes
Client-centric innovation	Reduced client onboarding time through City Ekhoni and focus on chatbot and personalisation integration for customer satisfaction.	<ul style="list-style-type: none"> <li>Faster onboarding ensured 26% higher customer acquisition</li> <li>Improving customer engagement and loyalty</li> </ul>
Financial inclusion milestones	Nano Loan success: 73% YOY growth achieved in 2024, with 3 mn+ eligible customer base, empowering underserved segments. Islamic Finance Growth: 1,180% growth in the Digital Islamic DPS portfolio since 2022 inception.	<ul style="list-style-type: none"> <li>Financial inclusion through expansion of customer base in rural and underserved areas</li> </ul>
Operational efficiency	27.4 mn transactions processed with on-time success, marking down costs.	<ul style="list-style-type: none"> <li>Improved reliability and efficiency</li> </ul>
	Zero downtime reported during peak loads due to infrastructure upgrades.	<ul style="list-style-type: none"> <li>Mobilisation of new clients</li> </ul>
	Cloud migration reduced data center energy usage .	<ul style="list-style-type: none"> <li>Enhanced satisfaction among users</li> </ul>
Revenue diversification	MFS transfer and fund transfer contributed to DFS revenues in 1:4 ratio; virtual cards added 3,276 transactions in the entire digital profile.	<ul style="list-style-type: none"> <li>Broader product offerings</li> <li>Wider geographical reach</li> <li>Greater client diversity</li> </ul>
Stakeholder value delivery	100% compliance achieved with new digital banking regulations, fostering trust and collaboration.	<ul style="list-style-type: none"> <li>Enhanced regulatory trust and employee expertise Improved client satisfaction and trust</li> </ul>
Competitive edge	As the first banking app in the market, Citytouch has maintained its strong position, capturing a significant portion of the digital banking pie and remaining ahead of competitors.	<ul style="list-style-type: none"> <li>Superior market position</li> <li>Enhanced customer acquisition and retention</li> </ul>

### Performance Gradation



### Success story – Click for Credit!

The Quick Loan feature on the Citytouch app provides customers a fast, secure and hassle-free solution to address urgent financial needs. With minimal documentation and the convenience of applying digitally through the app, customers save time and effort, compared to traditional loan processes. This streamlined digital service enhances customer satisfaction by offering immediate

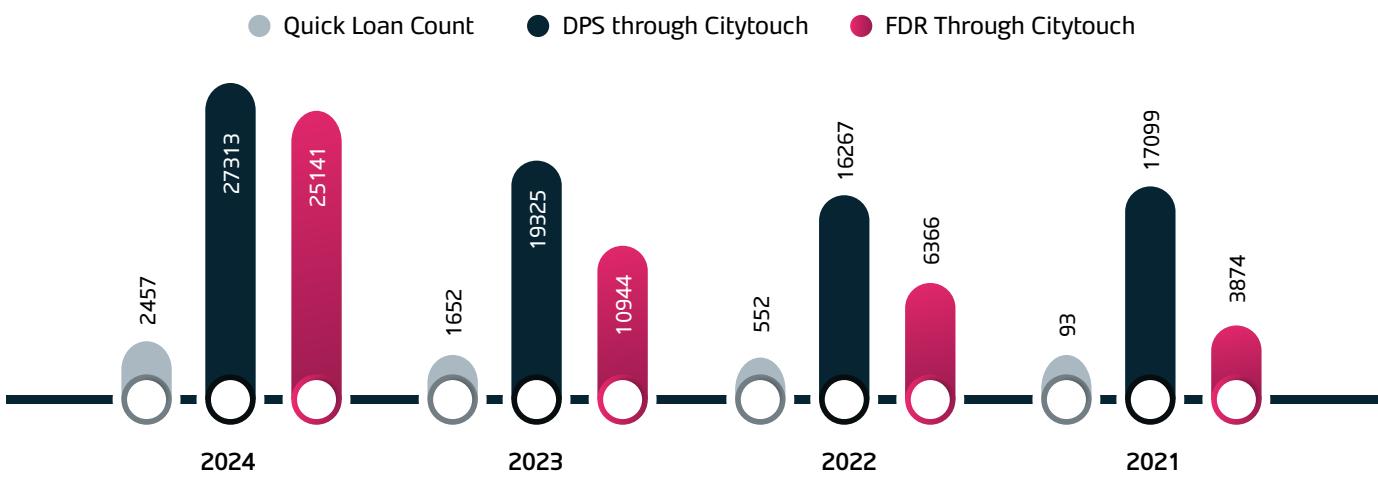
access to credit.

This loan feature enhances the bank's operational efficiency too by reducing branch traffic and manual processing. It strengthens customer loyalty by offering a seamless digital banking experience, which aligns with the modern shift toward online services. Additionally, the service also helps attract new customers seeking convenience, while also boosting the bank's loan portfolio.

Quick Loan features	2024	2023	2022	2021
Customer accounts	2,457	1,652	552	93
Loan amount (BDT mn)	220.6	103.6	23.2	5.56
Ticket size (avg, BDT)	89,772	62,718	42,102	59,785



## Lending and Investment through Citytouch



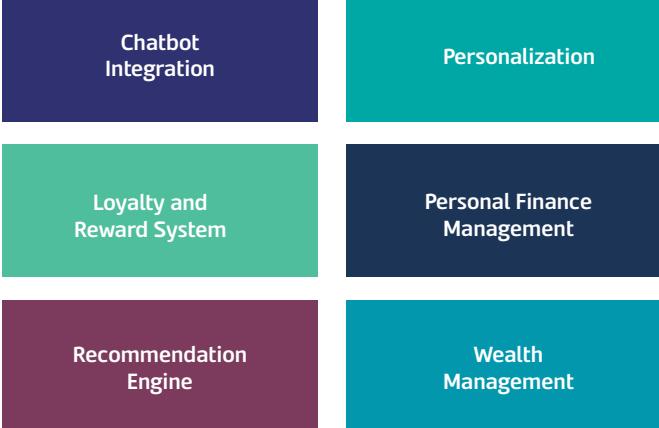
## Redefining Digital Banking Excellence

Looking forward to 2025, we will focus on anticipating and addressing evolving client needs, driving innovation within the digital finance. Our strategic priorities include platform enhancements to offer an elevated user experience which will expand market reach. Sustainability principles will continue to underpin our operational decisions and strategic direction.

In line with our commitment to innovation, the Citytouch platform will be incorporated with advanced AI/ML capabilities to elevate its offerings in 2025. This integration will enable hyper-personalised user experiences, including tailored personal finance management and wealth management solutions, a recommendation engine to enhance service delivery, and a dynamic loyalty and rewards system with tiered benefits.

By blending these technologies, we aim to deepen customer engagement, optimise financial decision-making and foster lasting client relationships. These enhancements reflect our forward-thinking approach to maintain a competitive edge in the digital banking landscape.

### Way Forward: Citytouch Service Enhancement Features



## Outlook, 2025

### Short-term objectives (12 months)

- Implement contactless payment functionality within the Citytouch platform
- Expand self-service functionality to minimise reliance on physical branch interactions
- Integrate fully the client onboarding process into Citytouch through digital onboarding capabilities
- Establish a customer satisfaction index for improving customer engagement and feedback

### Mid-term objectives (12-24 months)

- Integrate all major utility service providers and relevant lifestyle payment options into Citytouch
- Deploy advanced technologies to enhance platform efficiency, scalability and reliability
- Undertake a comprehensive app redesign to optimise user experience and accessibility
- Introduce "Buy Now Pay Later" (BNPL) options within the Digital Nano Loan product portfolio
- Increase maximum loan amount for eligible Digital Nano Loan clients based on data-driven risk assessments

## BUSINESS SEGMENT

# CITY AGENT BANKING

### Enabling Technology-Led Financial Inclusion

Since its inception, City Agent Banking has been working diligently to improve rural livelihoods by providing key banking and financial services to underprivileged and underbanked populations in the true spirit of financial inclusion.

#### City Agent Banking at a Glance



**480**

Agent Outlets



**384,704**

Customers



**Tk. 8,901.8 mn**

Deposits



**Tk. 28,952.8 mn**

Loan disbursement



**Tk. 18,637.6 mn**

Inward remittance

### Leadership Overview

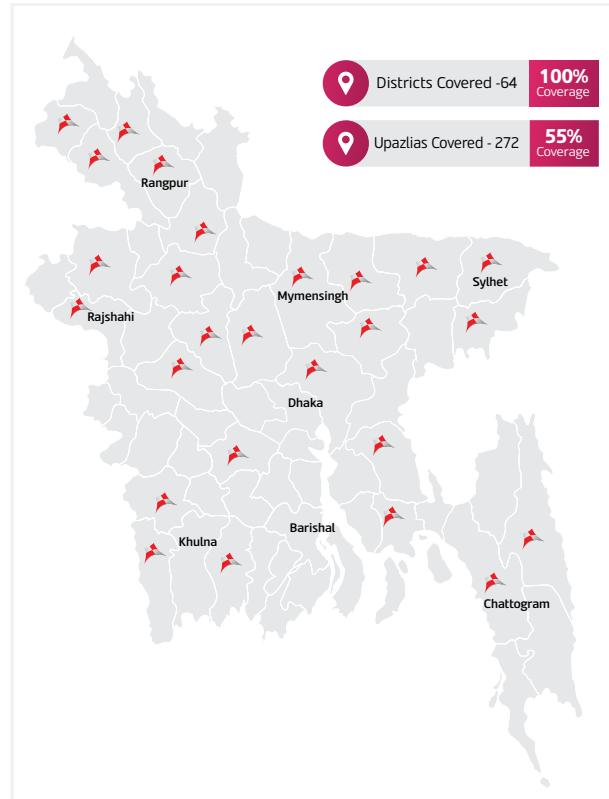
#### "Banking Close to Home"

City Bank's Agent Banking network has been conceived to provide an easy and convenient experience to customers, especially those residing in rural and remote areas. Within a short period, the bank's Agent Banking network has grown to being the second largest in the industry in terms of loan disbursement (35.6 percent growth YoY).

Our Agent Banking service comprises an authorised facility for customers to make deposits and withdrawals to selected savings and current accounts through designated agent outlets. These are small, authorised premises of the bank dispersed in far corners of the country. Customers are swiftly and securely onboarded with full KYC via technology-led systems, such as biometric authentication.

Having a strong network of 480 agents serving over 3.85 lakh customers (as on end December 2024), our Agent Banking network provides superior convenience and flexibility, thus enabling customers to experience the benefit of carrying out bank transactions on a real-time basis and saving on travel costs with banking close to their home.

Along with financial literacy and financial inclusion activities, City Agent Banking plays a role in bringing foreign remittance through the organised banking channel. In 2024, 28% of the total pin-based remittance of City Bank was through this channel. This apart, the channel has also been pivotal in disbursing small and micro-credit, agricultural loans and remittance beneficiary loans.



City Agent outlets cover 100% of Bangladesh's districts, of which 73% of outlets and 65% of customers of Agent Banking reside in rural areas, signifying true financial inclusion.



## City Agent Banking: Bank Within Easy Reach



### Gender and Geographic Location-wise Stats

Particulars	Male	Female	Others	Total	Urban	Rural	Total
Agent Outlets	431 (90%)	47 (10%)	2 (0%)	480	138 (29%)	342 (71%)	480
Customers (lac)	2.28 (59%)	1.46 (38%)	0.11 (3%)	3.85	1.20 (35%)	2.23 (65%)	3.85
Deposits (BDT cr)	472.70 (53%)	248.08 (28%)	169.40 (19%)	890.18	348.39 (39%)	541.79 (61%)	890.18
Loan disbursement (BDT cr)	2,256.87 (78%)	629.52 (22%)	8.89 (0%)	2,895.28	1,426.78 (50%)	1,468.50 (50%)	2,895.28
Digital Agri Loan – Pilot Project (lac)	73.74 (99.33%)	0.50 (0.67%)	-	74.24	47.21 (64%)	27.03 (36%)	74.24

### Major Initiatives, 2024

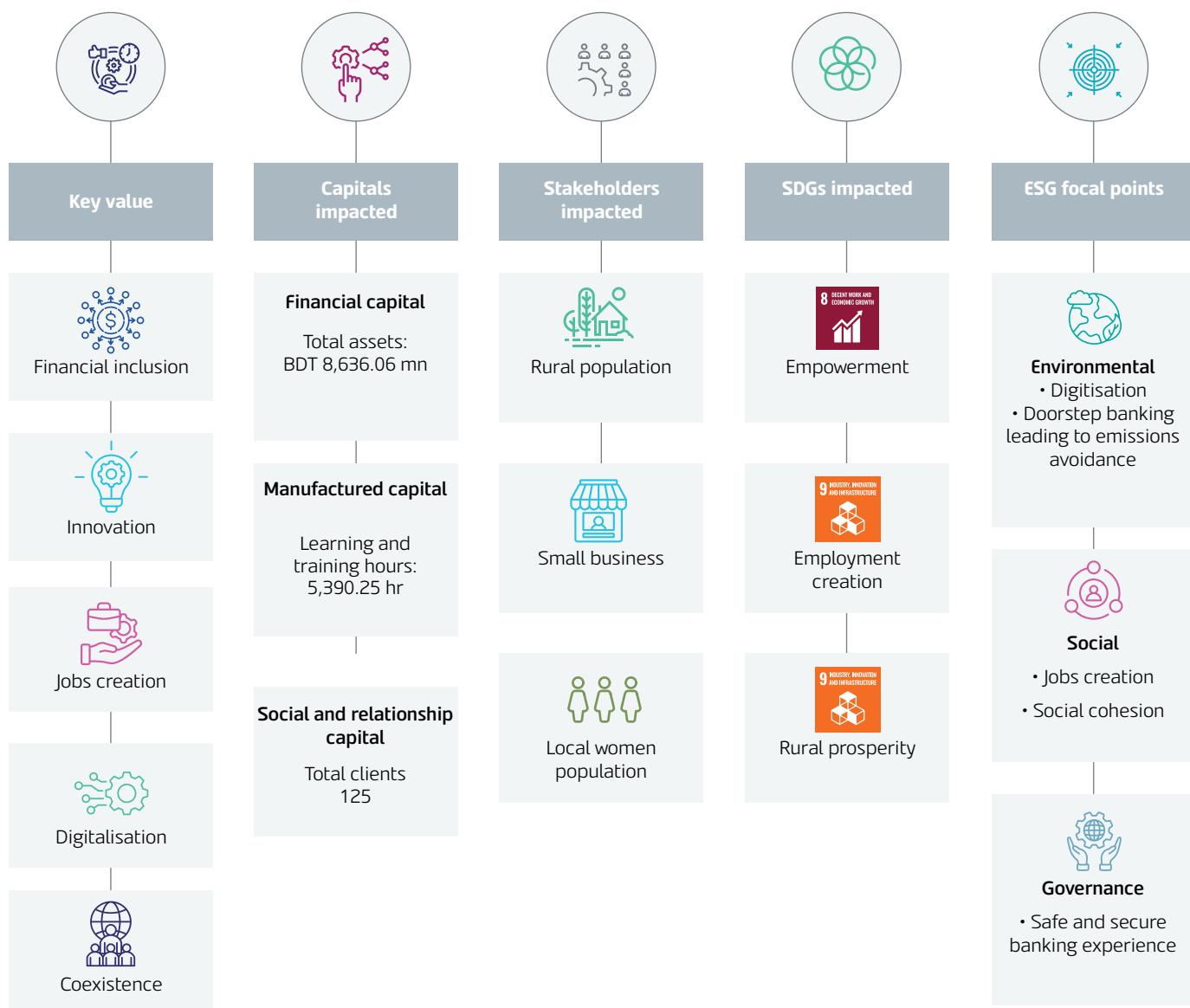
- Introduced e-KYC account opening, enabling personal account opening in under 15 minutes
- Enabled agent categorisation and customer segmentation for boosting business growth
- Executed 9 Regional Agent Conferences to share knowledge and stimulate business growth from the network
- Automated agent commission disbursement that built trust with the network
- Organised round-the-year customer awareness programs, including customer meets, Uthan Boithok sessions, etc.
- Developed UPS and MetLife collection module for strengthening collections and recovery
- Forged partnership with WeGrow, GrowUp and iFarmer for piloting digital agri loans
- Implemented a business dashboard for improved business supervision by the regional team
- Facilitated stronger central supervision through offsite monitoring and surprise visits
- Operationalised an e-learning platform for agent/agent staff and regional colleagues

### Key performance metrics

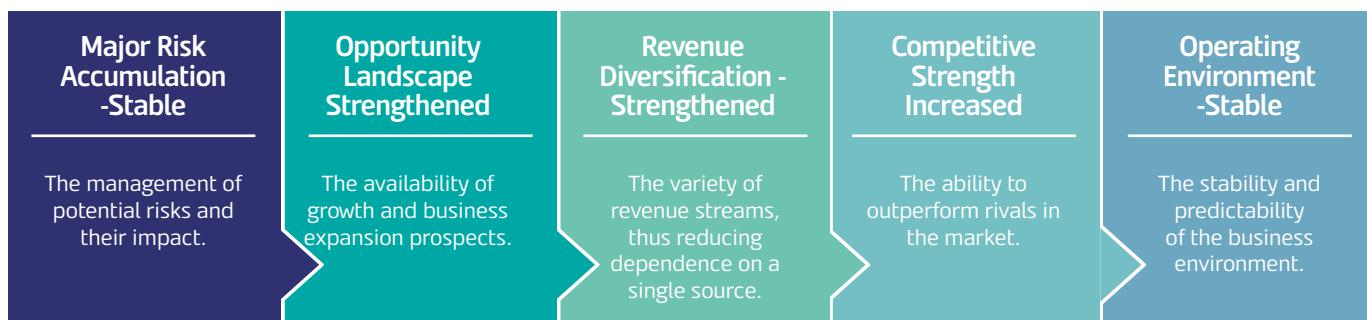
Particulars	2024	2023	2022
Deposits garnered (BDT mn)	8,902	6,644	5,230
Loans disbursed (BDT mn)	28,953	21,356	14,154
CASA mobilised from rural agent outlets (BDT mn)	4,755	3,947	3,313
Rural agent outlets	342	391	519
Women agents	47	48	69
Female customers	14,5723	128,709	103,942



## Business Dashboard



### Performance Gradation





## Customer story

In our commitment to enhance productivity and livelihood of rural farmers, City Agent Banking is focused on making accessible low-interest credit for agricultural loans to rural farmers. This is to promote financial independence and protect them against usurious moneylenders who operate in the unorganised space.

Amena Bibi, a rural farmer from Bogura, decided to cultivate potatoes this past winter season. Due to limited funds, she faced difficulty financing her farming activities. Taking a loan from local moneylenders would expose her to minimal earnings after repaying the principal and high interest. At this point, City Bank's agri loan partner, iFarmer, informed her about the bank's agri loans which offer lower interest rates and timely disbursements.

So Amena Bibi visited City Bank's Agent Banking outlet at Naruli in Bogura and opened a Taka-10 Farmer Account through e-KYC within 15 minutes. She then applied for the agri loan and within just a few days, Taka 50,000 was disbursed to her account. This enabled her to finance her potato cultivation within the season and without having to resort to high-interest loans. The entire process took only 10 days, demonstrating the efficiency of the loan processing system.

This success story reflects the commitment of City Agent Banking to make a meaningful difference in the lives of our customers and contributing to a better future.



■ City Agent Banking partners standing with rural underprivileged and unbanked people



■ First disbursement of agri loan to a customer



■ Amena Bibi, a happy farmer, proudly standing among her sprouting potato crop



■ Glimpse of agri loan disbursement, customers are listening to the benefits of agri loan



## Strategic Roadmap, 2025

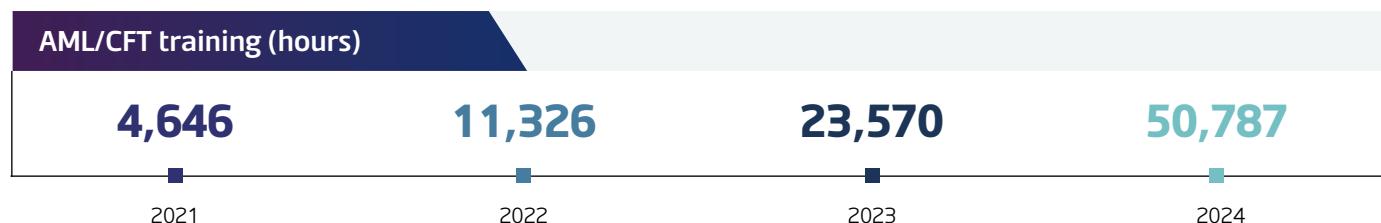
- Full rollout of Agent Banking e-KYC
- New branding of the Agent Banking outlet to impart a fresh, re-energised look
- Implementation of Islamic Banking
- Implementation of City Point (micro-merchants) for cash-out services
- Full-fledged launch of Digital Agri Loans
- Incorporation of business dashboard in the web portal
- Exploration of strategic national and international partnerships

## SUPPORT FUNCTIONS

# ANTI-MONEY LAUNDERING AND COUNTERING FINANCING OF TERRORISM (AML/CFT)

### FIGHTING PREVENTION OF MONEY LAUNDERING

City Bank is committed to high ethical standards to ensure AML/CFT compliance. Our policies on anti-money laundering and terrorist financing, sanctions and anti-bribery/corruption aim to ensure that risks identified by the bank are appropriately mitigated, thus securing our network against fraud and financial crime and protecting the bank's reputation.



### Leadership Overview

#### "Balancing Business with Compliance"

As a custodian of public funds, City Bank is committed to preventing the proliferation of money laundering and terrorism financing through compliance and regulatory observance, thus ensuring business and operational continuity. This forms the bedrock of our focus on balancing business with compliance. We acknowledge the importance of identifying, managing and mitigating risks associated with AML/CFT to preserve integrity and stability of the bank and the financial industry.

City Bank has a robust AML/CFT policy to articulate the stringent risk-based approach and procedures involving ongoing due diligence, screening and monitoring of all business transactions to counteract and neutralise potential illicit activities or malicious endeavours associated with money laundering, terrorism financing or financial sanctions.

The key objectives of the bank's AML/CFT policy are to set out the expectation of AML/CFT requirements for entities within the group and to establish a framework to ensure that all employees understand and comply with AML/CFT requirements to combat money laundering or terrorism financing and preventing the proliferation of financing risks.

In recent times, abuse of mobile financial services through digital

banking channels by offenders has spawned digital fraud, including digital hundi, illegal gambling and cryptocurrency transactions which exert tremendous reputational, operational, business and legal risks. In this regard, the bank is committed to combat AML/CFT in alignment with the directives of Bangladesh Financial Intelligence Unit (BFIU) and global best practices. It executes stringent customer due diligence, including identity verification, source of fund origination, sanction screening, etc., for ensuring complete and correct customer information.

As part of enhanced transaction monitoring, the bank has adopted an AI-based surveillance system that triggers any unusual transaction misaligned to the customer's profile, any large cash transaction or any abnormal activity or suspicious transaction executed even in remote geographical locations. Such activities enable necessary action, including updating customer profile, temporary transaction blocking or customer account closure. This is followed by investigation and subsequent reporting of the suspicious activity to the appropriate regulatory and/or law enforcement bodies.

City Bank is the founder member of the Executive Committee of Association of Anti-Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB) and is also a member of the government's Central Task Force Committee that aims to develop and set financial services industry standards for KYC, AML, CFT, etc. Further, our international financial stakeholders such as IFC, IMO, ADB and others are comfortable with our AML/CFT compliance culture and laud our efforts in this regard.

### City Bank-Fighting against money laundering & terrorist Financing

Secured Network and Protected Reputation & Ensuring Regulatory Compliance

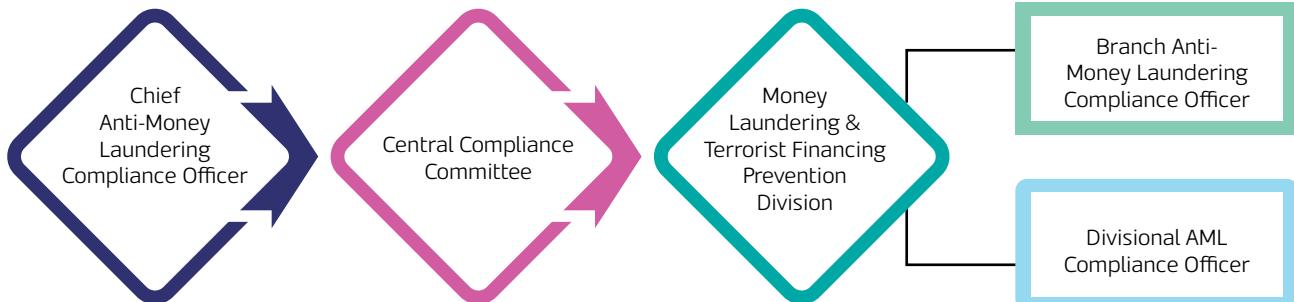




## Compliance Structure and Chain of Command

City Bank has a robust multi-tier Compliance Structure that provides a comprehensive security blanket to the bank.

### City Bank's AML/CFT Compliance Structure



Designated authority (Seniority-wise)	Key deliverables
Central Compliance Committee (CCC)	Implement and enforce strategy and activities regarding prevention of money laundering and terrorist financing risks in all areas of banking
Chief Anti-Money Laundering Compliance Officer-CAMLCO	Implement and enforce bank-wide AML/CFT policies, procedures and measures
<b>Money Laundering &amp; Terrorist Financing Prevention Division</b>	
Branch Anti-Money Laundering Compliance Officer-BAMLCO	Implement all related directives for prevention of money laundering and terrorist financing at the branch level
Divisional AML Compliance Officer	Implement all related supervisory directives for prevention of money laundering and terrorist financing at the division level

### The bank also adopts a number of other rigorous measures with respect to AML/CFT



### Outlook, 2025

In the coming days, leveraging advanced technology for AML/CFT measures, such as automated transaction monitoring, will be prioritised. Our focus on innovation will enable us to bolster our detection and reporting mechanisms, making our compliance framework more effective.

It is an exciting time for technology with AI, ML and big data analytics being developed and deployed in many fields. We believe this technology has the potential to be a game-changer in our fight against money laundering and terrorist financing. Adhering to our AML/CFT policies, procedures and standards will protect our bank and thus further strengthen customer trust.

## SUPPORT FUNCTIONS

# CREDIT RISK MANAGEMENT

### BOLSTERING THE BANK AGAINST ECONOMIC BUFFETS

#### At a Glance



##### CREDIT RISK

Credit risk remained elevated due to less-than-desirable economic conditions with low consumption demand, high inflation and interest rates, and significant devaluation of BDT against US\$. The political turmoil that erupted around the middle of the year further exacerbated the situation.

Many businesses remained affected by the economic crisis. Factors such as elevated rates of taxation, contractionary monetary policy and high prices of energy and other raw materials prevented a recovery in the corporate sector.



##### BANK'S RESPONSE, 2024

City Bank responded by reviewing and updating its credit policies and procedures in line with the market conditions and worked closely with stressed clients to support them in terms of restructuring, financial advisory and rehabilitation/revival. The thrust remained on preventing a deterioration of the NPL book.

The bank established various credit limits to ensure it maintains a quality asset portfolio within its tolerable risk appetite.

Adherence to stringent risk policies and real-time monitoring fortified the bank's credit health, reducing vulnerabilities and ensuring sustainable asset quality.

#### NPL (%)

Key performance indicators	2024	2023	2022
NPLs (%)	3.7%	3.6%	3.9%
Provision coverage ratio (PCR, %)	106.8%	110.1%	104.7%

#### Credit Risk Management (CRM), 2024

The year 2024 presented a complex landscape, shaped by macroeconomic uncertainty, inflationary pressures and political instability. Notwithstanding these challenges, City Bank maintained a robust credit risk profile, ensuring financial stability and sustainable growth. With inflation impacting borrowing capacity, we adopted a cautious approach to credit assessment, reinforcing risk grading and adjusting risk undertaking strategies.

In response to the regulatory shifts, we enhanced scenario analysis and adjusted risk appetite, ensuring resilience in key sectors. We also closely monitored external shocks, especially amidst a turbulent political landscape, refining risk assessment criteria to factor in geopolitical tensions and supply chain disruptions.

Keeping in step with technology adoption, we implemented a new integrated financial analysis tool in the risk assessment framework as a measure of internal risk grading during the year in review. This not only provided a wider view of risk parameters, but also helped curtail loan turnaround time. In addition, a new digital archiving

system helped enhance efficiency, reduce processing time and improve accessibility. An improved Digital ESDD (Environmental and Social Due Diligence) tool further facilitated real-time tracking of our ESG evaluation, monitoring and control mechanism at the portfolio level.

Through proactive engagement and a disciplined credit strategy, we sustained asset quality and strengthened our risk mitigation efforts during the year.

Some of the other key highlights of the year are mentioned below:

- Strengthened risk assessment and recovery strategies that led to a notable decline in the NPL ratio
- Prudent credit risk management minimised provision requirements, ensuring financial stability despite the bank maintaining provision coverage ratio (PCR) of 106.8 percent in 2024
- 2024 posed severe challenges in the field of trade finance due to downgraded Country Rating by international rating agencies



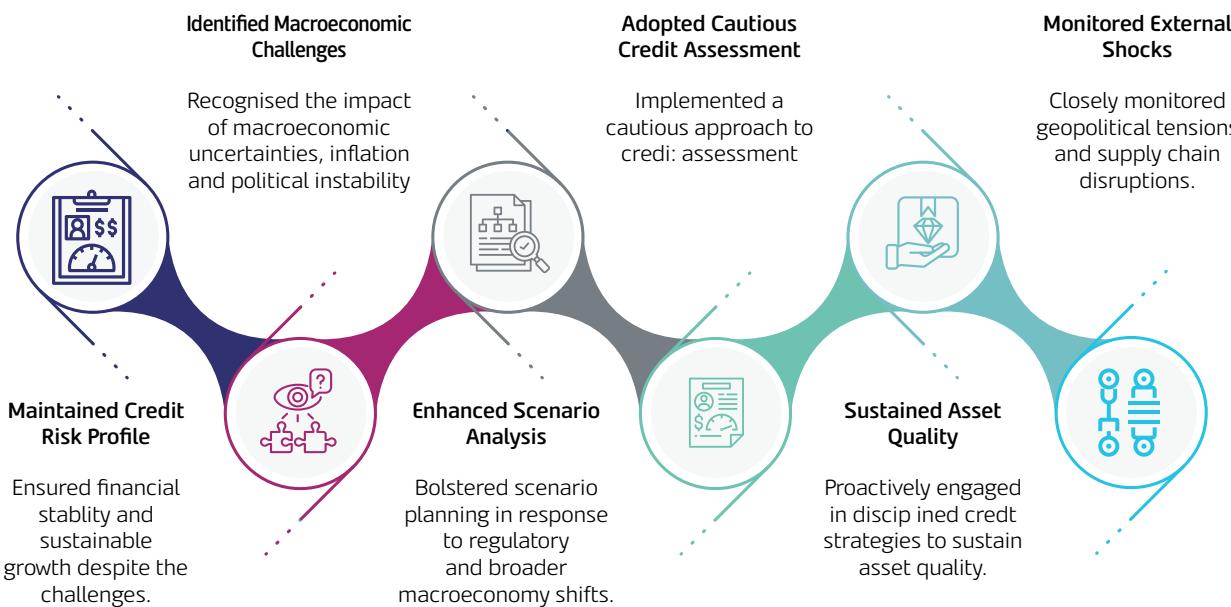
such as Moody's, Fitch Ratings etc. limiting credit lines and a possible decrease in international trade as a ripple effect of stringent credit assessment in light of this change. However, Credit Risk Management function of the bank worked seamlessly with the support of the business units to register y-o-y trade volume growth of 25% in 2024.

- While the year 2024 has been marked with eroding trust, dwindling customer confidence, and rising NPLs in the banking sector, City Bank navigated through these challenges strategically and ensured significant growth of Funds under

Management alongside decreasing NPL

- We collaborated with regulators and multilateral organisations to bolster risk-sharing mechanisms and access funding from diversified sources. Our association with NZBA, UNEPFI, etc., has enhanced our capabilities in carbon tracking and emissions reduction
- We actively engaged in COP29, which underscored our commitment to learn from best practices in financing sustainable projects and integrating E&S risks into our credit assessment

## City Bank's Credit Risk Management 2024



## Reinforcing CRM, Safeguarding Organisational Foundations

Effective CRM is embedded in our core operational structure, governed by well-defined policies and processes and disclosed through transparent reporting principles. Our credit policies are aligned to regulatory guidelines and international best practices, ensuring a balanced risk-reward approach.

City Bank excels at managing risk through adoption of 3 Lines of Defense' concept which offers multilayered safeguard of asset quality starting from initiation of relationship (Business Units-1 Line of Defense) to assessment & mitigation of credit, compliance, and other hereditary risk (CRM Division-2nd Line of Defense) and finally culminating in extensive review, monitoring, and improvement of all the preceding functions to ensure operational efficiency, adherence to regulation, and facilitate sustainable growth (Internal Control and Compliance Division-3rd Line of Defense).

Over the years, we have redefined our approach to credit underwriting in collaboration with our multilateral financing partners such as IFC, Norfund, FMO, etc. From due diligence to approval, we maintain a stringent credit evaluation process, safeguarding against potential credit impairment. These

activities are continuously monitored through various internal risk reporting practices to the Management and Board, facilitating strategic oversight and timely decision-making.

## Minimising Credit Delinquencies, Maintaining Asset Quality

Effective CRM is vital for protecting asset quality and financial stability. City Bank employs a holistic approach that integrates stringent underwriting standards, collateral management, guarantees and proactive monitoring to minimise default risks. We categorise clients based on an advanced internal risk grading system, enabling a granular approach to credit risk assessment based on financial health, repayment behaviour and market conditions. High-risk sectors are monitored with enhanced vigilance.

Based on client's risk profile, we have sharpened our delegation authority to mitigate potential defaults and reputational risks. We have also emphasised asset-backed financing and structured credit solutions so that risk is mitigated even before credit initiation. Our rigorous application of EAR-Early Alert Reporting, Stress Account Management and Deteriorating Credit Management Procedures have further strengthened our ability to predict credit deterioration and initiate timely remedial measures.



Our approach to limiting any downside risk is enhanced by ensuring business cash flow routing and establishing control over revenue streams. As a secondary measure of curbing credit risk, we engage in the following:

- Secure borrower collateral, including real estate and financial securities, to sufficiently cover open exposures
- Maintain regulatory LTV (loan-to-value) ratio, periodically revaluing collateral to reflect market conditions
- Diversify credit concentration to mitigate specific sectoral risks
- Ensure third-party guarantee (both personal & corporate) through a guarantor mechanism

Through a combination of prudent credit structuring, robust monitoring and risk-sharing principles, we continue to uphold strong asset quality and mitigate potential defaults.

## **Furthering ESG Principles, Advancing Sustainability Standards**

Our credit risk framework has been aligned to global sustainability initiatives, reflecting our commitment to responsible banking. ESG considerations are embedded into our credit assessments, enabling minimisation of exposure to E&S, climate and governance-related risks. By entrenching environment and social risk management (ESRM) principles, we ensure that our financed portfolio complies with sustainability standards, minimising long-term credit risks.

The bank has actively promoted green loans and sustainability-linked financing, contributing to the fulfilment of sustainability targets set by the central bank. In addition to being acclaimed as

one of the top banks in sustainability metrics in every consecutive years, we have upskilled bank's as well as industry's resources to better achieve sustainability milestones as we believe we have to march hand in hand towards this journey to a sustainable future. Our efforts have been acknowledged through improved sustainability rankings published by the central bank year after year, reaffirming our commitment to ethical and responsible lending. By prioritizing sustainable finance, we are not only reducing credit risks but also positioning ourselves as a leader in responsible banking.

## **Strengthening Risk Resilience in 2025**

In 2025, we anticipate new challenges arising from shifting economic dynamics, local political changes and an evolving regulatory landscape. Our strategy will focus on:

- Undertaking preemptive assessment of global and local economic trends to anticipate potential credit risks. We will thus remain proactive in strengthening our risk forecasting approach, especially in an inflationary environment that might trigger possible delinquencies
- Refining risk models to incorporate changes in fiscal policies and regulatory frameworks
- Strengthening risk mitigation tools, securitization practices and early warning systems to uphold portfolio quality
- Maintaining a balance between prudent risk-taking and supporting business growth while safeguarding our reputation
- Improving accuracy and efficiency with end-to-end processes integrated into a single digital platform
- Enhancing our focus on sustainable and green financing



## SUPPORT FUNCTIONS

# LEGAL DIVISION

### CONTROLLING LEGAL RISK, PROVIDING LEGAL COUNSEL

City Bank's Legal Division provides legal services and advice to all the divisions on the bank's legal issues relating to administration, operational and financial activities. It ensures that the organisation's activities and operations are above-board and consistent with the bank's policies, norms, principles and country regulations.

#### Leadership Overview

##### "Ensuring Operational Compliance with Laws and Regulations"

Anchored on expertise in various avenues of law and led by experienced legal professionals, City Bank's Legal Division ensures adherence to legal and regulatory norms and maintains a robust,

legally-enforceable barricade around the bank to protect and uphold its interests.

In the year 2024, the legal division not only ensured proper defense of the bank in the courts of law but were also successful in disposing 119 cases in favor of the bank at the Supreme Court of Bangladesh. This primarily led to higher credit recoveries, resulting in the add-back of provisions and contribution to profit.

#### City Bank's Legal Division at a Glance



##### Safeguard and Advance Interests

Protecting and promoting the bank's legal standing.



##### Prepare Defense

Crafting a robust legal defense for the bank



##### Ensure Swift Disposal

Accelerating the resolution of cases favorably



##### Maintain MIS and Reporting

Keeping detailed records and reports on litigation

#### Roles and Functions

The Legal Division comprises four wings. Their roles and responsibilities are mentioned below.

Legal Division wings	Roles and responsibilities
Legal Documentation Unit	<ul style="list-style-type: none"> <li>Providing legal opinion on transactional, operational and other issues that arise from everyday banking activities</li> <li>Safeguarding and upholding the bank's interests in drafting and legal vetting of charge/loan documents, agreements, etc.</li> <li>Working in close coordination with panel lawyers in due diligence activities regarding collateral securities and other operational issues</li> </ul>
Estate Management Unit	<ul style="list-style-type: none"> <li>Addressing legal issues arising from property matters</li> <li>Ensuring due diligence relating to documentation of collateral securities for the SME(S) Division and also of the bank's own properties</li> <li>Implementing due diligence with regards to Employee Home Loan files for the HRD</li> </ul>
Court Operations Unit	<ul style="list-style-type: none"> <li>Addressing litigation matters in the Supreme Court, including sensitive non-recovery related cases</li> <li>Addressing litigation matters in the District Court, including sensitive non-recovery related cases</li> </ul>
Central Reporting & MIS Unit	<ul style="list-style-type: none"> <li>Maintaining MIS on litigation and audit dealings</li> <li>Addressing litigation-related reporting to Bangladesh Bank</li> </ul>



## Major Achievements

Despite the heavy burden on the courts resulting in procedural delays the Legal Division attained a remarkable milestone by disposing-off 119 cases in the High Court Division and Appellate Division of the Supreme Court. This is the highest number of disposals of critical cases ever achieved by the team. The concerned members worked hard in facilitating these disposals in favour of the bank and thus contributed substantially towards the recovery of long-pending NPLs.

The division harnesses Legal Information Management System (LIMS), allowing all case-related data to be displayed on a single dashboard, thus strengthening information access and decision-making. Furthermore, support required by different units can now be posted and monitored through LIMS, allowing for greater efficiency and reduced TAT.

Members of the division conducted extensive trainings for officials across the bank on usage of LIMS.

### 119 Cases disposed-off: Supreme Court



**87**

2021



**90**

2022



**90**

2023



**119**

2024

## Strategic Roadmap

In 2025, Legal Division's primary focus will be on:

- Ensuring efficient management of ongoing litigation in both the Supreme Court and District courts and achieving disposal targets
- Increasing the role of automation in process streamlining and reducing response time in providing feedback to stakeholders
- Leveraging Legal Information management system (LIMS) to its full potential to enhance automation and efficiency and providing extensive training to bank employees on the same



## SUPPORT FUNCTIONS

# INTERNAL CONTROL AND COMPLIANCE DIVISION

### THE SECURITY VAULT OF CITY BANK

Effective internal control and compliance (ICC) comprises the foundation of safe and secure banking. At City Bank, our effectively designed and consistently enforced system of operational and financial integrity controls assist the Board of Directors and Management to safeguard the bank's resources, generate reliable financial reports and comply with laws and regulations. Effective ICC also reduces the possibility of misreporting and irregularities and supports timely detection when they occur.



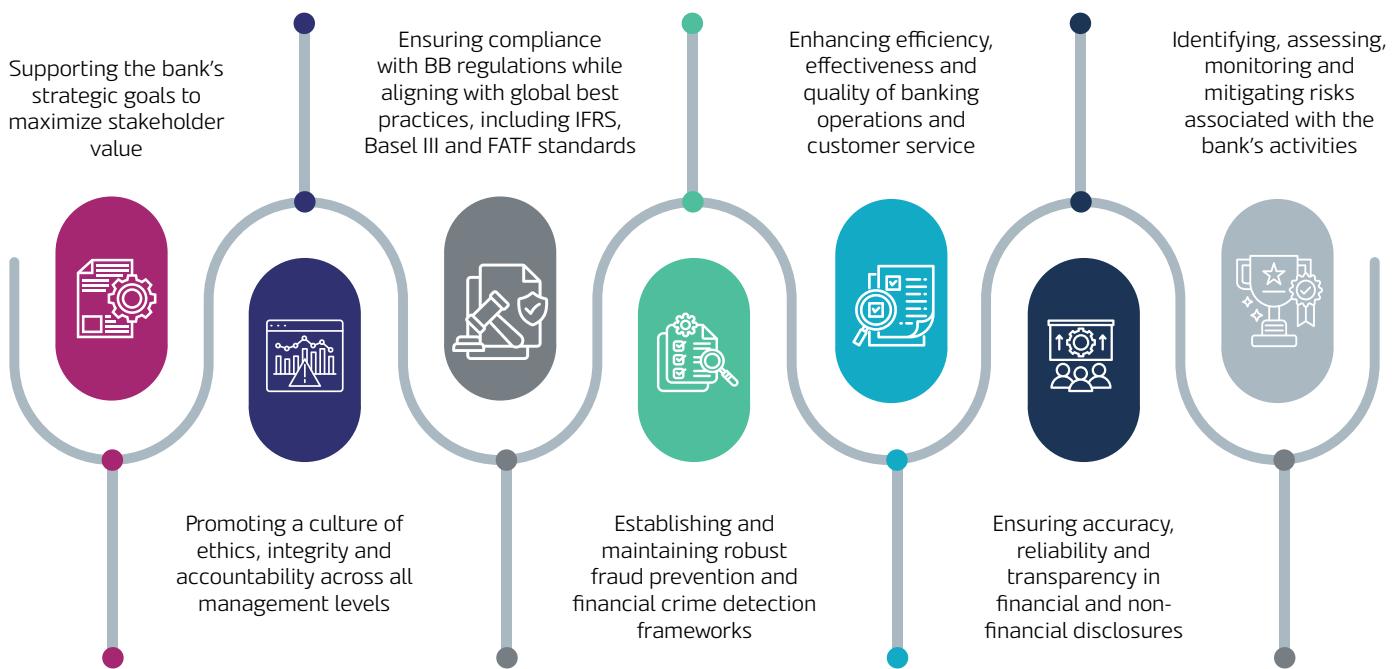
## 100%

Achieved 100% compliance with all BB regulatory directives

### Leadership Overview

#### "Fostering a Strong Compliance Culture, Protecting Stakeholder Interests"

City Bank's Internal Control & Compliance Division (ICCD) is committed to ensuring the soundness, transparency and integrity of the bank's operations, ringfencing stakeholder interests and fostering regulatory compliance. ICCD's strategic objectives are:



In the year 2024, ICCD's focus was on enhancing risk management frameworks, regulatory compliance measures, and governance structures, ensuring City Bank upholds the highest standards of operational resilience, given the unpredictable nature of the external environment.

The banking industry is rapidly evolving, driven by regulatory reforms, technological advancements and increased financial crime risks. To address these, ICCD has strengthened its risk governance culture, compliance monitoring, and fraud detection capabilities. These have



bolstered the bank's ability to manage financial, operational, compliance and cybersecurity risks effectively.

ICCD has also played a pivotal role in integrating sustainability principles into risk management, aligning our compliance

frameworks with ESG standards. By continuously adapting to the evolving macroeconomic and regulatory landscape, ICCD remains committed to fostering a strong compliance culture and protecting stakeholder interests.

## Key Divisional Activities

### ICCD: Enhancing Organizational Integrity

#### Regulatory Compliance and Governance

Ensure Regulatory Compliance and Risk Monitoring

#### Risk-Based Audits and Internal Control Enhancement

Develop Risk-Based Audits and Control

#### Strengthened Compliance Monitoring

To Strengthen Controls For Risk Mitigation

#### Employee Capacity Building

Develop knowledge for better outcomes



#### Regulatory compliance and governance

- Ensure full compliance with BB directives, Basel III and IFRS
- Establish a regulatory risk impact assessment process to proactively monitor and implement regulatory changes



#### Risk-based audits and internal control enhancements

- Conduct risk-based audits across business units, prioritizing high-impact areas
- Strengthen fraud detection through data analytics and real-time risk assessments
- Expand audit scope to cover cybersecurity risks, digital risk management and ESG compliance



#### Strengthened compliance monitoring

- Enhance monitoring of the internal control framework to mitigate risks related to cross-border transactions and money laundering



#### Employee capacity building

- Conduct training programs on IFRS, Basel III, AML/CFT and financial crime risk
- Promote a culture of compliance, ethics and risk awareness

## Functions of the Audit & Compliance Operations

The ICCD's sub-departments and their functions are given below:

Sub-division	Key functions
Audit & Inspection Unit	<ul style="list-style-type: none"><li>• Conducting risk-based audit across branches, head office divisions and subsidiaries</li><li>• Ensuring compliance with Basel III, IFRS and other international best practices</li><li>• Implementing automated risk-assessment tools to improve audit efficiency</li><li>• Conducting special investigation on different issues on occurrence or information from different source</li></ul>



Sub-division	Key functions
Information Systems Audit Unit	<ul style="list-style-type: none"> <li>Assessing IT governance, cybersecurity controls and digital banking compliance</li> <li>Ensuring adherence to global cybersecurity frameworks, including NIST and ISO 27001</li> </ul>
Shari'ah Audit Unit	<ul style="list-style-type: none"> <li>Ensuring strict adherence to Shari'ah-compliant banking practices</li> <li>Aligning Islamic banking operations with AAOIFI (Accounting and Auditing Organization for Islamic Financial Institutions) standards</li> </ul>
Compliance & Monitoring Unit	<ul style="list-style-type: none"> <li>Implementing real-time compliance tracking via the newly launched Regulatory Inquiry Management System (RIMS), replacing the previous Regulatory Report Tracking System (RRTS)</li> <li>Ensuring timely resolution of all regulatory observations</li> </ul>

## Enhancing Internal Control Framework & Risk-Based Audits

Our ICC framework to establish robust internal controls is discussed below:

- Board of Directors**

Review and update the ICC process to ensure relevance and resilience

- Board Audit Committee**

Ensure effective financial reporting, internal control system and coordination with internal and external auditors

- Shari'ah Supervisory Committee**

Ensure the bank's Islamic banking business complies with Shari'ah laws, guidelines and principles, as well as general banking norms

- Senior Management Team (SMT) and Management Committee (MANCOM)**

Superintend the overall bank operations and determine the appropriate internal control system

**In addition, our ICC is further bolstered by:**

- Organizational and procedural controls, supported by an effective MIS that assist in management of the bank's risk exposures
- External auditors assess the internal control system while conducting statutory audit
- ICCD has been structured according to the mandated organizational structure of BB's core risk management guideline on ICC
- Control policies and procedures have been established and control tests are performed by ICCD to ensure control measures remain effective
- Updated internal control policies and manuals are issued to address emerging risks

- An independent audit mechanism monitors the effectiveness of organizational and procedural controls

A robust Risk-Based Internal Audit (RBIA) function has also been established to conduct risk assessment on compliance with the bank's policies, regulatory requirements and social, ethical and environmental risks.

The Branch Risk and Control Matrix is regularly updated too. Consequently, branches are now audited offsite via a standardized IT platform under the administration of the Board Audit Committee. Similarly, a risk and control matrix for the Head Office function has been implemented for audit purposes.

Upon audit completion, ICCD identifies and escalates high-risk matters to SMT, MANCOM and even the CEO, ensuring timely resolution through structured action plans.

## Sustainability Highlights

In alignment with the bank's commitment to responsible banking, ICCD has integrated sustainability and ESG principles into its compliance and risk management frameworks. In 2024, our key sustainability initiatives included:

- Ensuring compliance with BB's sustainable banking regulations through audit of the bank's sustainable finance and green financing activities
- Enhancing audit coverage on data privacy policies to protect customer information
- Monitoring controls of fraud detection systems to reduce cyberthreats
- Fostering whistleblower awareness among employees to reinforce corporate integrity
- Ensuring transparency and accountability in governance through enhanced audit mechanisms
- Ensuring all internal control processes align with E&S risk management guidelines

## Major Achievements

2024 has been a landmark year for ICCD, with notable achievements across compliance, risk management and governance, enhancing City Bank's operational efficiency, regulatory alignment and stakeholder trust.



Issue resolution success rate of 86% in BB inspections



Completion of risk-based audits in all divisions, ensuring a strengthened internal control environment



Successful integration of the compliance monitoring function, reducing regulatory breaches compared to previous years



Expansion of digital risk management systems, improving fraud prevention



Enhanced training programs, strengthening compliance awareness across all operational units



Continuous employee training for capacity building



## Way forward, 2025

- Expanding AI-driven risk assessment tools, real-time fraud detection and compliance automation
- Strengthening the compliance function by aligning with global standards, including FATF (Financial Action Task Force) and Basel III
- Enhancing ESG performance tracking and integrating sustainability into risk assessment
- Automating regulatory compliance processes, reducing manual interventions and increasing reporting accuracy and efficiency
- Building a more resilient cyber defense system, aligning with global cybersecurity best practices
- Introducing concurrent audits to review transactions in real-time, swiftly identifying errors and irregularities
- Strengthening data governance, security and privacy policies, leveraging analytics for better decision-making
- Enhancing governance structures and monitoring mechanisms for better crisis response



## SUPPORT FUNCTIONS

# CITY BANK IT DIVISION

### ADVANCING TECHNOLOGY TRANSFORMATION IN THE DIGITAL ERA

City Bank's IT Division is primarily responsible for overseeing that the bank's efficiency and functioning remain glitch-free. It provides tech support, especially in an environment with significant transactional throughput and the need for customer safety. Our IT focus comprises software and network systems as well as maintaining databases and servers. One of our other mandates is to ensure contemporary technology and also development of new systems and technologies for augmenting efficiency while also protecting bank systems against cybercrime.



**1,475**

IT investments (BDT mn)

#### Leadership Overview

##### "Technology Innovation in the Financial Sector"

Technology and its impact have been key areas of focus at City Bank in recent years. As we have often noted, technological innovation affects not just banking, financial services and regulatory policy but also the direction of the economy and its capacity for continued growth. More than most other industries, financial institutions rely on gathering, processing, analysing and providing information in order to meet the needs of clients and customers. Given the importance of IT in banking, we at City bank were among the earliest adopters of automated information processing technology.

We have also been the pioneers in digital banking, delivering on our digital strategy well ahead of the curve. The result is that Citytouch, which is the first digital banking app of Bangladesh, is now a preferred gateway for customers to access the bank. Today, standing at the cusp of the next wave of digital transformation in

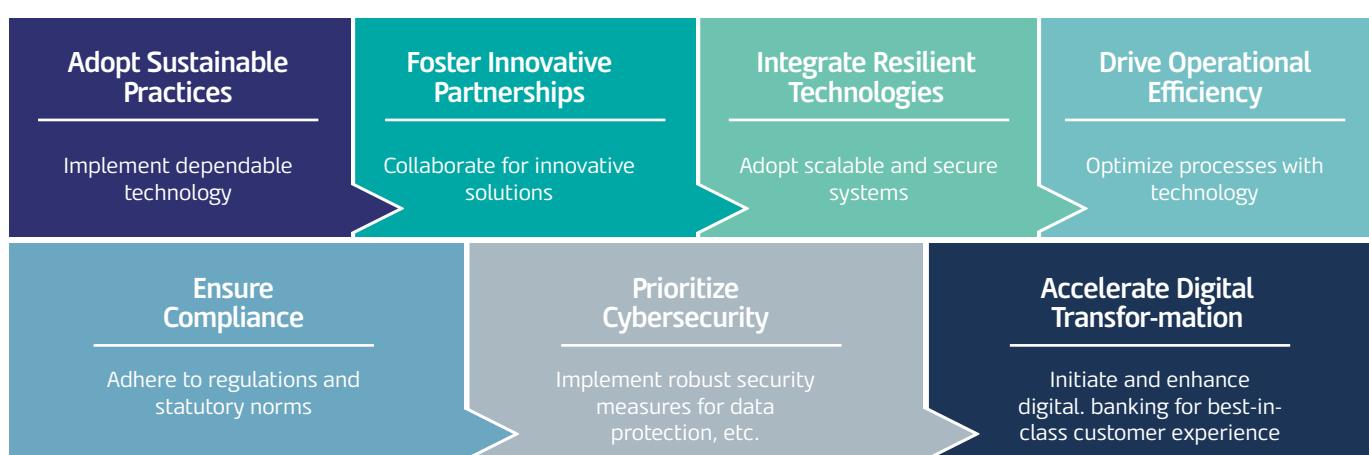
Bangladesh, we are committed to further advancing our digital strategy and ensure we remain the preferred digital bank of choice for our customers.

During the year 2024, we launched an AML solution that was deployed for preventing any money laundering activity within the bank's network by white-listing customers. The solution provides information such as cash transaction reports, suspicious transaction reports and many other analytical information, including both predictive and analytical which helps in identifying money laundering activities and even fraudulent transactions, while enabling us to take the necessary preventive steps. This represents a major step forward in utilising technology for securing the AML-CFT operations of the bank.

Fostering innovation by adopting emerging technologies like blockchain and AI, improving customer experience through reliable IT systems, supporting sustainability through green initiatives and developing IT talent are central to the division's strategic vision. These efforts will contribute to the bank's growth, innovation and position in Bangladesh's banking sector.



#### CITY IT'S TECHNOLOGY AND COMPLIANCE CYCLE





## Operational Review

IT Division operates under the guidance of our hon'ble Additional Managing Director (AMD) and Chief Information Officer (CIO). Additionally, it is supported by several specialised units, including Infrastructure, Data Management, Enterprise Architecture, Business Enterprise Applications, Information Security, IT Governance and Payments & Back Office.

Aligned with City Bank's broader goals of enhancing financial inclusion, customer satisfaction and operational efficiency, the IT Division set key objectives for 2024. These include:



Expanding digital banking services



Promoting financial inclusion through technology for underserved populations



Strengthening cybersecurity with robust measures to protect customer data

The division aims to leverage data analytics and AI to offer personalised services and improve decision-making, while driving operational efficiency through automation and system upgrade. Ensuring compliance with regulatory standards and mitigating risks are also key priorities.

## Key Achievements, 2024

In alignment with the bank's technology and digital framework, the IT department launched several projects in 2024 that have already delivered significant benefits and are expected to produce positive results in the years ahead too.

- Bancassurance, OBU, RFCD: This implementation allowed City Bank to sell insurance products from its branches and other channels and open and maintain RFCD and OBU accounts.
- A-challan payment integration: Increased revenue opportunities through simplifying payment processes which encouraged timely transactions, thus reducing overdue payments and boosting cash flow
- Wearable NFC solution (Visa debit & credit): The wearable NFC solution uses secure near-field communication technology with Visa's reliable processing, offering a seamless, card-free way to make quick and secure payments.

## Way forward, 2025

- Explore and adopt Artificial Intelligence (AI) and Machine Learning tools for predictive analytics, customer service and fraud detection
- Enhance threat intelligence and analytics by adopting standard frameworks and techniques
- Data center relocation and modernization
- Implement new-age digital banking solutions
- Open banking and APIs engagement, including fintech collaboration, data sharing with proper security measures, partnering, etc.
- Biometric authentication-based banking services for enhanced security, user convenience and fraud prevention



### CityImpex: A breakthrough for customers engaged in cross-border trade

In a major initiative of the year, City IT launched CityImpex trade businesses. Using this system, users of the application can engage in import, export, back-to-back LC, guarantee maintenance, contracts, bills processing, inward and outward SWIFT messages, etc., which are fully integrated with the CBS (Core Banking System). All regulatory and management reports are also created by the system.



## SUPPORT FUNCTIONS

# CITY BANK OPERATIONS

### THE CENTER OF EXCELLENCE FOR THE BANK

City Bank's Operations Division consisting of seven departments provides the backend support mostly relating to branch operations, liability accounts, cards, treasury and compliance. Adherence to risk and regulatory guidelines is a crucial role of division making Operations even more critical. The division primarily serves the internal customers to ultimately satisfy the expectations of the external customers. A major organogram restructuring was done in 2024 to align with the digital journey of the bank, for enhancing customer service experiences and reducing service turnaround time.

#### Leadership Overview

"Ensuring Business Continuity in an Uncertain Environment"



#### Branch Operations

##### Key Responsibilities

Branch Operations Managers (BOM) are responsible for compliance at the branch level and act as the Branch's Anti-Money Laundering Compliance Officer (BAMLCO). A new organogram was established to enhance productivity, optimize resource utilization and effectively navigate operational challenges

- 11 existing BOM Cluster Heads were elevated to Regional Heads
- 22 new Cluster Head BOM positions were created under their

leadership

- This helped establish a strong and structured pipeline for future growth

##### Major Accomplishments, 2024

- 7 branches achieved a "Strong" rating against 5 in 2023
- Rest of the branches, including 7 Citygem Centers and 34 Sub-Banches achieved "Satisfactory" rating
- NRB payment process was simplified at branch-end, facilitating customers

#### 2025 Roadmap

- More acute focus on AML/CFT
- Implement AI and systems-based approach to combat unlawful activities



## Liability Service Centre (LSC)

### Key Responsibilities

LSC is a dynamic & core department of the bank handling all liability account services and foreign remittance transactions. It has implemented major digitalization initiatives through automation, robotics, etc., that enhanced service efficiency, accuracy and speed of delivery. It holds the prestigious ISO 9001:2015 certification, making the bank a compliant organisation upholding high standards. LSC has managed increased volume of 34% YOY with precision and meticulousness.

### Major Accomplishments, 2024

#### Launch of Offshore Banking Account

The government passed the Offshore Banking Act 2024 to boost foreign currency reserves and attract foreign investment. City Bank was the first bank to launch Offshore Banking account in the country, offering services in multiple currencies to foreign investors and non-resident individuals. LSC played a key role in the service launch, processing all account openings centrally and in a smooth manner.

#### Faster Service Delivery

The digital approach enables customers to submit maintenance and term deposit account closing requests electronically without branch visit, resulting in faster service and enhanced customer satisfaction. All services are monitored and executed from LSC.

#### Non Individual Account Opening & Maintenance through Liability Work Flow (LWF)

New services launched in the LWF platform enabled the opening and processing of non-individual accounts, thus reducing overall TAT and making the process more cost-effective, efficient and error-free.

### 2025 Roadmap

- Introduce simpler and faster account opening channel for customers of CBLMT, Malaysia
- Establish a dedicated Corporate wing to process requests directly from the Corporate Division
- Launch Non-Investor's Taka Account (NITA) opening through web platform by NRBs to simplify the process for them

## Card Operations

### Key Responsibilities

City Bank is the first PCI DSS-certified bank in Bangladesh. In line with the bank's approach to digitalisation, the bank's Card business has adopted several initiatives in the digital realm to enhance customer experience and drive card usage. Therefore, being the back-office of the Card business, Card Operations plays a crucial role in delivering efficient customer solutions by leveraging innovative and secure technology and by ensuring process efficiency and service excellence.

### Major Accomplishments, 2024

- Launched real-time card payment solution through IBFT (Inter Bank Fund Transfer) channel and RATM (Recycler Automated

Teller Machine), enabling cardholders instant access to the updated limit

- Initiated same-day credit card creation, activation and transaction, which significantly reduced waiting time and improved customer experience
- Engaged in issuance of multi-currency cards, including Resident Foreign Currency Deposit (RFCD) cards against multiple currencies (USD, CAD, YEN, EURO, AUD) for primary and two additional supplementary cardholders, providing seamless access to their foreign currency deposits
- Launched VISA Infinite vertical card for the first time in Bangladesh, marking a shift from the traditional horizontal card design

### 2025 Roadmap

- Introduce the country's first ever-metal cards in collaboration with AMEX, marking a significant shift from traditional plastic cards
- Launch digital customer sales slip (SMS notification) for POS transactions, a digital and eco-friendly approach
- Establish real-time merchant payment facility through which payments will be credited to merchant accounts in real-time post-POS transaction, as against payments being credited the next day

## Central Reconciliation and SWIFT Services (CRSS)

### Key Responsibilities

CRSS functions as a centralized support unit, streamlining reconciliation and SWIFT services to enhance accuracy, mitigate risks and improve efficiency across banking operations. Its key responsibilities include:

- Facilitating seamless SWIFT communication for international banking
- Reconciling NOSTRO accounts with local and foreign banks
- Managing disputes for digital transactions across online banking platforms
- Overseeing ATM/RATM transaction reconciliation

### Major Accomplishments, 2024

- Adopted the SWIFT Essential products bundle, a new model for Swift value-added products and services that consists of modern capabilities to enhance customer cross-border transaction experience
- Instituted a Transaction Processing & Settlement unit for resolving disputed transactional issues of digital and ATM/RATM channel reconciliation

### 2025 Roadmap

- Introduce SWIFT ISO 20022, a new structured and extensible messaging standard that is becoming the de-facto for the financial industry
- Revamp NOSTRO reconciliation system to meet the evolving needs of stakeholders while adhering to regulatory standards



## Payments Service Center (PSC)

PSC contributes to the enhancement of digital payment operations through seamless processing, service excellence and regulatory compliance. It consists of 3 units:

Central Clearing Unit (CCU)	Cash Management Operations (CMO)	Liability Support Unit
Ensures secure clearing through a central call center and digital SIVR platform, as per BACPS regulations	Central processing centre of the bank performing corporate salary payments, bulk BEFTN, RTGS transactions, A-Challan & Citylive operations etc.	Ensures service excellence and regulatory compliance
It handles outward cheque transmission and financial transaction confirmations	Supports Custodial Banking business, driving process automation and service excellence	Key responsibilities include cheque book processing, instant account creation, unclaimed fund processing and statement delivery

### Major Accomplishments, 2024

- Robotic Process Automation (RPA) in bulk a-challan payment
- Revamp of in-house BD-RTGS system
- Launch of new services in Citylive (Corporate Internet Banking)
- NPSB payment incorporation
- A-challan payment integration
- Same-day EFT pull facility
- Implementation of bulk pay order processing for corporate customers
- Process enhancement in BACH operations by introducing 11 new in-clearing processes

### 2025 Roadmap

- Revamping EFT system to enhance speed and security
- Developing a central MIS for operations to enable data-driven decision-making
- RTGS transaction processing through OCR technology
- Automating RTGS inward SDN checking for enhanced compliance and AML/CFT

## Operations Compliance & Bond Management (OCBM)

### Key Responsibilities

OCBM ensures 100% regulatory compliance across the bank's operations. With a proactive approach to data analysis, it identifies and resolves potential compliance issues. Its key responsibilities include:

- Conducting customer due diligence during onboarding for digitally-sourced accounts
- Ensuring high-quality service and adherence to ISO standards
- Delivering efficient customer services for Sanchaypatra and bonds and Treasury bills and bonds
- Regulatory account inquiries
- Providing coverage for the bank's cash, fixed assets as well as insurance covered products

### Major Accomplishments, 2024

- Commenced offering non-Islamic life insurance products through bancassurance service for customers
- Bancassurance was successfully launched in 30 branches and 7 Citygem Centers

### 2025 Roadmap

- Expand bancassurance service to all 134 branches and 52 sub-branches of the bank
- Introduce two new products: Islamic life insurance and non-life insurance

## Treasury Operations

### Major Accomplishments, 2024

- Launched organogram restructuring to ensure a seamless processing and reporting flow as well as established three new positions for focused results – Unit Head for Money Market & Investments, Foreign Exchange & Offshore Banking and Mid Office
- Streamlined work processes despite political turmoil that resulted in:
  - 13% increase in OBU transaction volumes comprising US\$ 849 mn, out of which US\$ 365.05 mn comprised from foreign banks and institutions
  - AED 36.65 mn was purchased as compared to AED 0.14 mn in the previous year
  - Registered an overall 34% decline in purchase and sales of all currencies compared to last year
  - Settled 2,299 deals with purchase volume of US\$ 4.12 bn and sale volume of US\$ 4.11 bn (3492 deals were settled in 2023 with purchase volume of US\$ 6.65 billion and sale volume of US\$ 6.62 bn)
  - A total of 1,729 deals were settled over the year in Money Market Department, where BDT 22.24 thousand crores was in borrowings and BDT 38.42 thousand crores was in lending. Further, BDT 71.51 thousand crores was in repo and BDT 31.35 thousand crores was in reverse repo deals.

### 2025 Roadmap

- Prioritize automation for data-driven insights, enhanced security and streamlined processes
- Transform into a strategic partner to the business, providing efficient, secure and data-driven support to Treasury operations



## OFFSHOOTS

# CITY BROKERAGE LIMITED

### Key opportunities



Lower penetration level of brokerage services



Digital Transformation & Fintech Evolution



Growing Customer awareness in wealth creation through Diversified products & Services

### AN ALL-IN-ONE INVESTMENT PLATFORM ANCHORED ON CLIENT-CENTRIC VALUE!

City Brokerage is pioneer in the brokerage industry of Bangladesh, introducing a unique business model with emphasis on digital innovation and Fintech integration of investment ecosystem to cater the needs of retail segment, NRBs and local and foreign institutional investors.

### Our Business

City Brokerage Limited (CBL), a wholly-owned subsidiary of City Bank, is a premier brokerage house in Bangladesh. The firm is committed to its mission of empowering clients with swift, reliable and cost-effective trade execution services. Coupled with in-depth research support, it enables customers to capitalise on wealth creation opportunities and achieve their financial aspirations.

Backed by strong customer trust and a rapidly expanding network, CBL has established itself as one of Bangladesh's top-tier brokerage firms. The company offers an all-in-one suite of brokerage services, catering to the needs of both local and international clients with the highest standards of professionalism and transparency.

As a member and TREC-holder of the Dhaka Stock Exchange PLC (DSE) and Chittagong Stock Exchange PLC (CSE), CBL stands committed to delivering exceptional value, fostering financial growth and shaping a prosperous future for its diverse clientele.

#### Real-time portfolio tracking



#### Trusted by 6500+ customers

#### Transparent pricing



#### Best-in-class investing tools

#### Online trading facility



#### Customer data safety and security

### Leadership Overview

#### "Sound Fundamentals, Secure Prospects"

The year 2024 proved to be one of the most challenging periods for Bangladesh's capital market, as the DSEX index reported a 16.5% YoY decline. Following a shift in the country's political landscape

marked by the July Revolution and the interim government coming into power, the newly formed Bangladesh Securities and Exchange Commission (BSEC) under the leadership of Chairman Khandoker Rashed Maqsood undertook extensive reform measures aimed at reinforcing governance and restoring investor confidence. Despite the economic headwinds and a volatile political environment, Bangladesh's long-term fundamentals remain intact, offering a promising outlook.



The removal of floor price restrictions triggered significant market correction in 2024. This has however made the market cheaper as the market P/E has declined to under 10x, marking the lowest valuation in the last two decades. The country's capital market may thus witness greater participation, especially from value investors, including frontier and emerging market investors to capitalize on the attractive long-term investment prospects.

We believe the evolving landscape presents a positive outlook for us as a brokerage firm. We are committed to leveraging the opportunities by intensifying our efforts to onboard new clients onto our platform. We will also expand the reach of our state-of-the art trading platform "City Infinity", highlighting its unique advantages to ensure we deliver the best value-driven brokerage services in the country.

With our continued focus on innovation and customer-centricity, we remain poised to support our clients in navigating through this transformative phase of the capital market while continuing to abide by our mission of long-term investment-driven wealth creation.

## Our Differentiation

- Proprietary online trading platform enabling clients to access and trade on both the stock exchanges via their smartphone/PC

- Largest panel-brokering network with reputed merchant banks
- Widespread network comprising:
  - Head Office (Gulshan)
  - Three branches in Dhaka (Motijheel, Dhanmondi, Nikunja)
  - Three extension offices (Bangla Motor, Motijheel, Uttara)
  - A branch each in Chattogram and Sylhet
- Exclusive partnership with a large North-American broker for executing foreign transactions in Bangladesh
- Experienced senior management with specialist domain knowledge and financial market expertise
- Trained professionals assuring high quality brokerage services
- Accomplished research team with 25+ years of cumulative experience
- Investment thesis-building via analysis-driven research reports published on Refinitiv, FactSet, AlphaSense and S&P Global Market Intelligence Inc.
- Discretionary Portfolio Management Account (CDA) service that provides customers access to specialised portfolio management services
- One-stop solutions for NRBs

## Year in Review

CBL established a cautious approach in capital conservation amidst the economic headwinds and change in the political landscape in 2024. The firm focused on cost optimisation, client retention and pursuing new growth opportunities by utilising its technical supremacy and market goodwill. A major highlight of the year was introduction of GSEC investment through participation in auction and secondary market trading.

### Key Highlights

	<p>Launched "NeXtor", the first-ever national-level trading competition in Bangladesh, bringing together participants from 26+ universities. This groundbreaking initiative aimed to inspire young minds, foster financial literacy and cultivate trading skills among the nation's future leaders</p>
	<p>Launched "ProXpert", a platform offering efficient trading services to merchant banks and HNIs</p>

## Business Dashboard





Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
Financial literacy	<b>Intellectual capital</b> <ul style="list-style-type: none"><li>City Infinity, the country's first dual exchange trading app</li><li>Strong and trusted global/local affiliations</li><li>Robust research capabilities</li></ul>	Youth community comprising investors of the future	9 INDUSTRY INNOVATION AND INFRASTRUCTURE Financial literacy and empowerment	<b>Social</b> <ul style="list-style-type: none"><li>Financial freedom through long-term wealth creation</li></ul>
Investment digitalisation	<b>Manufactured capital</b> <ul style="list-style-type: none"><li>Multi-office footprint</li><li>Complement with the bank's infrastructure, driving cross-selling opportunities</li></ul>		17 PARTNERSHIPS FOR THE GOALS Strategic partnerships with financial institutions and others, contributing to interest in Bangladesh's capital markets	<b>Governance</b> <ul style="list-style-type: none"><li>Secure investment platform</li><li>Customer data protection</li></ul>
Innovation	<b>Social and relationship capital</b> <ul style="list-style-type: none"><li>Robust relationships with customers, financial intermediaries, NRBs, financial institutions, etc</li></ul>			Compliance and regulatory stewardship

## Outlook, 2025

- Launch Smart Order Routing (SOR) feature for City Infinity
- Launch GSEC trading platform and margin module to diversify our trading services
- Utilise our vast panel-brokering network to augment business volumes on digital platforms
- Pivot towards larger block trades for both international and domestic customers
- Expand the retail customer base and portfolio value, especially through discretionary portfolio management services
- Establish an extension office at a new location in Dhaka



## OFFSHOOTS

# CITY BANK CAPITAL RESOURCES LIMITED

### Key opportunities



Economic acceleration giving boost to transaction volumes



Opportunities in specific collaboration with other divisions of City Bank



Attracting new investors and HNIs, especially through wealth mgmt. solutions



Enhancing efficiency with fintech solutions

### A TOP-TIER INVESTMENT BANK

City Bank Capital Resources Limited (CBCRL), a 99.99% subsidiary of City Bank, provides top-notch investment banking services and has been engaged in many distinguished transactions in the country.

#### Our Business

CBCRL, a public company limited by shares, was established under the Companies Act, 1994 on 17 August 2009, with registration number C 79186/09. On December 6, 2010, the company obtained its Merchant Banking License (Registration Certificate No. MB 54/2010) from BSEC. CBCRL was established to complement City Bank's institutional offering by providing clients with specialized

merchant banking services.

The company provides an array of specialised investment banking services such as:

- Issue management
- Underwriting
- Portfolio management
- Corporate advisory

Over the years, CBCRL has completed many ground-breaking transactions, including successful closure of a perpetual bonds transaction for a listed bank and also for an NBFI in Bangladesh. Similar to the past years, the company inked numerous high-profile deals in the year 2024 too.

Large spectrum of investment banking solutions

Innovative approach to financial services

Large lending capacity for enhanced client support

Green finance prioritisation for sustainability and financial impact

### Leadership Overview

#### "Regaining Momentum, Recapturing Growth"

As Bangladesh's economic landscape continues to evolve, investment banking firms are poised to play a pivotal role in mobilizing capital essential for economic growth. Positioned at the forefront of this dynamic sector, at CBCRL, we will leverage our longstanding presence, experienced team and proven track record to drive value creation and contribute to national progress and economic recovery.

We are steadfast in our mission to be the investment bank of choice for corporate Bangladesh. Our expertise lies in executing even the most complex transactions, aligning with our clients' strategic objectives. A hallmark of our approach is our ability to operate seamlessly within an ecosystem of collaboration, ensuring comprehensive solutions that prioritise customer success.

Our Corporate Advisory Team exemplifies this commitment with its extensive product knowledge and deep understanding of regulatory

frameworks. Through these strengths, we have successfully introduced innovative products to the market and have executed several landmark deals. Building on this momentum, we are actively developing new products that have the potential to create additional revenue streams and further enhance our market offering.

Our portfolio management services provide customised financial strategies designed to meet diverse client needs. Our AUM stood at BDT 44,988 mn as on 31st December 2024, with offerings including both discretionary and non-discretionary portfolio management, enabling clients to either entrust their investment decisions to our seasoned professionals or maintain control while benefiting from expert advisory support. Additionally, our margin lending options empower clients to capitalise on enhanced investment opportunities, optimising their portfolio's potential.

Looking ahead, we remain dedicated to delivering exceptional value to our clients and stakeholders. Backed by a veteran leadership team and profound expertise in regulatory and financial matters, we are well-positioned to expand our impact and contribute meaningfully to the group's overall financial performance.



## Our Differentiation



### Large and diversified product offering

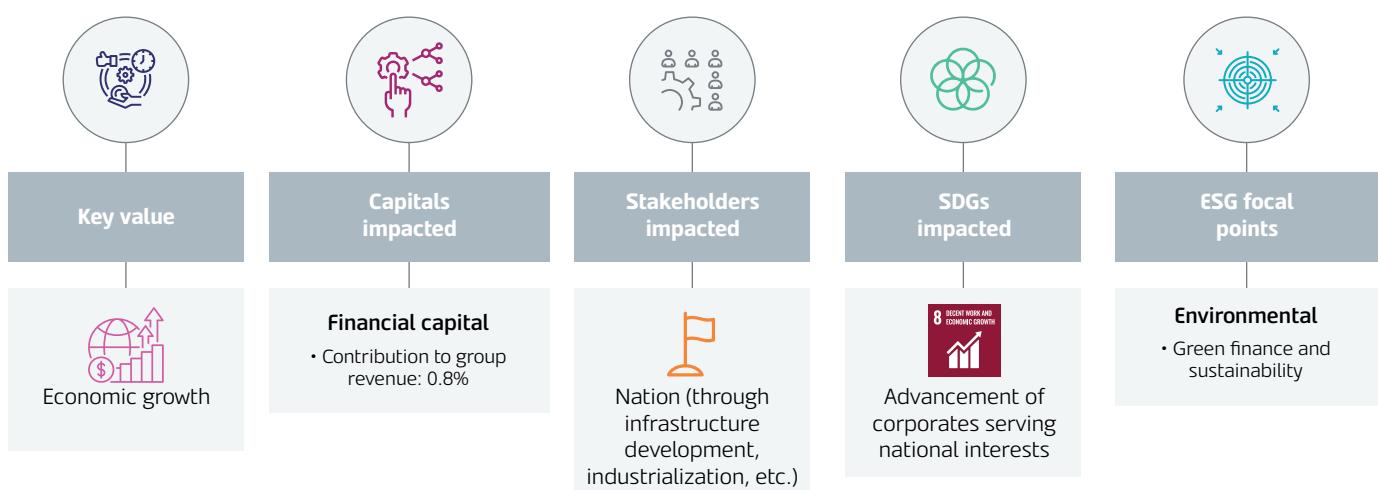
Convertible Preference Shares	Redeemable Preference Shares	Green Sukuk	Perpetual bonds for Tier-I capital (for scheduled banks)	Tier-II subordinated bonds (for scheduled banks)
Zero coupon bonds	Convertible coupon-bearing bonds	Wealth management solutions	M&A	Debt restructuring
Term loans/working capital loans arrangement	Syndication and club financing arrangement	Issue management services (IPO, RPO, rights offering, underwriting, agency, trusteeship)	Corporate advisory and valuation services	

### Year in Review

CBCRL's performance in the year 2024 mirrored the performance of the broader economy that remained challenged during much of the year. The lingering pressures of the pandemic and the major political turmoil enforced a muted performance for the year.

Key metrics (BDT mn)	2024	2023	% growth
Revenue	372	387	-4%
Operational income	232	268	-13%
Net profit	90	152	-41%
Total assets	4,647	5,332	-13%
Proprietary investments in the capital markets - At cost	139	141	-2%
Margin loan	849	1,051	-19%
AUM – At market value	44,988	82,544	-45%
Turnover PMD	30,816	37,180	-17%

### Business Dashboard





Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
 Industrialization	<b>Intellectual capital</b> <ul style="list-style-type: none"> <li>Wealth of experience in diverse transactions               <ul style="list-style-type: none"> <li>Large AUM base</li> </ul> </li> <li>Launch of Bangladesh's first Tier-1 perpetual bond and zero-coupon bond               <ul style="list-style-type: none"> <li>Strong insights and knowledge of capital markets, corporates, tax and regulatory issues</li> </ul> </li> </ul> <b>Social and relationship capital</b> <ul style="list-style-type: none"> <li>Strong relationships with a diverse clientele</li> </ul>	 Institutional customers	 Strategic partnerships driving customer outcomes and mutual benefit	<b>Social</b> <ul style="list-style-type: none"> <li>National development and public value through project financing, etc.</li> </ul> <b>Governance</b> <ul style="list-style-type: none"> <li>Strong regulatory compliance standards</li> </ul>

## Outlook, 2025

### CAD:

- Grow our presence in Islami Shari'ah-based securities and asset-backed securities market
- Explore sourcing foreign funds, dual listing, identifying and arranging strategic investors, M&A advisory, business restructuring, loan syndication, project financing and acquisition financing structuring
- Launch wealth management solutions for HNIs, enabling them to allocate their investable funds in various asset classes to maximize returns

### PMD:

- Collaborate with City Alo to facilitate City Bank's women customers to venture into secondary market trading with a preferential rate
- Focus on risk-based margin lending to avoid negative equity
- Onboard more credible margin clients to recover revenue performance



## OFFSHOOTs

# CBL MONEY TRANSFER SDN. BHD.

### Key opportunities



Growing migrant worker and expat communities driving remittance transactions



Increasing usage of mobile payment options such as mobile apps, driving penetration



Strong and growing remittance network

### Secure, Fast And Convenient Delivery System For Remittances

Malaysia-based CBL Money Transfer Sdn. Bhd. (CBLMT) is a 100% owned subsidiary of City Bank and offers secure cross-border remittance services through a large global network. CBLMT contributes 7.6% to the total inward remittance volume (July 2023 to June 2024) to Bangladesh from Malaysia and our key objective is to grow this share to double digits (10%+) in 2025.

### Our Business

CBLMT is engaged in the money service business. A private company limited by shares incorporated under Malaysian regulations and registered with the Companies Commission of Malaysia with Registration No. 769212-M, the company's objective is to provide money services under the Money Service Business Act, 2011 through a Class-B License Serial No. 00362, issued by Bank Negara Malaysia (BNM).

On 4th April 2013, City Bank entered into an agreement to purchase 75% ordinary shares of CBLMT, with an agreement to ultimately acquire 100% shareholding of the company. Hence,

initially starting out as a subsidiary of City Bank on 10th September 2013, on 8th June 2016, City Bank became the holder of 100% shares of CBLMT, making it a wholly-owned subsidiary of the bank.

CBLMT has a strong remittance network in Bangladesh, Indonesia, Vietnam, the Philippines, Nepal, India, Pakistan and Sri Lanka. We offer a range of modern remittance solutions and security, which we consider to be the most important facet of our business. The company has accounts in every bank and branch in Bangladesh through its robust network. Our simple and easy payment method is secured with a PIN and has no hidden costs, ensuring convenience and reliability.

Our business is challenging as our regulatory environment is disparate and developing. Further, our customers are different from those addressed by conventional financial services firms, and our agent and client relationships are numerous and varied. Managing these complexities is at the heart of CBLMT's success, driven by our capable leadership and specialist teams supporting the company's goals and objectives amid the complexity.

**7.6%**

Inbound remittance share of total remittances to Bangladesh from Malaysia (July'23-June'24)

**15**

Branches, incl. HO branch

**MYR 1.3 mn**

Net profit for the year



Easy, quick and convenient remittance solutions



24x7 service through the CityRemit app



Secure transactions through encryption of the highest standards



Large payout network in recipient countries

### Year in Review

The year 2024 was another successful one for CBLMT.

The company was able to include one of the largest retail chains "7-Eleven" in Malaysia into its fund receiving network, thus broadening customer access to the network and enhancing convenience for them. Customers who do not have a bank account and receive salaries in cash are also able to transfer money to their home country easily through the CityRemit app by paying money at

any of the 2,400 7-Eleven outlets located across Malaysia.

Notably, the CityRemit app is the first-ever integrated Bangladeshi cross-border banking remittance channel and represents a fast and secure way to remit money on-the-go. CityRemit truly reflects CBLMT's focus on tech innovation for customer convenience. By including these retail outlets in CBLMT's fund receiving network, alongside FPX, debit card and CBLMT's branches, all types of customers can now use our mobile app to send money to their home country.



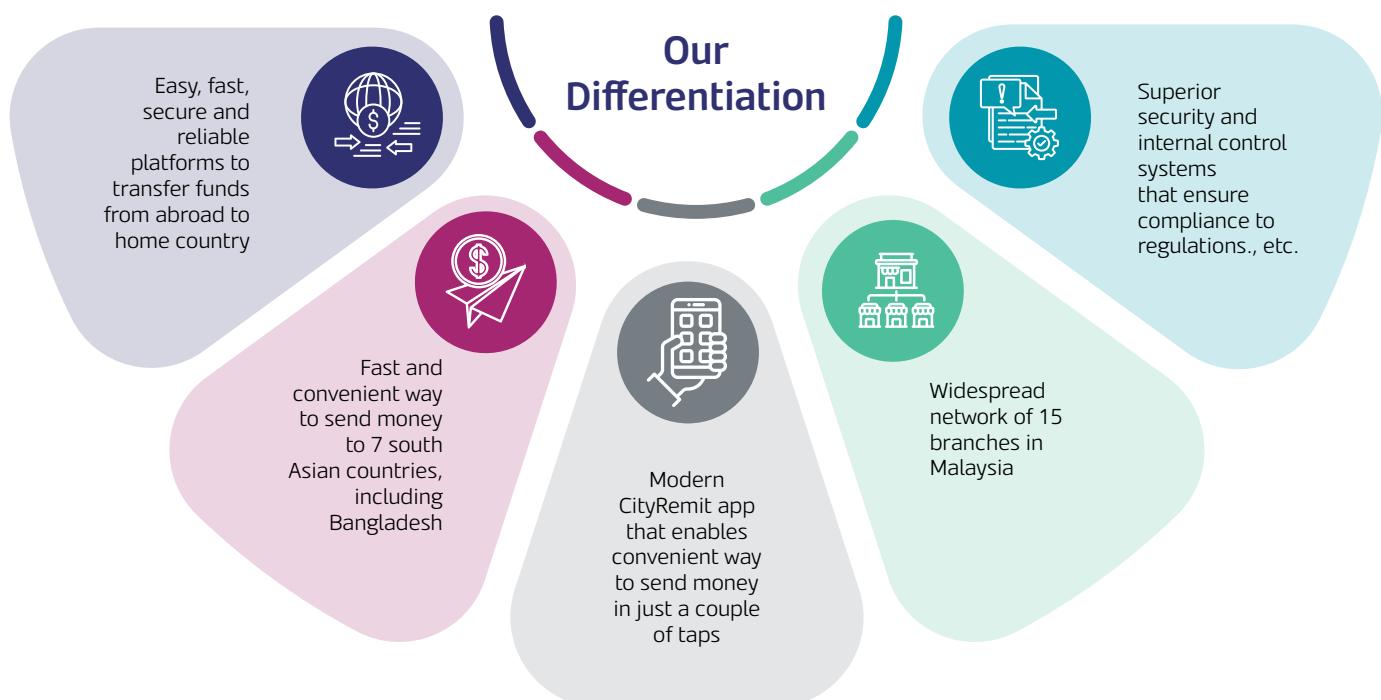
## Leadership Overview

### "Embedded into our Customers' Journey"

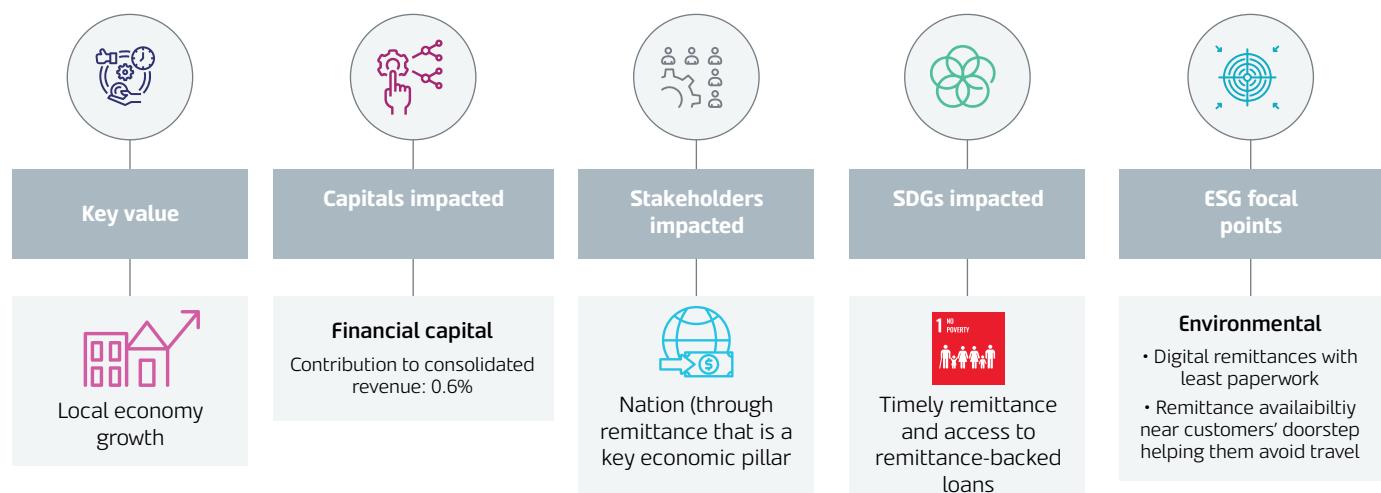
At CBMLT, we have the privilege of being embedded into the fabric of our customer's lives and the role we play in helping them securely reach their hard-earned money right into the hands of their families. In doing this, we play an important community role, securing the happiness of our customers and their families. The embedded nature of our presence and our established operating model is reflected in the fact that CBMLT facilitated 7.6% of all inbound remittances into Bangladesh from Malaysia during the period July 2023 to June 2024 and we are confident of taking this share to 10% in the current year.

This is on account of the fact that we tied up with the 7-Eleven chain of popular retail stores located across Malaysia in 2024 where our customers can easily pay the money to be remitted through our network to reach their home bank account in Bangladesh. Further, our fundamentals remain solid as we are a trusted and visible brand with a strong balance sheet and a large and growing network in key gateway countries of south Asia.

Most of all, we play a fundamental role in remittances that is a key pillar of Bangladesh's economy. Further, City Bank, our parent, is the only bank in Bangladesh to have the license of providing loan against remittance as collateral. Thus, our operations have cascading community effects and represents a means of financial inclusion.



## Business Dashboard





Key value	Capitals impacted	Stakeholders impacted	SDGs impacted	ESG focal points
 Remittance-backed bank loans	<b>Intellectual capital</b> <ul style="list-style-type: none"><li>• Development of CityRemit mobile app</li><li>• Strong insights into remittance patterns and trends</li></ul>	 Communities, especially in rural areas	 Growth of hinterland and catchment areas	<b>Social</b> <ul style="list-style-type: none"><li>• Community harmony and prosperity</li></ul>
 Happy families and community	<b>Social and relationship capital</b> <ul style="list-style-type: none"><li>• Customer loyalty resulting in recurring use of our remittance channel</li><li>• Cross-selling opportunity</li></ul>		 Remittance is a key part of the national economy creating avenues for development	<b>Governance</b> <ul style="list-style-type: none"><li>• Strong focus on meeting all regulations of Bangladesh as well as other countries of operation</li></ul>

## Outlook, 2025

CBLMT plans to launch an e-wallet solution for customers in Malaysia, thus facilitating expats, especially NRBs, to remit money to their destination countries from their e-wallet itself in the event they do not have a bank account. We will also facilitate remittance payments at other chain retail shops that will be at walking distance for our customers from their dwelling places. This will help them use official banking channels to remit their hard-earned money to their home countries.

We also expect to launch Intermediary Remittance Institution (IRI) services, thus enabling other remittance companies of Malaysia and also remittance companies across the world to use CBLMT's channel to remit money to a larger complement of countries, including Bangladesh, Indonesia, the Philippines, Nepal, India, Pakistan and Vietnam (subject to BNM approval).



## OFFSHOOTS

# CITY HONG KONG LIMITED

### Key opportunities



Increase in bilateral trade between BD and HK that are located geo-strategically

Forging closer cultural and political ties for improved trade relations

### Fostering Bilateral Trade Between Bangladesh And Hk/Mainland China

City Hong Kong Limited, a 100% offshore subsidiary of City Bank, fosters trade relations between Bangladesh and Hong Kong/Mainland China. It supports facilitation of Bangladeshi exports into these markets, especially with Hong Kong being a major global financial center. It also develops new financial products and solutions for customers to enhance cross-border transactions.

### Our Business

City Bank established its first Offshore Banking Trading Unit, City Hong Kong Limited (City HK) in Hong Kong in 2019.

Starting with a small financial base, the company has progressively increased its capital through new account acquisitions and achieved its first-ever net profit in the fiscal year 2021, even amid the Covid pandemic. This cemented City HK's position as a profitable entity of City Bank, demonstrating the maturity of its product offering and operating strategy.

City HK was founded with the objective of establishing City Bank's footprint in Hong Kong, an important economic partner of Bangladesh since it is a large importer of products and services. Numerous MNC retail chains with regional headquarters in Hong Kong are the key focus customers of Bangladesh's RMG sector.

**HK\$ 117.82 mn**

Total assets

**HK\$ 4.80 mn**

Total revenue

**HK\$ 1.74 mn**

Net interest income

**HK\$ 1.16 mn**

Net profit



Bilateral trade promotion



Tailormade financial solutions



Promoting export diversification for Bangladeshi exporters

### Year in Review

As an overseas finance company, City HK provides end-to-end services to Bangladesh-based corporate customers engaged in trade finance with their business partners in Hong Kong. The company thus contributes to trade facilitation and growth of Bangladesh's exports, especially the country's RMG and other sectors.

The year 2024 was an eventful one for City HK as it achieved notable strides in financial performance, as highlighted below:

Total assets	Total revenues	Interest income	Net interest income
<b>HK\$ 117.82 mn</b>	<b>HK\$ 4.80 mn</b>	<b>HK\$ 7.33 mn</b>	<b>HK\$ 1.74 mn</b>
HK\$ 60.20 mn in 2023	HK\$ 4.78 mn in 2023	HK\$ 7.12 mn in 2023	HK\$ 1.74 mn in 2023



Operating cost incurred	Operating profit	Net profit
HK\$ 3.45 mn	HK\$ 1.35 mn	HK\$ 1.16 mn
HK\$ 3.48 mn in 2023	HK\$ 1.30 mn in 2023	HK\$ 1.49 mn in 2023

## Leadership Overview

### "Concerted Efforts In Bilateral Trade Promotion"

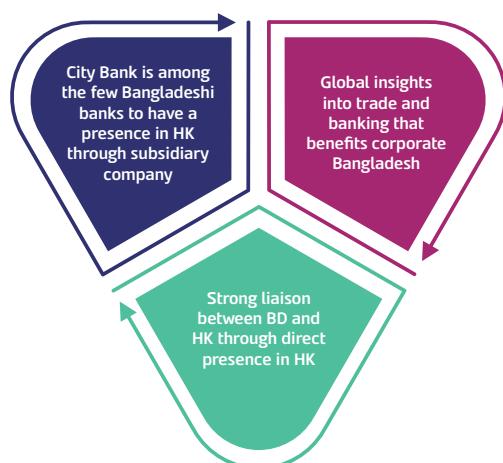
In 2019, City Bank established its presence in Hong Kong near the Pearl River Delta Economic Zone of China. This strategic location positions us to become a full-fledged financial institution in Hong Kong, enhancing our capacity for global expansion and strengthening our image as a leading entity in the industry.

As per [www.Oec.world](http://www.Oec.world), Bangladesh exported \$130 mn worth of goods to Hong Kong, with the main products being knit T-shirts, non-knit men's suits and knit sweaters in 2023 for which the latest data is available.

Over the years, trade and business between HK/China and Bangladesh has sustained, as Sino-Bangladesh relations is on a strong footing with China being one of the top trading partners of Bangladesh. In this regard, City HK sees itself as a link between Bangladesh and economic prospects in Hong Kong and mainland China.

City HK collaborates with the local business community to facilitate international trade by advising on LCs, document collection and bill financing (discounting, UPAS, refinancing) against LCs issued by City Bank and other commercial banks of Bangladesh. We thus provide personalised trade and banking solutions that benefit corporate Bangladesh and have fostered strong inter-country trade ties through a direct local presence in the vibrant city of Hong Kong.

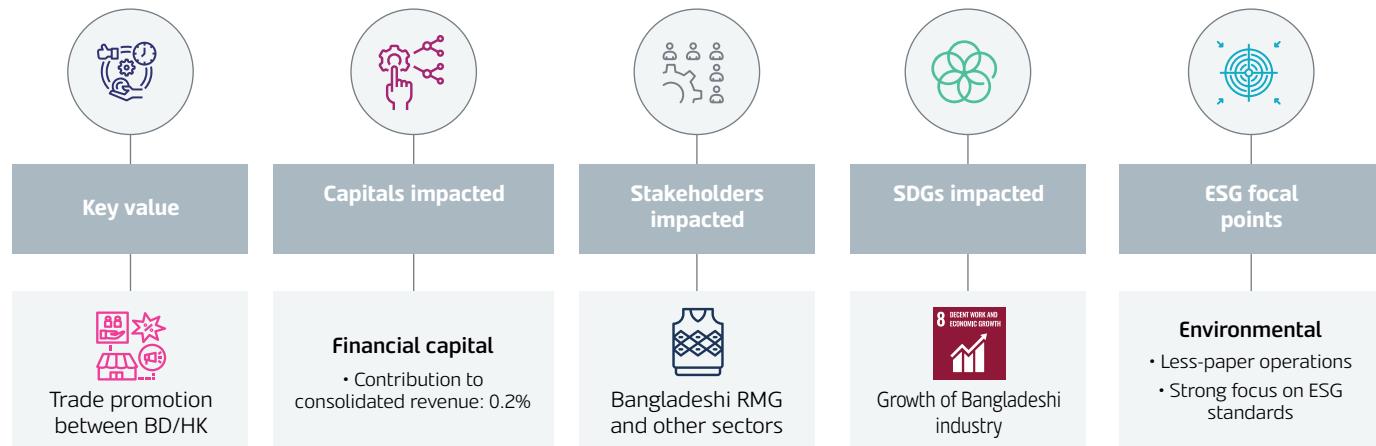
## Our Differentiation



## Key Ratios

KEY METRICS	2024	2023
Return on assets (ROA)	1.1%	2.5%
Return on equity (ROE)	22.8%	31.2%
Cost-to-income	71.8%	72.7%
Operating profit margin	28.2%	27.3%
Net profit margin	28.2%	31.2%

## Business Dashboard





## Outlook, 2025

- Foster client-centricity and enhance revenue generation potential, thus more strongly establishing ourselves as a key financial services player facilitating trade and commerce between Bangladesh and Hong Kong/China
- Continue to optimise costs as a means to improve profitability
- Explore new financial products and solutions and extend our client base

# CRO'S RISK REPORT



**Mohammad Firoz Alam**  
Chief Risk Officer

“

With greater challenges from factors such as the cost of living, increasingly demanding regulatory expectations, geopolitical uncertainty & pace of technological changes, our focus is on supporting the stakeholders by continually improving risk profile of the bank.

**Driving better outcomes through impactful risk management**



**26.9%**

**SLR Ratio**



**16.0%**

**CRAR Ratio**



**11.7%**

**Tier-1 Ratio**



## Valued Stakeholders,

At City Bank, effective risk management supports the delivery of our strategic objectives and fulfils our objective of long-term value creation. Amidst a challenging and uncertain environment, we focus on driving better outcomes through more impactful risk management, which means that we continue to build capability by investing in our data and systems and challenging how risks are managed.

City Bank's strategy is developed with a comprehensive understanding of the inherent risks involved in doing business. We consider the potential effects of the operating context on our risk profile as well as possible ways of mitigating the risks we are exposed to.

## Building Resilience, Driving Sustainable Growth

As 2024 progressed, City Bank demonstrated resilience and adaptability in an evolving risk landscape marked by macroeconomic challenges, regulatory shifts and emerging threats. The year began with persistent inflationary pressures, prompting Bangladesh Bank (BB) to adopt a contractionary monetary policy stance, including an interest rate hike to 10% in October 2024. Additionally, a significant regime change in August introduced new economic priorities and regulatory directives, adding operational dynamics that required agile risk management and strategic adaptation.

Before I proceed, a summary of the key risks in 2024 are placed below for your consideration.

### Banking sector instability

This past year, City Bank has made significant efforts to protect itself from potential banking crisis. We have put in place a rigorous credit risk assessment process, conducting thorough due diligence and continuous monitoring of our loan portfolio. This approach has enabled us to identify and tackle potential credit risks promptly, thereby minimising our exposure to such events. Amid a deteriorating macro environment in Bangladesh, BB has played a key role in restoring stability through liquidity infusion in specific banks, etc., which has averted a contagion effect.

### Geopolitical challenges

As part of our risk management strategy, we have broadly assessed the impact of the recent developments in the Middle East, including the conflict between Hamas and Israel, and subsequent actions, as well as the ongoing Russia-Ukraine conflict. Shifting geopolitical dynamics and evolving sanctions have introduced new uncertainties, complicating cross-border operations and slowing foreign investment. While we do not anticipate significant direct impact on the bank, we are closely monitoring the situation.

### De-dollarisation trends

Recently, nations and market participants increasingly sought alternatives to the US Dollar, exploring different currencies and payment systems. The bank is closely monitoring the ongoing geopolitical events and trade patterns to take necessary action. Recently, major shift in trade policies through implementation of reciprocal tariffs from USA could be a significant negative for global trade. We are closely observing the situation.

### Tighter monetary policy resulting in extended period of elevated interest rates

Throughout the year, the bank has taken steps to manage risks linked to increasing interest rates. These include robust risk management practices, diversifying our asset portfolio and maintaining strong capital and liquidity positions. We stay alert, monitoring interest rate movements and taking proactive steps to handle any potential shocks.

### Business continuity planning and crisis preparedness

Considering the unprecedented political events in Bangladesh that shaped much of 2024, business continuity planning has become critical. To this end, operational resilience remains a cornerstone of our risk management strategy. During the year, we conducted comprehensive business continuity simulations to test our preparedness against various crisis scenarios. Our crisis management protocols, supported by a robust recovery framework, ensures minimal service disruptions and rapid response to unforeseen challenges.

Our disciplined approach to governance, risk management and regulatory compliance has reinforced stability and strengthened stakeholder confidence, which was evident in the bank standing as a beacon of trust amidst the sectoral challenges. This is a testament to our robust enterprise risk management.

Going forward, we will prioritise sustainable growth, asset quality, liquidity and capital resilience alongside digital transformation and innovation, which will enable steady navigation amidst the complexities to ensure continuity in long-term value creation.

## Our Approach to Risk Management

Our purpose and values play a big role in our risk culture by setting out what we want to do and how we want to do it. The bank uses its enterprise risk management framework to manage and control risk, which helps to:

- Support decision-making, planning and prioritisation through providing a greater understanding of business activity and volatility

- Provide a consistent approach to risk management activities, including clear roles and responsibilities, insightful reporting and appropriate oversight
- Enable delivery of the bank's strategies, including sustainability and growth

The Board Risk Management Committee (BRMC) plays a central role in defining our risk appetite, reinforcing governance standards and maintaining a strong control environment. Complementing this, the Executive Risk Management Committee (ERMC), a management-level body that convenes monthly, reviews key risk metrics across credit, market, liquidity, operational and compliance. The committee also monitors the implementation of BRMC's recommendations while tracking progress on its own risk management strategies.

In 2024, we further strengthened our three lines of defense model, ensuring clear accountability across business units, risk management teams and independent assurance functions. Proactive risk assessments, scenario analyses and stress-testing enabled us to identify vulnerabilities early and implement targeted mitigation strategies. The bank also invested in capacity-building initiatives to enhance risk expertise.

## Asset Quality and Credit Risk Management

In 2024, City Bank remained steadfast in maintaining asset quality despite the challenging economic conditions. By reinforcing credit underwriting standards, optimizing portfolio strategies and enhancing early warning mechanisms, the bank effectively managed borrower credit risks. These strategic measures led to a notable improvement in asset quality, with the gross non-performing loan (NPL) ratio to be 3.7% in 2024.

The bank's recovery mechanism delivered strong results too, driving the recovery rate to an impressive 27% of classified loans in 2024, up from 17% in 2023, underscoring the effectiveness of our risk management and recovery strategies. Provision coverage against NPLs Stood at 106.8% in 2024, as compared to 110% in 2023, reflecting a buffer against any contingencies for future financial stability.

## Liquidity and Capital Strength

City Bank maintained robust liquidity positions throughout 2024, ensuring resilience against market disruptions. Strategic fund diversification, judicious liquidity planning and proactive cash flow management allowed us to consistently exceed regulatory liquidity requirements.

Cash Reserve Ratio (CRR) at 4.3% and Statutory Liquidity Ratio (SLR) at 26.9% remained well above regulatory thresholds, reinforcing financial stability. The Liquidity Coverage



## Maintaining stronger credit risk oversight through our specific committees.

### Deteriorating Credit Management Team (DCMT):

- Monitors stressed portfolios
- Identifies early warning signals
- Takes proactive steps to prevent any loan account devolution

### Settlement Committee:

- Oversees distressed asset management, including interest waivers, auction bid evaluations and recovery strategies for classified loans

### Credit Committee:

- Reviews large loan proposals
- Evaluates rescheduling cases
- Ensures alignment with the overall risk strategy

Ratio (LCR) at 194% and Net Stable Funding Ratio (NSFR) at 108.5% exceeded regulatory limits. Additionally, capital market exposure was prudently managed, staying well below the regulatory cap.

The bank's Capital to Risk-Weighted Assets Ratio (CRAR) increased to 15.97% from 15.8% in 2023, remaining well above the minimum regulatory requirement of 12.5%. Regular stress-testing of capital adequacy under adverse scenarios reported favourable results, which emphasises our preparedness to withstand market shocks and sustain long-term growth.

## Cybersecurity

City Bank strengthened its cybersecurity framework with a series of strategic enhancements, ensuring resilience against evolving threats. A 24/7 Security Operations Center (SOC) was established to provide real-time threat detection and response, reinforcing the bank's cyber defense strategy. Access controls were fortified through a comprehensive review of system users, while all external applications were made to undergo rigorous security assessments with swift implementation of necessary updates.

To fortify vulnerability management, the bank introduced an advanced centralized vulnerability management system, improving its ability to identify and address security gaps. Recognizing that cybersecurity is as much about awareness as it is about technology, we implemented targeted employee training programs, including phishing simulations, to foster a security-first culture.

As quantum computing evolves, it also threatens traditional encryption. A 2048-bit RSA encryption, which would take classical computers billions of years to break, could be cracked in minutes by a quantum computer using Shor's algorithm. City Bank is exploring this area to ensure future cybersecurity resilience.

## ESG Risk Management

City Bank has been recognized as one of the top sustainable banks in Bangladesh by the central bank for four consecutive years (2020 to 2023). This recognition is based on the bank's outstanding performance in sustainable finance, CSR and core banking sustainability.

City Bank demonstrated a strong commitment to sustainable banking in 2024, achieving 37.57% Green Finance and 89% Sustainable Finance disbursements. The bank's Environmental and Social Risk Management (ESRM) framework integrates climate risk into credit decisions, aligning with global standards.

## Regulatory Compliance and Subsidiary Risk Governance

The evolving regulatory landscape demands continuous adaptation. City Bank remains proactive in complying with BB's risk management guidelines while aligning with international regulatory best practices. The bank also oversees subsidiary risks through audits and internal oversight arrangements, ensuring accountability and transparency across the group.

## Future Outlook

Looking ahead, City Bank is committed to enhancing risk resilience by leveraging data analytics, strengthening ESG integration and expanding digital risk capabilities. We will continue to explore quantum computing for advanced risk modeling, refine AI-driven systems and expand our digital capabilities in enterprise risk management.

In conclusion, I would like to inform that our risk efforts are becoming more impactful, with data driven approaches and a renewed focus on our control environment. This is being enabled through increased monitoring of testing which supports effective risk management and leads to better outcomes for our stakeholders.

Thank you.

**Mohammad Firoz Alam**

Chief Risk Officer



# RISK MANAGEMENT REPORT

## Risk Management Framework

### Risk Management Overview

Risk management in the banking industry is crucial for ensuring the stability, sustainability and growth of financial institutions.

Banks face a variety of risks, including credit, market, operational, liquidity and regulatory risks, all of which require effective identification, assessment and mitigation strategies. A robust risk management framework helps banks minimize potential losses, protect customer deposits and comply with regulatory standards. By adopting a risk-based approach, banks can assess the impact of economic fluctuations, credit defaults and market volatility, ensuring they are adequately prepared for uncertainties.

Additionally, with the increasing prevalence of cybersecurity threats, effective risk management also involves safeguarding digital assets and sensitive customer data. Ultimately, effective risk management enables banks to operate securely, make informed strategic decisions and maintain customer trust in an increasingly complex and interconnected global financial system.

Banks are increasingly focused on the evolving risk landscape shaped by a variety of factors such as technological advancements, regulatory changes, climate change, and geopolitical instability. One of the key risks that banks foresee is the growing threat of cyberattacks, as the digitalization of financial services exposes them to a larger attack surface. Moreover, regulatory pressures are intensifying globally, especially in areas like anti-money laundering (AML) and data protection. Banks are also worried about economic shifts, such as inflationary pressures, potential recessions, and disruptions in global supply chains. Climate-related risks are also a growing concern, with banks anticipating a need for robust strategies to address the environmental, social, and governance (ESG) issues that could affect both their portfolios and their long-term sustainability.

In response to these challenges, banks are implementing proactive strategies to better prepare for the future risk landscape. They are heavily investing in advanced cybersecurity measures to safeguard against increasing digital threats. Additionally, many banks are expanding their compliance teams and integrating innovative technology to stay ahead of regulatory changes and enhance their AML and KYC (Know Your Customer) processes. To manage climate-related risks, banks are aligning their investment strategies with global sustainability goals and offering green financial products. Furthermore, banks are integrating AI and machine learning tools to improve their risk forecasting and management capabilities. These measures are aimed at ensuring that banks remain resilient in the face of uncertain and evolving risks while maintaining operational efficiency and regulatory compliance.

### Bank's Risk Management Policy

City Bank takes a proactive and adaptable approach in developing its risk management policy, going beyond just meeting regulatory

requirements and yet operating within its risk appetite.

The bank focuses on a forward-thinking strategy to identify and evaluate risks within its portfolio by utilizing thorough risk assessments, stress testing and scenario analysis. Acknowledging the ever-changing risk landscape, the bank ensures its policy is adaptable, enabling it to respond efficiently to new market dynamics, economic shifts and regulatory developments.

City Bank sets itself apart by enforcing rigorous risk mitigation strategies that go beyond regulatory standards. These strategies involve establishing internal risk limits, applying risk assessment methods and maintaining strong controls to reduce exposure across multiple risk areas. The bank seeks to adopt a unified risk management framework, recognizing the interconnections between credit, market, operational and liquidity risks in order to implement well-rounded risk management strategies.

Continuous monitoring and reporting form the cornerstone of City Bank's risk management approach, with regular reviews of risk metrics, performance indicators and key risk indicators. This ongoing evaluation allows the bank to stay informed about the effectiveness of its risk management policies and make timely adjustments as needed.

City Bank places a strong emphasis on the long-term sustainability of its operations, aligning risk-taking activities with overarching strategic goals to ensure resilience over time. While exceeding minimum regulatory requirements, the bank maintains a steadfast commitment to compliance, operating within the legal framework to mitigate regulatory, legal and reputational risks.

### Bank's Risk Management Framework

#### Risk Culture

Fostering a culture of open communication and transparency, City Bank encourages employees at all levels to report concerns related to risk management. This commitment to openness contributes to a risk-aware culture throughout the organization. In embodying these principles, City Bank positions itself as a financial institution that not only manages risks appropriately as per its portfolio construct but also remains adaptable to the evolving risk landscape while exceeding regulatory compliance standards.

#### Risk Governance and Organization

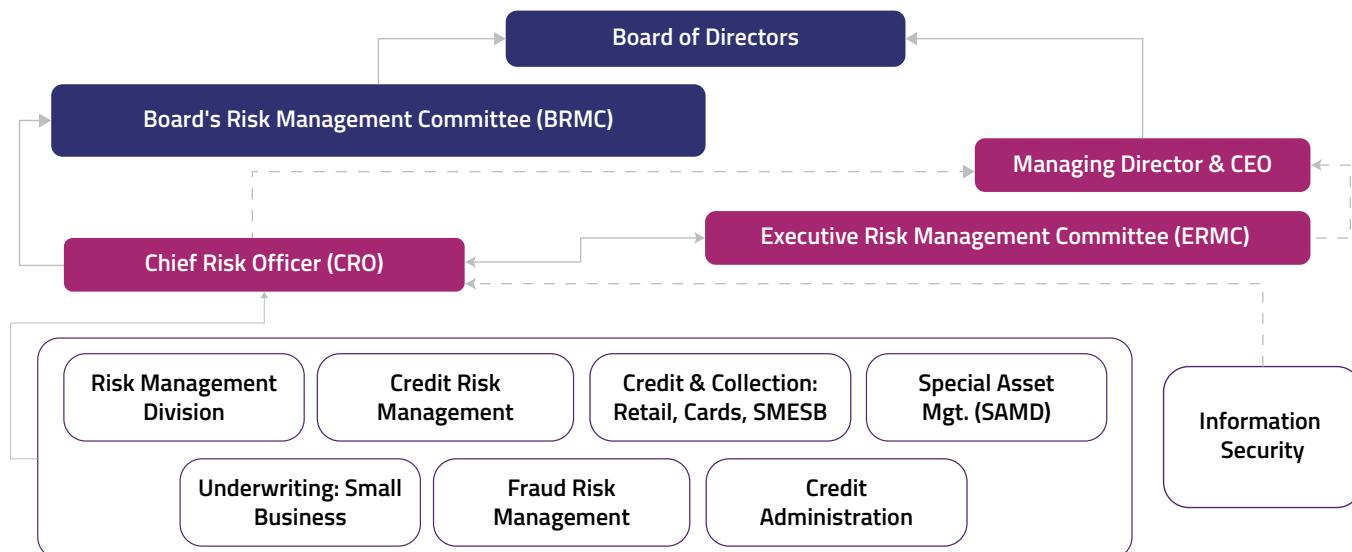
#### Risk Management Structure

The bank's risk management framework is built on a foundation of robust governance, well-defined policies and methodologies, and a team of experienced professionals. This is further enhanced by the use of appropriate technology, infrastructure and data management practices. The framework is built upon a solid corporate culture that prioritizes accountability, ownership, integrity and high ethical standards.



City Bank has established a well-knit risk governance framework originating from the Board of the bank that is the guardian of shareholder trust. The Board approves risk management policies and sets the risk appetite of the bank. Soundness of these strategic decisions are supported by thorough reviews and assessments of such matters by the Board's Risk Management Committee (BRMC). The BRMC plays a pivotal role by overseeing, directing and setting

policies, monitoring risk management activities and guiding the management in navigating critical situations. The Executive Risk Management Committee (ERMC) monitors and implements risk management strategies across the bank. Chief Risk Officer (CRO) supervises the bank's overall risk management activities. The risk management organogram is depicted below.



### Risk-Related Committees and their Roles

The bank has dedicated platforms for specific risk areas to ensure proper alignment of risk management functions with the organization's overall risk strategy. The following table depicts major risk management committees and their key objectives through which they ensure effective risk governance.

Board's Risk Management Committee	Board level committee to guide and oversee risk management activities across the bank
Executive Risk Management Committee	To lead risk management activities across the bank
Asset Liability Management Committee	To oversee management of assets and liabilities
Credit Risk Management Committee	To identify possible risks for different credit transactions and ensure lending proposals are approved in line with the bank's business strategy and keeping the asset quality at expected level
Deteriorated Credit Management Team	To manage overdue and non-performing exposures



Supervisory Review Process (SRP) Team	To review the bank's internal capital adequacy assessment
Investment Committee	To decide and monitor investment management activities of the bank
Sustainable Finance Committee	To review sustainable financing activities of the bank.
Under SFC: Emission Reduction Steering Committee (ERSC)	ERSC: To oversee long-term efforts to reduce GHG emissions from the bank's own operations and financed portfolio.
ICT Steering Committee	To monitor management methods to determine and achieve strategic goals

## BRMC

The Board established the Board Risk Management Committee (BRMC) at its 452nd Meeting on 25 January 2014, re-established in 2018, 2021 and 2023, in order to pursue meticulous and purposeful risk governance that wraps a strong layer of defense around the bank and its operations.

BRMC is the Board's primary front to review, guide, manage and reduce various risks resulting from the implementation of strategies and action plans approved by the Board. BRMC also ensures that the management takes proper steps to identify, measure and reduce risks, and maintain sufficient capital and provisions to comply with all internal and regulatory standards.

### Responsibilities:

- Identifying risks and creating an effective control strategy
- Establishing an organizational structure that integrates risk management throughout the bank
- Reviewing and adopting the Risk Management Policy
- Documenting and archiving risk reports for future reference
- Overseeing implementation of the overall risk management policy
- Miscellaneous tasks, including quarterly reporting of decisions and recommendations to the Board, ensuring adherence to regulatory requirements, and reviewing evaluation reports from internal and external auditors

## ERMC

Executive Risk Management Committee (ERMC) serves as a senior management platform responsible for guiding the execution of policies, strategies and approaches, as advised by the BRMC and endorsed by the Board. In addition to regular risk parameters, the committee also monitors any emerging risk patterns, communicates it to the concerned department, and ensures effective steps are taken to control the risk factors.

### Responsibilities:

- Identifying, measuring and managing existing and potential risks
- Ensure compliance with the decisions taken by the Board/BRMC
- Submitting proposals, suggestions and summary of ERMC meetings
- Implementing the decisions of BRMC

- Assessing capital requirement in line with risk exposures
- Determining risk appetite in line with strategic planning
- Contributing to formulation of risk policies
- Reviewing risks involved in new products

## Basel Unit

### Introduction:

In order to incorporate the changing global concepts in risk management and to adopt the Basel III standards, City Bank formed a management-level committee named 'Basel Unit', chaired by the MD & CEO. The committee is vested with supervisory responsibilities to implement Basel III across the bank. The committee is assigned to adopt a comprehensive approach to devise the plan and craft strategies for implementation of Basel III in accordance to the roadmap of Bangladesh Bank.

### Responsibilities:

- Implementation of the Action Plan of Basel Accords
- To communicate issues related to Basel Implementation to the Management
- To attend Quantitative Impact Study (QIS) and Accountability for the Compliance of Basel Accords
- Arranging customized training programs according to Training Need Assessment

## Supervisory Review Process (SRP) Team

### Introduction:

As per the "Revised Process Document for SRP-SREP Dialogue on ICAAP (Implementation of 2nd Pillar of Basel Accord)" issued by Bangladesh Bank in May 2014, the bank must have an exclusive unit named "SRP Team" which shall act as the Managerial Layer of Supervisory Review Process. SRP Team of City Bank is headed by the MD & CEO. The team is empowered to validate the ICAAP report of the bank and represent the bank in the dialogue process with the SREP Team of BB and to determine capital requirements of the bank.

### Responsibilities:

- To validate the ICAAP report while monitoring the implementation of Supervisory Review Process for various risks mentioned under Pillar II of Basel Accord
- SRP Team is empowered to represent the bank in the process of dialogue with SREP Team of BB and to determine capital



- requirements of the bank.
- To oversee capital planning in line with regulatory requirements

## Risk Appetite Statement

Risk Appetite Statement (RAS) denotes the quantum and type of risk that an organization is willing to take in order to meet its strategic objectives. Risk Management Guidelines (2018) of Bangladesh Bank for Banks as well as Guidelines on Credit Risk Management (2016) for Banks recommended the development of RAS across all possible measurable risk areas. Bangladesh Bank advised to set RAS with three levels of thresholds on different exposures. BB reviews actual exposures against those thresholds, especially the maximum one (Risk Tolerance).

Accordingly, City Bank's Risk Appetite Statement has been set in three different scales against each possible risk issue recommended by BB. The different scale of risks are expressed as:

- Risk Appetite:** The quantum and type of risk an organization is willing to accept in line with its business objectives and annual budget.
- Risk Limit:** Provides an additional gauge to monitor that actual risk exposure is close to our maximum risk threshold. Exceeding risk limit means the organization is becoming closer to its risk tolerance.
- Risk Tolerance:** Maximum risk that an organization is willing to accept against each relevant risk and doesn't desire to exceed in the normal scenario.

Factors Considered in Preparation of Risk Appetite Statement

### Quantitative Factors:

In preparation of RAS, various quantitative factors are considered:

- Budget Alignment:** The bank's overall long-term and short-term strategic, capital and financial plans and alignment with the annual budget.
- Defining Tolerance Level of Risk:** Determination of each material risk and overall maximum level of risk that the bank is willing to operate within.
- Past Performance:** Historical performance data on business segment and sector-wise loan outstanding position, NPL, cash recovery, written-off loan status, CRAR, Net Open Position, etc.
- Liquidity & Fund Management:** Liquidity situation, both in local currency and foreign currency, are unpredictable and for this reason cautionary measures are adopted in budgetary assessments.
- Asset Quality:** Asset quality is considered as per the draft budget and dialogue with business teams.
- SMART Rate:** Removal of interest rate ceiling and introduction of SMART (Six Month Moving Average Rate of Treasury Bills) rate.

### Qualitative factors:

In preparation of RAS, various qualitative factors are considered:

- Dialogue with Business Teams:** Conducted in-depth dialogue with different business lines and the Management.

- Global Factors:** Different geopolitical/global economic factors like supply chain disruption, inflation, geopolitical tension, etc.
- Domestic Factors:** Different Bangladesh-specific macro indicators like decline in remittance inflow, rise in FX rate, decrease in FX reserve, inflation, negative BoP position, etc.
- Dynamic:** RAS is subject to change in view of the dynamic external scenario.
- Strategic Success Factors:** Encompass management aspects like CAMELS Rating and Economic Value Addition, product offerings and customer service initiatives.
- Balanced Growth:** The concept of balanced growth through strategic business plan, risk management framework, strategy for corporate control etc., were delivered in Annual Business Conference for Corporate, Commercial and Medium business segments.

## Risk Management Tools

### Policies, Standards and Limits

City Bank establishes comprehensive policies, standards and limits to govern its risk management practices. These documents outline the bank's risk appetite, define acceptable levels of risk exposure across various business activities and provide guidelines for risk mitigation strategies. By adhering to these policies, the bank ensures consistency and alignment with regulatory requirements while effectively managing risk within predefined boundaries.

### Promoting Risk Culture and Risk Awareness

City Bank emphasizes on fostering a risk-aware culture throughout the organization. This involves promoting awareness of risk management principles, encouraging open communication about potential risks and cultivating accountability. Through training programs, workshops and regular communication channels, City Bank ensures that employees understand their role in identifying, assessing and mitigating risks in their respective areas of responsibility.

### Summary of Training and Awareness Sessions, 2024

Core Risk Area	No. of Participants
ALM	77
CR	1,283
FX	88
ICC	221
IT	1,398
ML	2,221

### Recovery Plan

Bangladesh Bank, vide BRPD circular number-03 dated February 24, 2022, instructed banks to develop a "Recovery Plan" to cope with any stress events that often threaten a bank's financial and operational strength and viability. To comply with the circular, City Bank developed its own Recovery Plan.



The objective of this plan is to describe:

- Different indicators and thresholds of the risks and stress events where banks need to be vigilant and take recovery measures.
- The governance process for taking necessary and appropriate corrective actions in a timely manner.
- The potential options for recovery.

Recovery Plan is updated at least on an annual basis, which is also reviewed by the central bank. The Recovery Plan includes the following sections:



## Risk Management Process

City Bank follows a structured risk management process that encompasses identification, assessment, mitigation, monitoring and review of risks across all business activities. This process involves regular risk assessments, scenario analysis, stress testing and ongoing evaluation of control measures to ensure effectiveness in managing risks within acceptable levels. Continuous improvement initiatives help the bank adapt to the evolving risk landscape and enhance its resilience to external threats.

## Risk Mitigation Methodology

### Risk Mitigation Approach



### Risk Management and Mitigation Tactics

#### Credit Risk

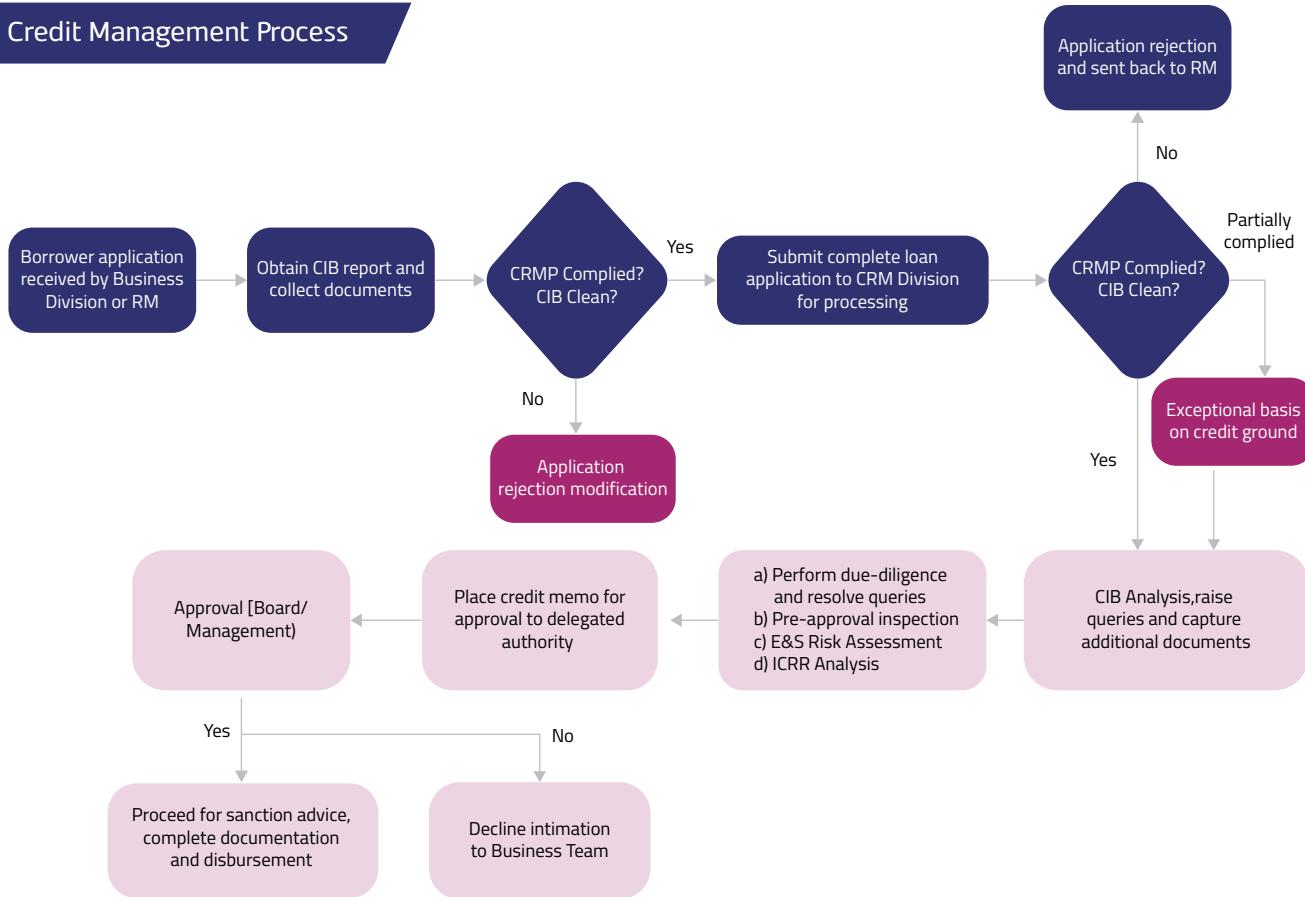
Credit risk management is paramount for banks to ensure financial stability and mitigate potential losses. This discipline involves assessing the likelihood of borrowers defaulting on loans and implementing strategies to mitigate these risks. Banks employ various tools and techniques, such as internal credit risk rating system, financial analysis and collateral evaluation to evaluate borrower creditworthiness. Effective credit risk management involves setting appropriate lending policies, establishing risk limits and regularly monitoring loan portfolios. By prudently managing credit risk, banks can safeguard their assets, maintain liquidity and uphold trust among depositors and investors, thus contributing to overall financial resilience and sustainability.



## Approach of Managing Credit Risk



## Credit Management Process



## Credit Risk Mitigation Management

Particulars	Major Area Focused	Reported in	Frequency	Mitigation
Portfolio Risk Assessment	Concentration of sector and industry-wise loan exposure	CRM	Half-yearly	
Top-20 Borrowers' Risk Assessment	Credit Concentration of top-20 borrowers	CRM and MRM	Half-yearly, Monthly	
Top-20 Defaulters' (Excluding Written-off Loans) Risk Assessment	Classified loan concentration of top 20 defaulters	CRM and MRM	Half-yearly, Monthly	



Particulars	Major Area Focused	Reported in	Frequency	Mitigation
Geographical (Based on End-use) Risk Assessment	Geographical credit concentration	CRM and MRM	Half-yearly, Monthly	
Assessment of Top-10 Loans' Limit Breach	Scope of unauthorized EOL	CRM	Half-yearly	
Problem Assets' Risk Assessment	Status of rescheduled and restructured loan	CRM and MRM	Half-yearly, Monthly	Risk Appetite Statement, Escalation to Senior Management through ERMC and Board through BRMC
Size-wise Loans' Concentration Assessment	Loan size-wise credit concentration	CRM	Half-yearly	
Assessment of NPLs	NPL ratio, provision against CL and cash recovery from CL	CRM and MRM	Half-yearly, Monthly	
Status of Off-Balance Sheet (OBS) Exposure	Growth of OBS and OBS exposure as a % of total assets	CRM, MRM, OBU statement	Monthly	
Status of Lawsuits	Cases settled and amount recovered	CRM	Half-yearly	
Status of Credit Rating	% of rated portfolio	CRM	Half-yearly	

## Market Risk

Market risk management is crucial for banks to navigate uncertainties in financial markets and protect their capital against adverse movements. This discipline encompasses the assessment and mitigation of risks arising from fluctuations in interest rates, foreign exchange rates, equity prices and commodity costs. Banks

employ sophisticated models and analytics to accurately measure market risk exposures. Strategies such as hedging, diversification and stress-testing are deployed to mitigate potential losses. Effective market risk management ensures banks can withstand market volatility, maintain liquidity and uphold investor confidence. By proactively managing market risk, banks can optimize returns while preserving financial stability.

### Approach of Managing Market Risk



#### Compliance to Policies

City Bank developed robust risk management policies that enhanced resilience amid uncertainties and contributed to long-term stability and success.



#### Effective Control

Implementation of robust controls, such as regulatory and counterparty limits, alongside delegated authorities.



#### VaR Analysis

Utilization of Value at Risk (VaR) analysis to quantify potential losses under adverse market conditions.



#### Capital Market Exposure Cap

Imposing a cap on capital market exposures to limit potential risks associated with market fluctuations.



#### Accuracy of Information

Ensuring the accuracy and reliability of information used in market risk assessments and decision-making processes.

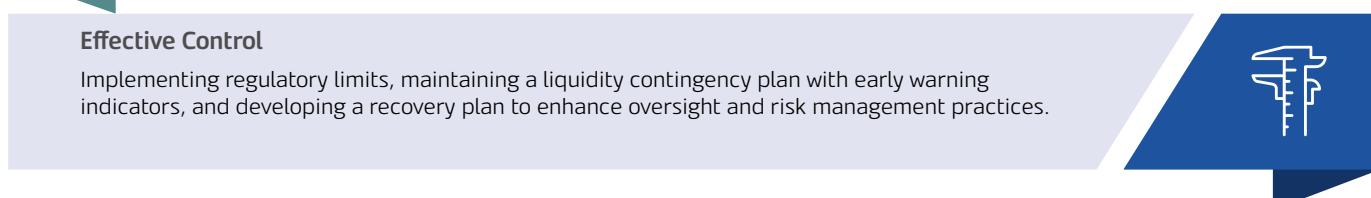


Particulars	Reported in	Frequency	Mitigation
Interest Rate Sensitivity Analysis	CRMR, MRRM	Semi-annual, Monthly	
Duration Gap Analysis	CRMR, Stress Testing	Semi-annual, Quarterly	
Interest (Profit) Rate Spread Analysis	CRMR	Semi-annual	
Foreign Exchange Risks: NOP, VaR, Overdue Bills, etc.	CRMR, MRRM, FX Statement	Semi-annual, Monthly, Daily	Risk Appetite Statement, Escalation to Senior Management through ALCO, ERMC and Board through BRMC
Capital Market Related Risks	CRMR, MRRM	Semi-annual, Monthly	
Analysis of Offshore Banking Unit (OBU)	CRMR, MRRM	Semi-annual, Monthly	
Interest Rate Risk in the Banking Book (IRRBB)	IRRBB	Semi-annual	

## Liquidity Risk

Liquidity risk management is a vital aspect of banking operations, ensuring that banks maintain sufficient liquidity to promptly meet their financial obligations. This discipline involves assessing and managing the risk of being unable to fund liabilities or liquidate assets at a reasonable cost, when needed. Banks employ various strategies, including liquidity stress-testing, cash flow forecasting and maintaining adequate reserves to mitigate liquidity risks. Effective liquidity risk management enhances financial stability, safeguards depositor confidence and enables the bank to withstand adverse market conditions or unexpected shocks, hence contributing to the overall resilience of the banking system.

### Approach to Managing Liquidity Risk



Particulars	Reported in	Frequency	Mitigation
CRR & SLR	CRMR, MRRM, Monthly Statement	Semi-annual, Monthly, Daily	
Advances and Deposits	CRMR, MRRM, Weekly Statement	Semi-annual, Monthly, Daily	
Structural Liquidity Profile & Max. Cumulative Outflow	CRMR, Monthly Statement	Semi-annual	
Liquid Assets to Short-Term Liabilities (3 months)	CRMR, MRRM	Semi-annual, Monthly	
Liquidity Coverage Ratio (LCR)	CRMR, MRRM, Monthly Statement	Semi-annual, Monthly	
Net Stable Funding Ratio (NSFR)	CRMR, MRRM, Quarterly Statement	Semi-annual, Monthly	Risk Appetite Statement, Escalation to Senior Management through ALCO, ERMC and Board through BRMC
Leverage Ratio	CRMR, CRAR	Semi-annual, Quarterly	
Undrawn Commitments	CRMR, MRRM, Monthly Statement	Semi-annual, Monthly, Daily	

## Operational Risk

Operational risk is inherent in every business organization which covers a wide spectrum of issues. It encompasses a broad range of potential threats to business operations, including human errors to negligence, system glitches, lack of automation, outdated processes or lapse and external factors like regulatory changes or natural disasters. It is crucial for businesses to identify and mitigate material risks to ensure continuous smooth operations and long-term sustainability, particularly in today's rapidly evolving landscape of technology, regulations and global issues, including climate change.



## Approach to Managing Operational Risk

City Bank has implemented a robust strategy for handling operational risk. In this regard, the bank manages operational risk in the following manner:

- **Operational Risk Management Framework aligned with Global Practices:** City Bank had revamped its operational risk management framework to keep pace with global practices. The framework is applicable to all business units and support functions of the bank.
- **Developing Policy for Managing Operational Risk:** Detailed procedures offer guidance to the 1st Line of Defense on implementing the ORMF effectively. These procedures include details on risk identification techniques, risk assessment methodologies, risk monitoring processes, escalation procedures and risk mitigation strategies.
- **Operational Risk Governance:** Governance of operational risk management within City Bank provides transparency of decision-making and clear identification of the roles and responsibilities of the operational risk management functions. This governance structure aims at ensuring that operational risks are managed effectively and within the risk appetite set by the Board and Management. The Operational Risk Management Committee is committed to addressing and resolving operational risk issues based on their expertise and experiences.
- **The Board & Senior Management Oversight:** The Board has a pragmatic view on managing operational risks. In this regard, the Board approved the amended Operational Risk Management Framework that provides a dynamic approach for the Structure, Governance and Tools of Operational Risk Management. Operational risk effectiveness is visible in the bank's various Risk Management Committees.
- **Three Lines of Defense (3LODs) Model:** Sound operational risk governance often relies on a Three Lines of Defense model (3LODs) and is designed to enhance accountability, risk governance and decision-making by splitting responsibility for managing risk between the first line who are the frontline employees, the second line consisting of risk management personnel, and the third line made up of internal audit personnel.
- **Risk Champions:** In order to implement an effective ORM structure, the governance procedures, along with risk culture, all need to be communicated and integrated at every level. A Risk Champion is an effective option for achieving this goal. It acts as a conduit between the division and the ORM team. He/she is responsible for embedding ORMF and supporting procedures within the unit, implementation of OR activities and supporting risk owners in the execution of risk mitigation strategies.
- **ICT Risk Management:** Managing ICT risk is an important aspect of operational risk management for organizations that rely on technology for their operations. City Bank places ICT risk under the umbrella of operational risk framework which facilitates the discussion on ICT risk in the relevant committees to ensure its management in a proactive manner.

## Capital Maintenance against Operational Risk

City Bank has adopted Basic Indicator Approach (BIA) to assess the capital charge for operational risk as of the reporting date. Accordingly, the bank's operational risk capital charge has been

assessed at 15% of positive annual average gross income over the previous three years as defined by the guideline of Risk Based Capital Adequacy (RBCA).

## Operational Risk Mitigating Measurement

City Bank utilizes operational risk management tools to address and minimize operational risks.

- Assess critical risks and control environment: Provides guidance on material risk and associated control environment identification and assessment, including risk scales, rating mechanism based on the risk taxonomy and control library in order to render the Risk Register.
- Monitoring Key Risk Indicators: Key Risk Indicator is an effective way of monitoring the changes to the operational risk exposure levels on a periodic basis. These indicators provide early warning signs enabling timely mitigation and reporting of critical operational risk events.
- Ensuring Control Assurance Program: Control Assurance involves proactive assessment aimed at evaluating the efficiency of the control environment.
- Incident management: Capturing Operational Risk-related incident/s and loss data to facilitate the integrated loss database
- Analysis of Audit Trails: Audit reports help in comprehending operational deficiencies, enabling the enhancement of controls.

## Internal Control and Compliance Risk

Approach to Managing Internal Control and Compliance Risk

1. Structural sustainability focus for preventing contagion effects
2. Robust frameworks and defense strategies developed by the Board
3. Oversight from the Internal Controls and Compliance Division (ICCD)
4. Utilization of Risk-Based Internal Audit (RBIA) approach
5. Remote audit capability via secure IT platforms
6. Assurance of effective risk management systems by ICCD

## Internal Control and Compliance Risk Mitigation Measurement

- Internal fraud
- External fraud
- Employment practices & workplace safety
- Clients, products and business practices
- Disasters and public safety
- Technology and infrastructure failure
- Execution, delivery and process management
- Settlement of Bangladesh Bank inspection-based major irregularities
- Settlement of external audit-based major irregularities
- Settlement of internal audit-based major irregularities
- Settlement of customer complaints



## ICT Risk

### Approach to Mitigating ICT Risk

- a) **Update City Bank's ICT Security Policy in alignment with Bangladesh Banks Guideline on ICT Security:** To align with the Bangladesh Bank's Guideline on ICT Security v4.0, we have updated the bank's ICT Security Policy, incorporating all the applicable controls. The revised policy has been circulated across the bank to know and understand the policy, enhance the security awareness and making sure of the regulatory compliance.
- b) **Password Policy update:** To comply with regulatory requirements and PCI-DSS, we have formed a roadmap to implement the revised password policy across the bank's ecosystem, ensuring secure logical access and mitigating unauthorized access risks.
- c) **Deployment and configuration of security solutions across multiple infrastructure layers:** Firewall, WAF, network segregation, API gateway, Data Loss Prevention (DLP) solution, network sandboxing, and application security measures have been ensured at every network and application layer to mitigate security risks.
- d) **Comprehensive monitoring to ensure maximum availability of City Bank's Assets:** An enterprise and internally developed monitoring tools have been deployed to facilitate real-time monitoring of critical applications, ensuring the immediate detection of any service disruptions.
- e) **Risk Assessment Framework:** Assessment of ICT risk, risk categorization, Risk treatment, Risk tolerance etc. has been implemented following the City Bank's Risk management framework.
- f) **Upgrading legacy Applications, Operating Systems and Databases:** Continuous upgradation of the obsolete operating systems and databases are being ensured to avoid any risks related to security and compliance.
- g) **Data Center Relocation:** To strengthen the IT infrastructure, the relocation of the Data Center is currently being carried out, and the readiness of Disaster Recovery (DR) for critical applications is being meticulously ensured for the continued execution of essential banking operations on a limited scale throughout the relocation process.
- h) **Security Awareness and Phishing Simulation:** To enrich the overall security, awareness programs and phishing simulations have been conducted across the bank to educate employees about cybersecurity threats, improve their ability to identify phishing attempts, and reinforce best practices for information security.

## Concentration Risk

### Approach to Mitigating Concentration Risk



### ICT Risk Mitigation Measurement

- **Ensure continuity of business operations to mitigate ICT risks:** DR drill activities for critical applications related to financial transactions have been conducted to test and validate the effectiveness of the disaster recovery plan. This ensures that critical systems, data, and applications can be swiftly and efficiently restored in the event of a disaster, meeting recovery time and point objectives (RTO and RPO), minimizing downtime, and enabling the resumption of business operations with minimal impact on services and data integrity.
- **Regular Security Patches and software updates:** Regularly updating the latest versions of security patches to the applications, databases, systems, and other relevant components to mitigate ICT risks.
- **ICT Risk review and evaluation:** Targeted risk assessments, along with risk treatment plans for identified ICT risks have been performed on a half-yearly basis, with newly identified risks being incorporated into the risk register for appropriate treatment.
- **Perform Regular External/ Internal VA-PT:** Internal VA-PT is being performed phase by phase, for both newly developed and existing softwares. Also to enforce security clearance and addressing the identified vulnerabilities, external VA-PT is being conducted for critical internet-facing applications.

## Cyber Security Management

The Information Security team is ensuring proper development and effective control to tackle the ever-evolving cybersecurity-related threats. Initiatives in this realm include but not limited to the followings:

- Enhanced 24/7 Security Operations Center (SOC) for continuous monitoring of security incidents and to minimize detection time.
- Performed Dark Web monitoring as a part of proactive security management.
- Continuous cyber threat monitoring through security information and event management tool.
- Privileged Access Management (PAM) solutions to control and monitor the activity of privileged users.
- Upgraded end point security, advanced threat defense and DLP (data loss prevention) towards systems reinforcement.



### Indicators Used

The bank employs four indicators—Herfindahl Hirschman Index (HHI), Simpson's Equitability Index (SEI), Shannon's Index (SI) and Gini Coefficients (GC)—to gauge concentration risk across various aspects.

### Holistic Approach

The bank adopts a comprehensive approach to concentration risk management, considering both credit and market concentrations.

### Granular Analysis

Concentration risk is analyzed at a granular level, allowing for a detailed understanding of risk exposure within the portfolio.

### Mitigation Strategies

Identification of concentration risk prompts the implementation of tailored mitigation strategies to address vulnerabilities.

### Continuous Monitoring

Concentration risk is not a static phenomenon; therefore, the bank ensures continuous monitoring to promptly identify emerging risks and adapt strategies accordingly.

### Regulatory Compliance

The bank's approach aligns with regulatory requirements, ensuring adherence to standards set forth by governing bodies.

## Concentration Risk Mitigation Measurement



### Credit-related Concentration:

- Sector wise exposure
- Division-wise exposure
- Group-wise exposure
- Single borrower-wise exposure



### Market-related Concentration

- Instrument-wise investment
- Sector-wise investment in listed instruments
- Currency-wise investment of FX\*

## Reputation Risk

### Approach to Mitigating Reputation Risk

Reputation risk is a subject of operational risk that can adversely affect the capital base if the driving forces of the risk deteriorate through factors such as external credit rating, internal & external fraud and recovery, non/delayed payment of accepted bills and quality of customer service.

- Credit rating of the bank
- Internal fraud incidents
- External fraud incidents
- quantum of non-payment of bills

### Reputation Risk Mitigation Measurement

- Negative media reports (number)
- Technological disruptions (number)
- Insufficient funds in the ATM machine (number of incidents)

- Non-payment of cheques and accepted bills (amount)
- Penalty, if imposed by the regulatory body (amount)
- Fake notes in the ATM machine (amount)

## Strategic Risk

### Approach to Mitigating Strategic Risk

Strategic risk, a type of operational risk, poses a serious threat to a bank's capital base. Seven critical aspects are taken into account when assessing this risk, namely:

- CAMELS rating of the bank
- Operating expenses to operating profit ratio
- Classified loans to total loans ratio
- Recovery from classified loans
- Written-off loans
- Interest waiver
- Rescheduling of loans more than three times

## Strategic Risk Mitigation Measurement



### CAMELS Rating of the Bank



### Operating Expenses as % of Operating income



### CL as % of total loans



### Classified loan recovery as % of total CL



### Written-off loans as % of total CL



### Interest waiver as % of total CL



### Rescheduling of loans more than 3 times

## Environmental and Social Risk

Banks and financial institutions have the potential to impact the natural environment, ecosystem and the surroundings both positively and negatively through their client operations. Failure to effectively manage environmental and social risks can potentially result in credit and reputational risks for banks. Consequently, City Bank places emphasis on the meticulous management of environmental and social risks associated with its clients.

### Approach to Mitigating Environmental and Social Risk

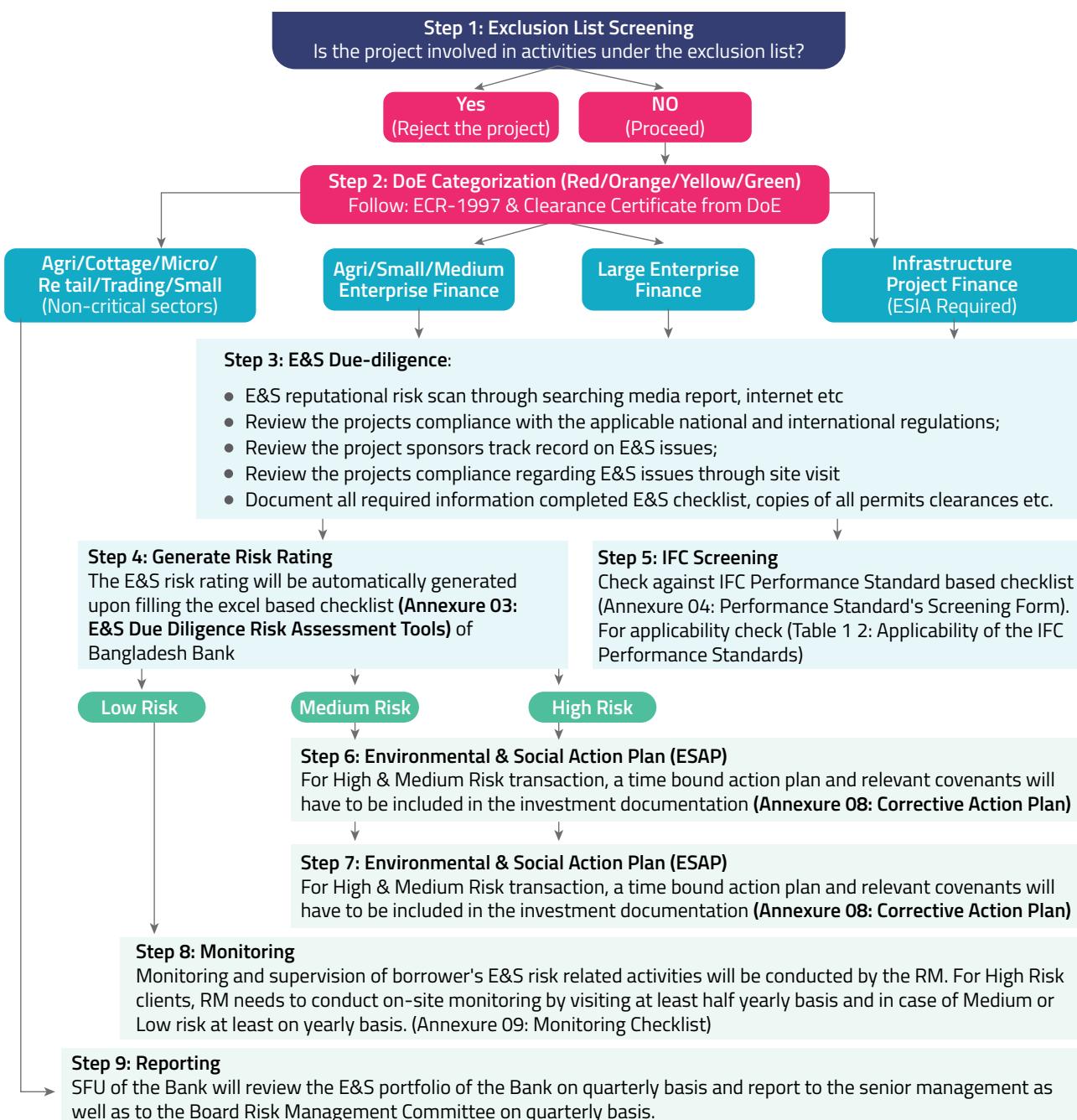
City Bank's journey in environmental & social (E&S) risk management commenced way back in 2012 via the establishment of its Environmental Risk Management framework that comprises a

set of guidelines, including policies and procedures that define the perimeter of the bank's lending principles.

City Bank revised its Environmental Risk Management Framework to Environmental & Social Risk Management Guidelines by incorporating social frameworks in the year 2017. In 2022, the bank further revised its ESRM policy, incorporating the central bank's recent regulations, International Finance Corporation (IFC) performance standards and other international best practices.

### Environmental and Social Risk Mitigation Measurement

As per the ESRM Policy of City Bank, E&S risk identification, mitigation, monitoring and overall E&S risk management process is outlined below:

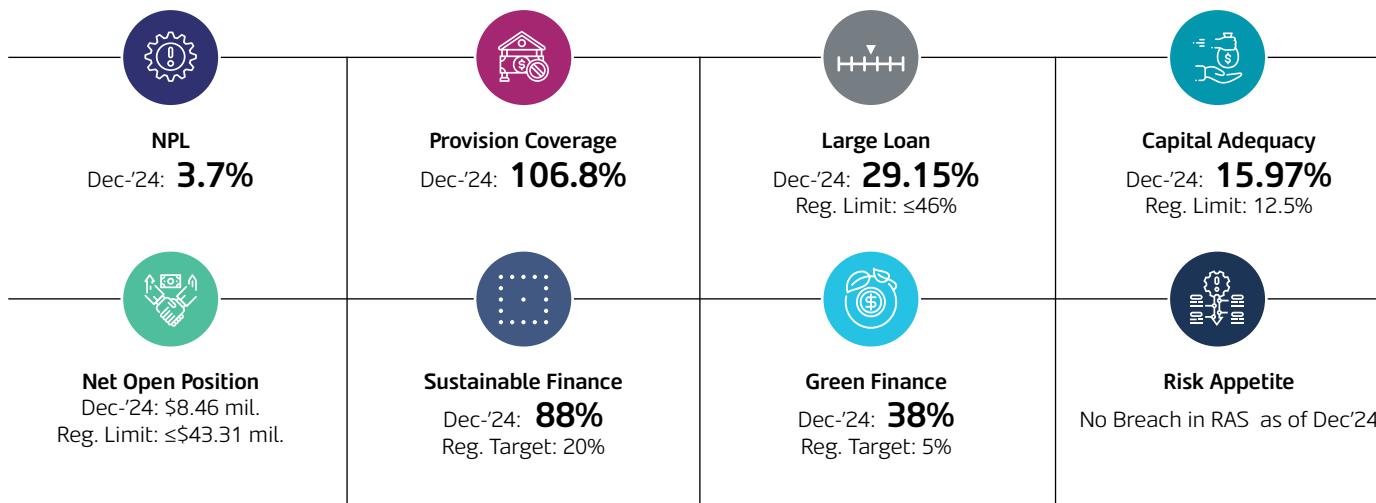




## C. Disclosure of Risk Reporting

### Risk Profile and Risk Mitigation Process

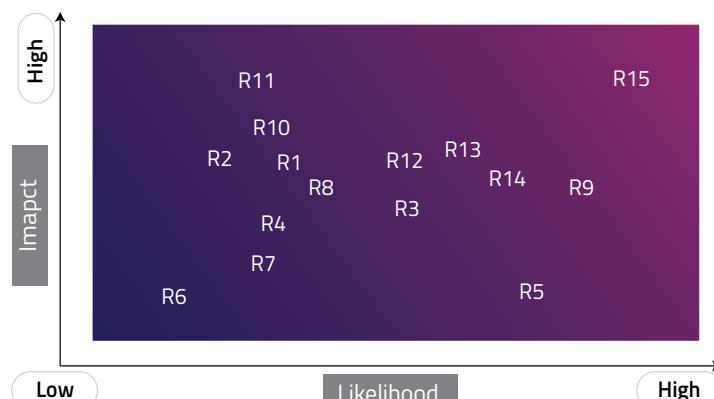
#### Risk Profile Dashboard



#### Exposure Limit (Risk Appetite)

Risk Areas	Risk Tolerance	Dec'24
Non-Performing Loans	Not more than 4.9%	3.7%
Off-balance sheet exposure to total assets	Not more than 42%	33.50%
Amount of loan outstanding with acceptable rated customers (risk weight up to 100%) to the amount that lies with total rated customers	Not less than 90%	95%
Value at Risk (VAR) for equity exposure	Not more than BDT 200 mn	BDT 97 mn
Value at Risk (VAR) for NOP position	Not more than BDT 100 mn	BDT 5.23 mn
Commitment limit	499.5% of Total Eligible Capital	296% of Eligible Capital
Wholesale borrowing guideline (WBG) limit	80% on fortnightly average basis with maximum two deviations (not more than 90%) in a particular fortnight	21.13%
Loss due to internal and external fraud	Not more than BDT 25 mn	BDT 8.51 mn
CRAR (solo)	Not less than 12.5%	15.97%
AD ratio	Not more than 87.00%	74.68%
Liquidity Coverage Ratio (LCR)	Minimum 100%	193.95%
Net Stable Funding Ratio (NSFR)	Not less than 100%	108.54%

#### 2024 Risk Heat Map



#### Risk Heat Map and Key Risks

City Bank's risk heat map has been created referencing the key risk factors enumerated in the table detailing the key risks factors of the bank and their respective mitigation measures.



## The categorization of major risk factors is given below:

<b>Industry-related risks</b>	<ul style="list-style-type: none"><li>• Risk associated with prevailing economic conditions</li><li>• Risk associated with a highly competitive industry</li><li>• Risk related to disruption due to any adverse or unexpected regulation/market activity</li></ul>
<b>Operational risks</b>	<ul style="list-style-type: none"><li>• Risk related to employee attrition</li><li>• Risk associated with client portfolios</li><li>• Risk of IT system failure and cybercrime</li><li>• Risk associated with credit management</li></ul>
<b>Regulatory and legal risks</b>	<ul style="list-style-type: none"><li>• Risk of litigation and legal proceedings</li></ul>
<b>Financial risks</b>	<ul style="list-style-type: none"><li>• Liquidity risk</li><li>• Risk associated with the Bank's credit rating</li></ul>

A description of key risk factors, their potential impact, severity of impact and mapping of risks as they shifted during the year 2024 vs. 2023 is given hereunder:

Risk factor	Potential impact	Impact severity	Mitigation / opportunity capture	YoY change in risk mapping, 2024
<b>R1 Credit management risks</b>	For a Bank, credit management risk is a high priority as disruption in obligatory payments can have an impact on asset value and the financial health of the Bank.	Medium	<ul style="list-style-type: none"><li>• Rigorous credit evaluation standards</li><li>• Close monitoring with a proactive approach to credit management</li><li>• Provisions in line with regulatory requirements to address potential future impacts on the balance sheet</li></ul>	<ul style="list-style-type: none"><li>• Credit risk exhibited a linear movement towards the right of the risk heat map due to the combined effect of an inflation-pressured environment and disruptions caused by the political transition during the middle of the year</li><li>• This increased credit default risks as businesses and individuals came under pressure from the protests, etc.</li><li>• In this scenario, the bank focused on portfolio re-pivot towards the corporate and large customer segments as a means to safeguard asset quality and shift towards safe harbor</li><li>• This enabled the bank to primarily protect against default risks, reflected in lower NPLs for the year 2024</li></ul>
<b>R2 Client portfolio risks</b>	Contracts may be terminated on notice. Moreover, the Bank's lending contracts with its clients are under constant threat from rivals. In addition, there is a trend towards operating on a project- by-project basis, diluting the relationship value. Finally, with the intensification of corporate consolidation process globally, the risk of losing a client following a merger and/or acquisition is a risk.	High	<ul style="list-style-type: none"><li>• Promote relationship-based banking to develop stronger bonds with clients</li><li>• Sustain leading market position with a competitive offering</li><li>• Large and diverse clientele with no single customer concentration</li></ul>	<ul style="list-style-type: none"><li>• Client portfolio risk demonstrated a shift towards the left of the risk heat map, in other words towards a safer zone</li><li>• This was due to a number of strategies effected by the bank, including portfolio re-orientation towards the security of corporate and large accounts</li><li>• The bank further focused on maintaining pristine asset quality through enhanced surveillance of PAR (Portfolio At Risk) and DPD (Days Past Due) of the PAR portfolio, focusing on direct and closer engagement with customers and enhancing collections</li><li>• The bank also explored legal recourse against default customers</li></ul>
<b>R3 Employee related risks</b>	The health and wellbeing of employees is at the heart of the Bank's concerns. The banking industry is known for high mobility of talent. The Bank's success is contingent upon the talent and expertise of its teams as well as on the strength of its relationships with clients.	Medium	<ul style="list-style-type: none"><li>• Focus on employee health and wellbeing through coaching, proper work allocation, etc. with a robust employee value proposition</li><li>• Actively attract, retain and motivate valuable managers or employees</li><li>• Focus on Diversity, Equity, Inclusion as a means to source people from across a wider talent pool</li></ul>	<ul style="list-style-type: none"><li>• Employee related risks remained unchanged due to the bank's strong emphasis on people management and workforce transformation</li><li>• This was despite the general high level of employee turnover seen in the banking sector with out-migration also a cause of talent attrition</li></ul>



Risk factor	Potential impact	Impact severity	Mitigation / opportunity capture	YoY change in risk mapping, 2024
				<ul style="list-style-type: none"> <li>Employee turnover at the bank however remained at comfortable levels during the year</li> <li>This marked the bank's ability to protect both its human and intellectual capitals</li> </ul>
<b>R4 IT system failure risks</b>	The digital marketplace is expanding at a fast clip, and reliance on information technology has never been greater. This dependence entails risks for the Bank, such as technical failure, malicious attack, as well as possible internal threats that could lead to an interruption of services and/or loss of personal data.	Medium	<ul style="list-style-type: none"> <li>Robust IT systems with firewalls and safeguards that are also subject to regular testing and audits</li> <li>Strong redundancies</li> <li>Specialist team with significant collective experience</li> </ul>	<ul style="list-style-type: none"> <li>IT system and failure risk shifted towards the safe zone in the risk heat map</li> <li>This was due to the bank's continuous focus on investment in IT systems and technology to create a strong operational buffer with redundancies</li> <li>The bank's focus on digital finance and digitalisation continued to remain strong during the year due to continuous focus on digital transformation in the pursuit of making City Bank the digital bank of choice for customers</li> <li>The bank did not face any major cyber issues during the year</li> </ul>
<b>R5 Legal proceedings</b>	As per regulatory provisions, the Bank can file a case in the court of law if borrower payments are delayed or if there is willful default. The case disposal may be stretched or delayed or put in abeyance, incurring loss of asset value and loss of opportunity cost for the Bank, with additional liability in legal costs.	Low	<ul style="list-style-type: none"> <li>The Bank has a specialist Legal team with strong judicial background in handling legal and court matters</li> <li>The Legal team has been able to successfully recover a significant amount over past 5 years, reflecting a sound record in case filing and closure</li> </ul>	<ul style="list-style-type: none"> <li>Legal risks remained unchanged during the year due to low occurrence or impact of such risks on the bank</li> <li>This was on account of the bank maintaining all compliance and regulatory standards and norms, attracting regulatory support rather than censure</li> <li>Further, the bank's Legal wing helped recover a substantial amount of unpaid dues during the year due to successful closure of court cases against default customers</li> </ul>
<b>R6 Environmental, Social and Governance (ESG) risks</b>	Failure to address ESG concerns could impact our business sustainability, the value of our assets and liabilities and our reputation.	Low	<ul style="list-style-type: none"> <li>Rolled out ESG screening to embed ESG considerations into the process of evaluating corporate clients and in credit assessment</li> <li>Embarked on strategic affiliations, such as with the Net Zero Banking Alliance (NZBA) that lays out a roadmap for enhancing sustainability practices</li> <li>Already disclosed both of its interim (2030) emission reduction target and long term (2050) emission reduction target for three major emitters: Power, RMG, Textile</li> <li>Engaged in more active industry ESG research to capture potential risks and opportunities within the entire value chain of each industry</li> </ul>	<ul style="list-style-type: none"> <li>ESG risk shifted slightly towards the left or the low-risk zone on the risk heat map</li> <li>This was due to the bank's accelerated focus on ESG initiatives that were rolled out bank-wide during the year</li> <li>The bank also tightened credit assessment, weaving E&amp;S factors closer into lending decisions</li> <li>It also remained on track to meet its stated net carbon zero goal by 2050 due to acute emphasis on assessing both the bank's own emissions as well as those of the financed portfolio</li> </ul>



Risk factor	Potential impact	Impact severity	Mitigation / opportunity capture	YoY change in risk mapping, 2024
<b>R7 Credit rating risks</b>	A strong credit rating is a prerequisite for operational sustainability. Any adverse downgrade in rating may have a cascading impact on the Bank's ability to garner funds, a key business activity.	Low	<ul style="list-style-type: none"><li>Long-term ratings updated to "AAA" by CRAB</li><li>Short-term ratings remained "ST-1" by CRAB</li><li>Rating reflects extremely strong capacity to meet financial commitments with minimal credit risk</li></ul>	<ul style="list-style-type: none"><li>Credit ratings of the bank were upgraded as a result of improvement in key metrics</li><li>Upgrades also reflect extremely strong capacity to meet financial commitments with minimal credit risk</li></ul>
<b>R8 Liquidity risks</b>	Liquidity is the most critical requirement for a Bank. Lack of liquidity may impede credit operations and result in loss of opportunity and reputation. While the loose monetary policy during the pandemic period had triggered unprecedented liquidity, the situation is reversing with tightening policy to curb inflation sucking out liquidity. The Bank is also exposed to liquidity risk when its incoming revenue is not sufficient to cover its outgoing payments.	Medium	<ul style="list-style-type: none"><li>Strong deposit mobilization capabilities driven by attractive interest rates</li><li>Diversified credit mobilization base</li><li>Healthy CASA percentage, indicating sufficient base of low-cost fund</li><li>Credit-deposit ratio of 74.68%</li><li>Opportunity to borrow from refinance windows, which also helps lower credit cost</li><li>Above-regulation statutory liquidity ratios</li></ul>	<ul style="list-style-type: none"><li>Liquidity risk eased for the bank, as exhibited by its movement towards the left of the heat map</li><li>This was due to concerns easing around liquidity as the bank reported a surge in liability mobilization during the year</li><li>This was also triggered by increased inflows into the bank due to greater depositor trust as against increased withdrawals seen from other weaker banks</li><li>The bank also stimulated liability mobilization through deposit campaigns, etc., offering attractive interest rates across different tenures</li></ul>
<b>R9 Interest rate risk</b>	Managing interest rate risk is critical as it directly affects the viability and solvency of a Bank.	Medium	<ul style="list-style-type: none"><li>Swift credit repricing amid rising policy rates to protect margins and yet ensure customer affordability through non-impact on EMIs</li><li>Intelligence shared from RMD on key actionable points for ALCO</li><li>Robust ALCO composition with longstanding experience</li></ul>	<ul style="list-style-type: none"><li>Interest rate risk remains unchanged for the bank</li><li>This was attributed to continued strong action in minimising repricing gaps between assets and liabilities</li><li>Further, this risk was reduced by relying on time deposits for funding while extending short-term loans with interest rate sensitivity similar to that of their deposits</li><li>The bank has a robust ALCO comprising of seasoned specialists who meet on an ongoing basis to take pricing calls in conjunction with other departments of the bank</li></ul>
<b>R10 Enterprise/reputational risk</b>	Risk arising from institutional matters relating to business strategy, reputation, governance or sustainability.	High	<ul style="list-style-type: none"><li>Fortified data accessibility and security through enforcing data controls</li><li>Continued to support the various business segments to develop dynamic tools to manage the Bank's overall portfolio risk</li><li>Mitigated reputational risk through Internal Capital Adequacy Assessment Process (ICAAP) evaluation and fortification</li></ul>	<ul style="list-style-type: none"><li>The bank's perception as one of the strongest and safest bank of Bangladesh gained precedence during the year</li><li>The bank's continued investment in creating strong foundations has resonated well with the market with the outcome that the bank is perceived as a brand with high credence and credibility</li><li>The bank thus bolstered its reputation during the year and reputation risk remained residual and moved towards the left of the heat map</li></ul>



Risk factor	Potential impact	Impact severity	Mitigation / opportunity capture	YoY change in risk mapping, 2024
<b>R11</b> <b>Sensitivity to the economic climate</b>	<p>The banking and financial services sector is particularly sensitive to changes in the economic climate. Economic downturns can have a severe impact on the industry, more than on other sectors in particular because many companies respond to a slowdown in economic activity by reducing their investment and borrowing capacity, which could have an adverse effect on the Bank.</p> <p>However, Bangladesh's economic resilience and developmental profile have ensured sustainable credit demand. Further, the government focus on sustained infra development has also helped foster public credit demand.</p>	High	<ul style="list-style-type: none"> <li>Large and diversified borrower base</li> <li>Large and varied product offering</li> <li>Extensive on-ground footprint</li> </ul>	<ul style="list-style-type: none"> <li>The bank was exposed to a deteriorating economic environment during the year, triggered by the continued trade and consumption weakness</li> <li>This was amplified by the significant mass protests that created an abrupt political change which enforced business disruptions, especially in the middle and second half of the year</li> <li>While the bank's operating environment remained tight, it was a classic case of the strong getting stronger</li> <li>However, weakness in the economic climate persists that could have a detrimental impact on the banking sector</li> <li>This could be exacerbated by more intense competition</li> </ul>
<b>R12</b> <b>Highly competitive industry</b>	<p>The banking industry is highly competitive and is expected to remain so. The Bank's competitors are of all sizes and types, including large MNCs, etc. These have access to technical solutions that respond to clients' specific needs.</p> <p>Such players, with more significant financial means and resources, have the potential to disrupt the competitive landscape.</p> <p>Increased competition may have a negative impact on the Bank's revenue and earnings.</p>	Medium	<ul style="list-style-type: none"> <li>Longstanding sectoral presence with experience of various market cycles</li> <li>Demonstrated ability to maintain existing client relationships</li> <li>High focus on winning new clients and accounts</li> <li>Solid market reputation and goodwill</li> </ul>	<ul style="list-style-type: none"> <li>Competitive intensity increased during the year, marking the shift of the competition risk towards the linear right of the risk map</li> <li>The market was characterised by high competitive intensity with significant competition for share of customer deposits</li> <li>Similar was the case on the lending side too</li> <li>City Bank focused on customer value propositions to differentiate itself, while also ensuring digital banking offering for customer convenience</li> </ul>
<b>R13</b> <b>Regulatory/ market disruption</b>	<p>Sudden, severe or abrupt changes to regulations and market practices may disrupt the industry.</p> <p>Particularly, the expansion of digital banking, FinTech companies and e-commerce businesses into financial services could lead to the disintermediation of a part of the Bank's activities.</p>	Medium	<ul style="list-style-type: none"> <li>Provide clients with the best-in-class services and solutions in a timely and scalable manner</li> <li>Build agility in competitor response</li> <li>Execute on the strong digitalisation roadmap</li> </ul>	<ul style="list-style-type: none"> <li>Market risks remained high during the year with significant turbulence triggered by sluggish economic activities and abrupt political transition</li> <li>With the new incoming interim administration, the focus was on regulations and reforms that bodes well for the long-term sustainability of the banking sector</li> <li>A number of regulatory guidelines were issued by BB during the year which the bank complied with</li> <li>The bank also responded with transparency on any issue raised by the central bank</li> <li>Through this, though regulatory and market risk enhanced during the year, City Bank was able to limit any downside to the risk</li> </ul>



Risk factor	Potential impact	Impact severity	Mitigation / opportunity capture	YoY change in risk mapping, 2024
R14 Forex	Bangladesh's currency saw significant devaluation against the US\$. Considering this, the government and central bank imposed restrictions on imports to prevent deterioration of balance of payments, etc., that impacted the LC business. There existed severe shortage of foreign currency liquidity in the domestic foreign exchange market.	Medium	<ul style="list-style-type: none"> <li>Anticipating market uncertainty, the bank's Treasury moved quickly to ensure prudent management of its foreign currency commitments</li> <li>To streamline foreign currency cash flows and strengthen the net open position, spot and forward sales were curtailed, while US\$ allocations were prioritised to support only essential imports</li> </ul>	<ul style="list-style-type: none"> <li>Forex risk inched up and also moved towards the right to the high risk zone on account of continued depreciation of the local currency against the US\$</li> <li>Despite the volatility, the bank continued to extend full support to its cross-border customers, providing them with solutions to enable ease of doing business</li> <li>The bank played a role in supporting essential imports that led to economic security for clients while also enabling export trade that contributed to foreign currency earnings for the economy</li> </ul>
R15 Climate change events	Climate risk continues to be top of mind for the bank. Climate-related disaster events are expected to increase in frequency across the world. Flooding is a major climate event in Bangladesh and has had disastrous consequences over the years. Weather catastrophes thus will impact businesses and will have a consequent negative fallout on banks.	High	<ul style="list-style-type: none"> <li>We are acutely aware of our role in driving sustainable development for the benefit of all our stakeholders</li> <li>We continue to focus on green/sustainable finance as a means to accelerate the low-carbon transition</li> <li>We remain committed to responsible finance and impact-based lending, focusing on activities that have a productive and constructive impact on the broader economy and society</li> </ul>	<ul style="list-style-type: none"> <li>Climate change risks also remained elevated during the year as indicated in its changed position on the risk heat map</li> <li>Bangladesh was faced with multiple and major flood events during the year that exposed certain parts of the nation to the fragility of climate change</li> <li>While the regions where the floods occurred saw prolonged business disruption, it also reinforced in us the imperative for climate adaptability and action</li> <li>We further deepened our E&amp;S criteria into credit decisions that will support the quality of the asset book, going forward</li> </ul>

Asset Quality		2024
Classification of loans and advances/investments		% of total loan
(A) Unclassified		96.28%
Sub-standard		0.43%
Doubtful		0.43%
Bad/Loss		2.87%
(B) Classified Loans (NPL)		3.73%
Total (A+B)		100%

### Credit Rating of Borrowers

Borrower rating plays a pivotal role in maintaining adequate capital. Capital is a costly line item on the balance sheet and it is always difficult to inject fresh capital. In this context, borrower rating is crucial for risk management.

The bank's management puts utmost importance on credit rating of wholesale and SME customers. During review of credit proposal of existing customers, valid credit rating by ECAI is always checked by the CRM Division and new customers with valid credit ratings are prioritized. Moreover, the Risk Management Division monitors the status of customer credit ratings regularly. As a result, a significant portion of loan exposure is already rated by the bank.

(BDT mn)	2024	2023	2022	2021	2020
Rated Portfolio	246,180.25	241,560.07	215,422.53	172,665.39	170,984.54

### Non-Performing Loan (NPL) Trend

Classification of loans and advances / investments	2024	2023	2022	2021	2020
	% of total loan				
Unclassified	96.28%	96.37%	96.15%	95.14%	95.95%
Sub-standard	0.43%	0.42%	0.62%	0.62%	0.56%
Doubtful	0.43%	0.19%	0.26%	0.25%	0.36%
Bad/Loss	2.87%	3.02%	2.98%	3.98%	3.12%



Classification of loans and advances / investments	2024	2023	2022	2021	2020
	% of total loan				
Classified Loans (NPL)	3.73%	3.63%	3.85%	4.86%	4.05%
	100%	100%	100.00%	100.00%	100.00%

In 2024, despite challenging economic conditions, NPL only rose by 0.1% to 3.7%, which signifies commendable risk management by the bank. While the majority of loans remain unclassified, the trend in NPL percentage reflects effective credit risk mitigation strategies and

resilience amid economic uncertainties. Despite external challenges such as elevated inflation, geopolitical challenges and domestic political upheaval, this underscores the bank's commitment to maintaining asset quality and ensuring financial stability.

Figures in BDT mn

Provision Maintenance	2024	2023	2022	2021	2020
Unclassified	9,774	7,656	6,911	4,973	5,159
Classified	6,207	6,233	5,451	5,602	3,933
Off-balance sheet	1,652	1,952	1,952	1,952	1,202

Provision maintenance for potential credit losses saw incremental increases across categories from 2019 to 2024. In 2024, provisions for unclassified loans rose to BDT 9,774 mn from BDT 7,656 mn in 2023, indicative of heightened risk anticipation. On the other hand, provisions for classified loans reduced to BDT 6,207 mn in 2024 compared to BDT 6,233 mn in 2023, referring to a proactive approach by the bank to mitigate risks. Off-balance sheet provisions

experienced a decline, reaching BDT 1,652 mn in 2024. These provisions serve as buffers against credit risk and reflect the bank's prudential measures to safeguard against potential losses. The consistent escalation in provision maintenance underscores the bank's commitment to maintaining financial resilience and safeguarding asset quality amidst evolving economic conditions.

## Liquidity Risk

	2024	2023	2022	2021	2020
LCR	194.0%	174.6%	220.1%	151.1%	173.5%
NSFR	108.5%	106.5%	103.1%	106.9%	104.6%

City Bank has demonstrated consistently strong liquidity position over the past five years, as reflected in its Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). In 2024, the LCR stood at a robust 194%, indicating ample high-quality liquid assets to cover net cash outflows over a 30-day period under stress conditions. Additionally, the NSFR of 107.4% in 2024 suggests the bank maintained a stable funding profile in relation to its long-term assets and off-balance sheet exposures. Overall, City Bank's historical LCR and NSFR highlight its commitment to maintaining robust liquidity and funding resilience.

## Policy Development

Bangladesh Bank provided six core risk management guidelines for sound risk management in the areas of Credit, Asset and Liability, Foreign Exchange, ICT, Internal Control and Compliance, and Money Laundering. Following these core risk guidelines, the bank has developed six internal core risk management policies. In addition to these policies, other major risk management policies are also in effect.

Core Risk Policies	Other Major Policies	Guidelines / Manuals
<ul style="list-style-type: none"> <li>Credit Risk Management Policy</li> <li>Asset Liability Management Policy</li> <li>Internal Control and Compliance Policy</li> <li>Foreign Exchange Risk Management Policy</li> <li>Money Laundering &amp; Terrorist Financing Risk Management Policy</li> <li>Information Security Risk Management Policy</li> <li>Environmental &amp; Social Risk Management Policy</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management Guidelines for City Bank</li> <li>Operational Risk Management Framework</li> <li>Market and Liquidity Risk Management Framework</li> <li>Counterparty Risk Assessment Rating Methodology</li> <li>Recovery Policy</li> <li>Settlement Policy</li> <li>Rescheduling Policy</li> <li>Interest Waiver Policy</li> <li>Investment Policy</li> </ul>	<ul style="list-style-type: none"> <li>Risk Appetite Statement</li> <li>Credit Instruction Manual</li> <li>CAD Operation Manual</li> <li>Insurance Coverage Guidelines</li> <li>Valuation Policy</li> <li>Product Programme Guidelines</li> </ul>

## Meeting and Implementation of Meeting Minutes

Number of Meetings Held	Requirement	2024
BRMC	04	06
ERMC	12	12
CRMC	24	25
ALCO	12	15
Investment Committee	Not Applicable	06

# NPL MANAGEMENT AT CITY BANK

## Industry overview

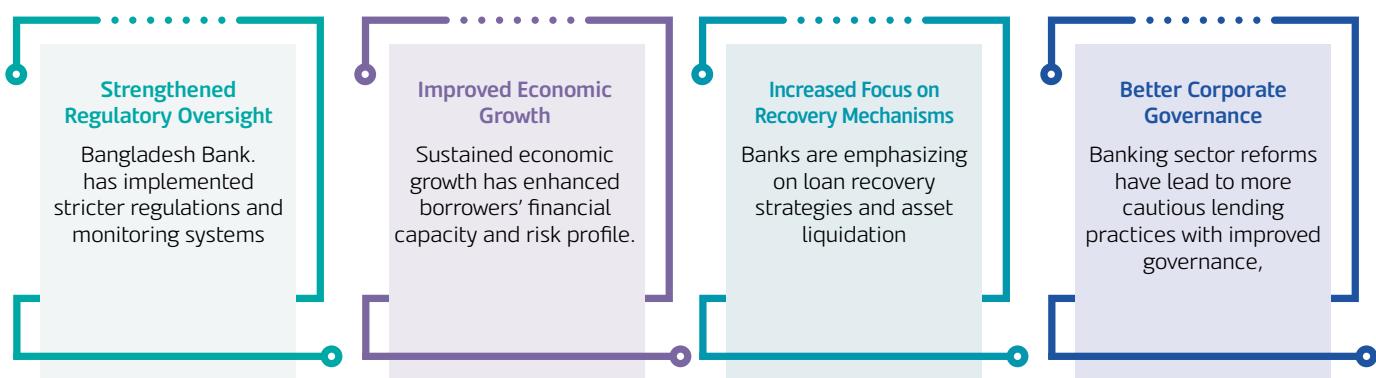
Managing Non Performing Loans (NPLs) remains a prioritised focus area for Bangladesh's banking industry to ensure financial stability, profitability and continued viability. High NPL ratios can impair asset quality, reduce lending capacity and potentially lead to systemic risks. Robust management of delinquent loans is also critical from the lens of ensuring a bank's sustained ability to raise capital and grant new loans.

Prudent underwriting standards, strong collections process and good governance can avert higher-than-normal NPL accumulation, and yet rigid lending practices can hinder a bank's growth and negatively impact the economy. While elevated NPLs have historically posed a challenge for the banking sector, the trend over the past few years suggests a stabilizing and improving environment made possible due to the following factors:

- Strengthened regulatory oversight: Bangladesh Bank has taken proactive steps to ensure strict bank regulations and monitoring systems. These reforms have encouraged augmented risk management practices and greater transparency in NPL reporting. Given the changes in the economic cycle, global

dynamics, borrowers' risk profile and international best practices, the central bank has introduced a new classification circular that will be implemented from March 2025.

- Improved economic growth: Bangladesh's steady economic growth, driven by sectors like RMG, manufacturing and services has enhanced the financial capacity of borrowers. With a developing economy profile, businesses are in a better position to meet their financial obligations that has created a positive outlook on NPLs.
- Increased focus on recovery mechanisms: Banks in Bangladesh are increasingly focusing on improving delinquent loan recovery mechanisms and resolution strategies, including asset liquidation. There is a growing emphasis on loan restructuring and out-of-court settlement, which has helped reduce the overall NPLs and has provided a more sustainable approach to credit recovery.
- Better corporate governance: Ongoing reforms in governance have led to a more robust lending environment. Banks are now more cautious in their lending practices, ensuring that loans are granted to creditworthy borrowers, thereby reducing the risk of future defaults.



## City Bank's NPL Strategy

City Bank maintains a well-diversified loan portfolio with a mix of corporate, SME and retail loans.

Over the years, corporate lending has been a key contributor to the bank's loan growth that has lent credence to the bank's overall loan portfolio. Despite the corporate sector often being associated with higher risk, City Bank has preserved asset quality strength through its rigorous underwriting standards and careful client selection. This approach has enabled the bank to mitigate risks and maintain a healthy portfolio. Generally speaking, due to their strong financial standing, robust operational profile and high ability to absorb economic shocks, blue-chip corporate concerns have demonstrated resilience in the face of the myriad economic challenges.

In any economy, it is a given that small and medium companies or SMEs form the backbone of the nation as they meet specific

demand and consumption needs of a region, create employment opportunities in the local catchment area and collectively make significant contributions to the economy in the form of taxes. Yet, SMEs are a more susceptible group to economic shocks as their small size impede their risk absorbing capacity. However, City Bank's SME loan portfolio stands out due to the diversified, derisked and mature nature of the book, with portfolio customers that have exhibited a stable track record even amidst multiple economic cycles. Moreover, the portfolio has also undergone extensive stress-testing and has demonstrated good capacity to absorb shocks in varying scenarios.

A key part of the bank's NPL strategy has also been about maintaining a business-as-usual scenario, keeping NPLs on the balance sheet and following standard procedures and processes for dealing with delinquent loans. The bank's resilience in the face of economic volatility is demonstrated in its commitment to maintaining asset quality even in a weak macroeconomic scenario.

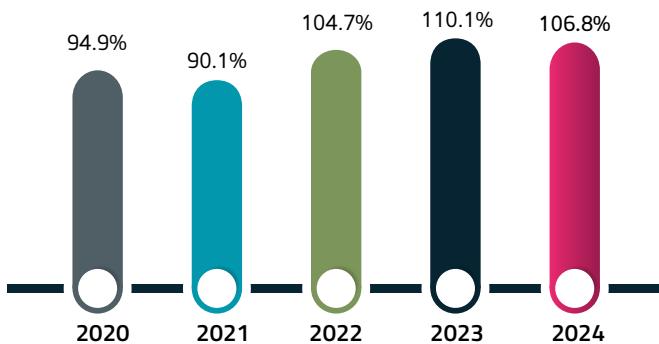


## NPL management: Our guiding principles

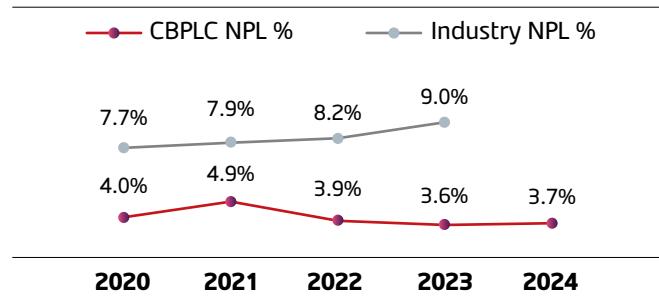
- Selection of quality borrowers
- Continuous risk assessment and analysis
- Early identification and classification of delinquent loans
- Adequate provisioning beyond minimum regulatory requirements
- Strong collection and recovery efforts

At the end of 2024, City Bank's gross NPL ratio stood at 3.7%, which is notably lower than the industry average as of December 2024, reflecting the bank's focus on loan regularization that has primarily served as a hedge against defaults.

### City Bank's Provision Coverage (%)



### NPL Ratio Movement: City Bank vs Industry



## Recovery from NPL and written-off loans

City Bank has demonstrated consistent improvement in recovery from non-performing and written-off loans as evident in the following graph:

### Recovery from NPL & Written-Off Loans (BDT)



## Strategic focus areas, 2025

- Managing credit risks: Build on the stringent monitoring and follow-up protocols established in 2024, we will continue to mitigate the risk of credit defaults. This vigilance is crucial, especially as we navigate the post-waiver period following Bangladesh Bank's policy changes.
- Target-oriented planning: Fix stretch targets at the beginning of the year in respect of all functional segments of SAMD and ensure co-ordination amongst the units towards ultimate recovery goal.
- Loan portfolio health: Emphasis will be placed on recovery and regularization of delinquent loans with the goal of maintaining and improving the health of our loan portfolio.
- Loan portfolio diversification: Diversification will remain a key theme, with plans to broaden the range of our loan portfolio to enhance adaptability and resilience against economic shifts.
- Macro-economic considerations: We will address macroeconomic factors like inflation, interest rates and unemployment to mitigate NPL accumulation as these factors are correlated to a borrower's loan repayment capacity. We will also monitor industries that may be prone to volatility, such as real estate or commodities, and adjust lending practices accordingly.

# BASEL III PILLAR 3: DISCLOSURES ON RISK BASED CAPITAL



## Overview

### Basel regulations

Basel III is an international regulatory framework developed by the Basel Committee on Banking Supervision (BCBS) in response to the 2008 Lehmann Brothers financial crisis. The measures aim to fortify the regulation, supervision and risk management of banks, thereby supporting a more resilient financial system.

The financial sector plays a key role in the stability and strength of an economy, being interconnected to many other large core sectors. It provides liquidity essential for the operations of these core economy constituents. In this realm, banks are vital institutions and through their deposit-taking and lending activities they facilitate savings and investment on the one hand and loan channelization into productive sectors on the other.

Risk management at banks is essential due to potential sudden withdrawals ("bank run") or loan defaults, that can threaten their stability. In this regard, regulatory frameworks like Basel guidelines help banks enhance their risk absorption capacity, ensuring long-term viability and preventing economic contagion.

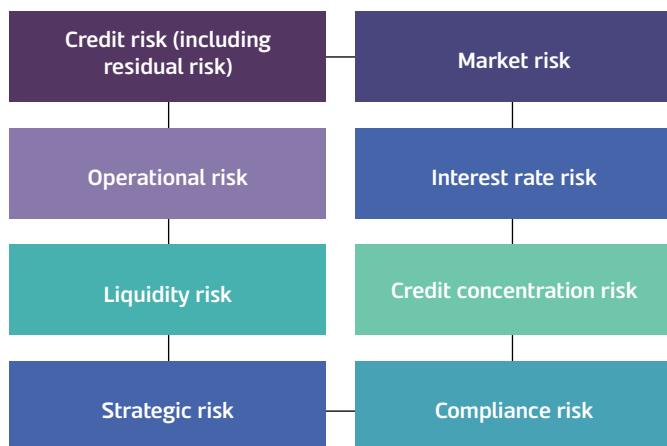
### Capital supervision at City Bank under Basel

City Bank adheres to Basel III regulations through continuous monitoring of capital adequacy. This has ensured the bank's viability amidst various economic and business cycles.

As part of capital adequacy assessment, the bank has charted a comprehensive process for assessing its overall capital adequacy in relation to its risk profile and also a strategy to maintain capital levels. This has provided assurance that the bank has sufficient capital to support inherent business risks and an appropriate capital buffer based on its operating profile.

The bank identifies, assesses and manages risks it is exposed to through sound governance and control practices, robust risk management frameworks and a structured process for capital calculation and planning. It has a comprehensive Internal Capital Adequacy Assessment Process (ICAAP) that covers detailed capital management standards, sets the process for capital adequacy assessment to support current and future activities/risks and prepares reports on capital projection.

City Bank considers the following as material risks it is exposed to in the course of business and factors these while assessing/planning capital:



Under ICAAP, City Bank has implemented a Board-approved ICAAP policy. As part of the capital adequacy assessment City Bank also conduct Stress- testing. Stress-testing involves various techniques to assess the bank's potential vulnerability to extreme, yet plausible stressed business conditions. Changes in the levels of credit risk, market risk, liquidity risk and interest rate risk, etc., and changes in the on and off balance sheet positions of the bank are assessed under assumed stress scenarios and sensitivity factors.

Various stress scenarios include topical themes as well as those contingent on prevailing geopolitical/ macroeconomic/sectoral and other trends. Stress tests are conducted on a quarterly basis at a consolidated level to assess the impact on capital adequacy of the group as a whole. Stress test results are assessed by the Board for their review and guidance.

The bank periodically assesses and refines its stress tests to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of business environment conditions. The stress tests are used in conjunction with the bank's business plans for the purpose of capital planning in the ICAAP.

### Key features of Basel III

Better capital quality

Leverage ratio

Liquidity ratio

Countercyclical and capital conservation buffer



## Key Metrics (Solo Basis):

Capital-to-Risk Weighted Asset Ratio

**15.97%**

2023: 15.80%

Common Equity Tier-1 Capital Ratio

**10.73%**

2023: 9.89%

Leverage Ratio

**5.81%**

2023: 5.70%

Total Eligible Capital

**Tk 65,378.90 mn**

2023: Tk 56,172.90 mn

Common Equity Tier-1 Capital

**Tk 43,898.98 mn**

2023: Tk 35,164.77 mn

Additional Tier-1 Capital

**Tk 4,000.00 mn**

2023: Tk 4,000.00 mn

Tier-2 Capital

**Tk 17,479.92 mn**

2023: Tk 17,008.13 mn

Total Risk Weighted Assets

**Tk 409,301.33 mn**

2023: Tk 355,438.02 mn

Credit Risk RWA

**Tk 325,948.58 mn**

2023: Tk 300,812.67 mn

## Presentation of information

In this report, City Bank's information is presented on both solo and consolidated basis. All amounts in the tables of this Pillar 3 disclosure are denominated in Bangladeshi Taka (BDT), unless stated otherwise. Certain figures in this document have been calculated using rounded-off figures.

**Table 1: SCOPE OF APPLICATION**

### Qualitative disclosures

The name of the top corporate entity in the group to which this guidelines applies.

An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group

(a) That are fully consolidated;

(b) That are given a deduction treatment;

(c) That are neither consolidated nor deducted (e.g. where the investment is risk-weighted).

Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.

The name of the bank is City Bank PLC. However, the bank does not belong to any group.

Presently, City Bank does not have any associates and/or joint venture/s, but has four subsidiaries:

a. **City Brokerage Limited:** City Brokerage Limited was incorporated in Bangladesh as a private limited company on 31 March 2010, vide registration no. C-83616/10 under the Companies Act, 1994. The legal status of the Company has been converted into public limited company from private limited company in June 2012, in compliance with Bangladesh Securities and Exchange Commission Rules, 2000. Previously, the bank launched its brokerage division on 4 August 2009, which was subsequently separated from the bank on 15 November 2010. On 31 December 2024, the bank owned 99.9963% shares of the company.

b. **City Bank Capital Resources Limited:** City Bank Capital Resources Limited (CBCRL) was incorporated in Bangladesh as a private limited company on 17 August 2009, vide registration no. C-79186/09 under the Companies Act, 1994. CBCRL provides a wide range of investment banking services, including merchant banking activities such as issue management, underwriting, portfolio management and corporate advisory. On 31 December 2024, the bank held 99.9980% shares of CBCRL.

c. **CBL Money Transfer Sdn. Bhd.:** CBL Money Transfer Sdn. Bhd. (CMTS) is a private limited company by shares, incorporated under the laws of Malaysia and registered with the Companies Commission of Malaysia with Registration no. 769212M, conducting money services business under the Money Services Business Act, 2011 under a Class B License No. 00127 from the Bank Negara Malaysia. CMTS is primarily engaged as inbound/outbound remittance services provider. The Bank entered into an agreement on 4 April 2013 to purchase 75% of ordinary shares of CMTS with an agreement to acquire 100% shares of CMTS ultimately and the company became and started as subsidiary of the Bank since 5 August 2013. On 31 December 2024 the Bank owned 100% shares of CMTS.



	<p><b>d. City Hong Kong Limited:</b> City Hong Kong Limited was incorporated and domiciled in Hong Kong. City Hong Kong is a fully owned (100% shares) subsidiary of City Bank, established at the end of 2019 to facilitate international trade business through advising letter of credit (LC), handling documentary collections and bill financing (discounting) against LC.</p> <p>All subsidiaries financial statements have been consolidated in accordance with IFRS 10 "Consolidated Financial Statements". Intercompany transactions and balances are eliminated; minority interest of Tk. 0.14 mn has been added in the Tier 1 capital.</p> <p>Not applicable.</p>
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#### Quantitative disclosures

The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Not applicable.
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**Table 2: CAPITAL STRUCTURE**

#### Qualitative disclosures

Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	<p>The bank's regulatory capital is quite different from its accounting capital. As per Bangladesh Bank's guidelines based on Basel III accord, regulatory capital is classified into two broad categories, namely, Tier-1 Capital (going-concern capital) and Tier-II Capital (gone-concern capital). Additionally, Tier-1 Capital is further divided into two categories, Common Equity Tier-1 (CET-1) and Additional Tier-1 (AT-1).</p> <ul style="list-style-type: none"> <li>Common Equity Tier-1 (CET-1) capital of City Bank consists of paid-up capital, statutory reserves, non-repayable share premium, general reserve, retained earnings, dividend equalization reserve and minority interest in its subsidiary (in case of consolidation), less regulatory adjustments applicable on CET-1.</li> <li>Additional Tier-1 (AT-1) capital of City Bank consists of Basel III compliant perpetual bonds.</li> <li>Tier-2 capital of City Bank consists of general provisions and subordinated debt, less regulatory adjustment applicable on Tier-2 capital.</li> </ul>
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#### Quantitative disclosures

Eligible Regulatory Capital Base as on 31 December 2024 (BDT in Million):

Sl. No.	Particulars	Solo	Consolidated
(a)	<b>Common Equity Tier-1 Capital (CET- 1)</b>		
a.1	Paid-up Capital	13,470.81	13,470.81
a.2	Non-repayable share premium account	1,504.39	1,504.39
a.3	Statutory reserve	11,966.42	11,966.42
a.4	General Reserve	11.39	193.32
a.5	Retained Earnings	17,148.90	17,477.24
a.6	Dividend Equalisation reserve	530.79	530.79
a.7	Minority interest in subsidiaries	0.00	0.14
<b>a.8</b>	<b>Sub-total Common Equity Tier-1 Capital (CET- 1)</b>	<b>44,632.70</b>	<b>45,143.11</b>
(b)	<b>Deductions from CET-1</b>		
b.1	Deferred tax assets	724.54	716.53
b.2	Excess Investment in other banks, FI and Ins. Co.	0.00	794.43
b.3	Book value of goodwill which are shown as assets	0.00	46.01
b.4	Reciprocal crossholdings of capital	9.18	9.18
(c)	Total Common Equity Tier-1 Capital (CET-1)	43,898.98	43,576.96
(d)	Additional Tier-1 Capital		
d.1	Perpetual Bond	4,000.00	4,000.00
<b>(e)</b>	<b>Total Tier-1 Capital</b>	<b>47,898.98</b>	<b>47,576.96</b>



(f)	<b>Tier-2 Capital</b>		
f.1	Tier-II subordinated bond	7,032.00	7,032.00
f.2	General Provisions (provisions for UC + SMA + OBS exposure)	10,447.92	10,535.59
<b>f.3</b>	<b>Sub-Total of Tier-2 Capital</b>	<b>17,479.92</b>	<b>17,567.59</b>
<b>(g)</b>	<b>Deduction from Tier-2 Capital</b>		
g.1	Excess investment in equity of other banks, FI and Ins Co.	0.00	794.43
<b>(h)</b>	<b>Total Tier-II Capital</b>	<b>17,479.92</b>	<b>16,773.16</b>
<b>(i)</b>	<b>Total Eligible Regulatory Capital</b>	<b>65,378.90</b>	<b>64,350.12</b>

**Table 3: CAPITAL ADEQUACY**

## Qualitative disclosures

A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.

Approaches followed by the bank for capital calculation:

The banking industry of Bangladesh made the transition to Basel III from Basel II since the beginning of 2015. In this regard, Bangladesh Bank, in line with the Basel Committee on Banking Supervision (BCBS) recommendations and international best practices, issued revised guidelines on Risk Based Capital Adequacy based on Basel III with the purpose of fully implementing it by the end of 2019. Accordingly, City Bank applied the Basel III framework as part of its capital management strategy. The bank applies the following approaches for its risk-wise capital calculation.

- Credit Risk: Standardized Approach (SA)
- Market Risk: Standardized Approach (SA)
- Operational Risk: Basic Indicator Approach (BIA)

**Risk Weighted Assets of the bank:**

As on 31 December 2024, Total Risk Weighted Asset (RWA) of the bank was Tk 409,301.33 mn on solo basis and Tk 420,621.84 mn on consolidated basis. While credit risk accounted for 79.64% (on solo basis) and 78.93% (on consolidated basis) of RWA, followed by operational risk for 12.38% on solo basis and 12.40% on consolidated basis, market risk comprised 7.98% and 8.67% on both solo and consolidated basis respectively. To improve the capital requirement under credit risk, City Bank continuously pursues external credit rating of its client base. At the end of 2024, City Bank managed to cover around BDT 280,095.71 mn or 94% of its total eligible loans under a valid external credit rating.

**Compliance with regulatory requirements for Solo and Consolidated basis:**

As per Basel III guideline, Minimum Capital Requirement (MCR) for banks in Bangladesh is currently 10.00% of its total RWA, with the addition of Capital Conservation Buffer, which is 2.50% of total RWA. City Bank is well ahead of this minimum target both on solo basis and consolidated basis, as of 31 December 2024. City Bank maintained:

- Capital to Risk Weighted Asset Ratio (CRAR) of 15.97% on solo basis and 15.30% on consolidated basis
- Common Equity Tier 1 capital ratio of 10.73% on solo basis and 10.36% on consolidated basis
- Tier 2 capital of 39.82% of CET 1 on solo basis and 38.49% of CET 1 on consolidated basis, against the maximum limit of 88.89%
- Capital Conservation Buffer of 5.70% on solo basis and 5.30% on consolidated basis, against required level of 2.5% of RWA

**Excess capital to support current and future activities:**

After maintaining the total required capital (minimum capital requirement and capital conservation buffer), City Bank was successful in maintaining surplus capital of 3.47% on solo basis and 2.80% on consolidated basis against its Risk Weighted Asset. The surplus capital maintained by City Bank will act as a cushion to absorb the risk arising from all material risks under Pillar II and to sustain future business growth. Furthermore, forward-looking capital assessment based on prospective business growth is also conducted to comprehend and to manage any future uncertainty.



## Quantitative disclosures

Capital Requirement under Credit, Market and Operational Risk (BDT in mn)

Sl. No.	Particulars	Solo	Consolidated
<b>1.0</b>	<b>Capital requirements for credit risk</b>	<b>32,594.86</b>	<b>33,201.53</b>
1.1	Portfolios subject to standardised approach-funded	27,132.80	27,739.47
1.2	Portfolios subject to standardised approach-non-funded	5,462.06	5,462.06
<b>2.0</b>	<b>Capital requirements for market risk</b>	<b>3,266.98</b>	<b>3,646.69</b>
2.1	Interest rate risk (standardised approach)	1,906.05	1,912.44
2.2	Equity risk (standardised approach)	1,259.48	1,632.78
2.3	Foreign exchange risk (standardised approach)	101.46	101.46
<b>3.0</b>	<b>Capital requirements for operational risk (basic indicator approach)</b>	<b>5,068.29</b>	<b>5,213.96</b>
<b>4.0</b>	<b>Minimum Capital requirement</b>	<b>40,930.13</b>	<b>42,062.18</b>
<b>5.0</b>	<b>Capital ratios</b>		
5.1	Total capital ratio	15.97%	15.30%
5.2	CET-1 capital ratio	10.73%	10.36%
5.3	Total Tier-1 capital ratio	11.70%	11.31%
5.4	Tier-2 capital ratio	4.27%	3.99%
<b>6.0</b>	<b>Capital conservation buffer (minimum requirement is 2.5% of RWA)</b>	<b>5.70%</b>	<b>5.30%</b>
<b>7.0</b>	<b>Available capital under Pillar II requirement</b>	<b>3.47%</b>	<b>2.80%</b>

**Table 4: CREDIT RISK**

## Qualitative disclosures

The general qualitative disclosure requirement with respect to credit risk

- Discussion of the bank's credit risk management policy

### Credit Risk:

Credit risk stems from the borrowers or counterparties not meeting due financial obligation within stipulated time. Credit being an integral component of banks, risk emanating from this is of significance. Credit risk can arise from lending portfolio, trade finance, and off-balance sheet items such letters of credit, guarantees etc. Credit Risk Management entails minimizing the losses that may incur from lending activities through adoption of rigorous policies, processes, and evaluation system.

### Credit Risk Management Function:

Board of Directors of the bank sets the tone at the top by outlining the Credit Risk Management Policy (CRMP). This internal policy document is developed taking all the external and internal rules and regulations into consideration along with bank's own strategic stance. The policy encompasses core approaches and techniques for credit risk assessment, approval, mitigation, monitoring, and corrective actions. Risk assessment function mostly focuses on identifying and evaluating pertinent industry risk, business and management risk, facility structuring risk, security risk, reputational risk, etc. along with environmental and social risk. It is notable that E & S risk is managed through City Bank's internal ESRCT-Environmental and Social Risk Categorization Tool-an intranet based ESDD application.

Guided by the CRMP (Credit Risk Management Policy), credit exposure is managed across key customer segments such Corporate, Commercial, and Medium Business. The policy is reviewed annually to align with ever changing economic landscape, regulatory provisions, and improved risk management approach. For Retail Banking segments (Consumer Loans, Cards, Small Business, Distributorship Finance etc.), credit risk is managed through separate Product Program Guidelines (PPGs) approved by the Board and/or management.

Credit Risk Management Division undertakes the responsibility of implementing CRMP in its processes to better identify, assess, and manage credit risk to ensure sound asset quality. The division performs its responsibilities independently of business units (loan originating functions) with a well-defined framework of credit approval which ultimately rests with the Board of Directors and delegated/sub-delegated to management of the bank contingent on expertise and experience.



	<p>City Bank's approach towards managing and controlling credit risk is primarily ensured prior to approval level. This entails extensive KYC modelling, qualitative &amp; quantitative assessments, securitization etc. The bank exercises a robust assessment process to manage credit risk by conducting holistic analysis of the borrowers, industries, security, and other pertinent parameters. In addition, internal risk grading is conducted to minimize potential credit losses through avoiding riskier ventures.</p> <p>Furthermore, Credit Risk Management team of City Bank consists of PIAD-Project Inspection &amp; Assessment Department, a supporting unit facilitating in-depth analysis of technical aspects of the borrowers leading to more informed decision-making. Mentionable that critical portfolio level strategies, large loan/significant borrower related decisions etc. are escalated to Credit Risk Management Committee-a committee convened and managed by CRM Division of the bank. Credit Monitoring Cell- a unit developed by CRM Division for continuously monitoring the repayment, expiry of the credit facilities at the portfolio level, plays a vital role in managing credit risk of the bank supported by the division's MIS team.</p> <p>To mitigate credit risks, security/collateral is sought on top of primary security. These could range from movable/immovable assets to guarantees (Personal, Corporate, Banks etc.). It is mentionable that while assessing a particular credit proposition, external credit rating is evaluated so that the bank can set a control over its risk-weighted assets, resulting in optimized capital charge for the loan portfolio.</p> <p>In case of potential delinquencies, City Bank prefers preemptive actions for identifying and monitoring potential problem accounts during the early stages of deteriorating through a combination of overdue reports, Early Alert Reporting System, and DCMT (Deteriorating Credit Management Team) meetings. Rigorous credit risk assessment and management is embedded within the bank through instilling required level of expertise, exposure, and experience within various functions.</p> <p>For non-performing exposures, credit risk management takes a different shape. Upon transferring the NPL accounts to bank's Special Asset Management Division for initiating recovery measures, the concerned representatives exercise various approaches such as adjustment, rescheduling, and settlement subject to further assessment and suitability. If these attempts to recover bank's dues fail, legal action is initiated as per existing rules and regulations.</p>																											
<ul style="list-style-type: none"> <li>Definitions of past due and impaired (for accounting purposes)</li> <li>Description of approaches followed for specific and general allowances and statistical methods</li> </ul>	<p><b>Loan classification criterion:</b></p> <p>Loan products are broadly divided into Continuous loan, Demand loan, Fixed term loan and Short term agricultural and Micro credit. City Bank is following the relevant Bangladesh Bank guidelines for classification of its loan products. Presently, there are 5 categories of classification on objective criterion, they are: Standard (STD), Special Mention Account (SMA), Sub-standard (SS), Doubtful (DF) and Bad-loss (BL).</p>																											
	<p>Definition of past due/overdue:</p> <ol style="list-style-type: none"> <li>Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date</li> <li>Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date</li> <li>In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after three month of the expiry date</li> <li>The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered as past due/overdue from the following day of the expiry date</li> </ol>																											
	<table border="1"> <thead> <tr> <th rowspan="2"><b>Type of facility</b></th> <th colspan="3"><b>Overdue period for loan classification</b></th> </tr> <tr> <th><b>Sub-standard</b></th> <th><b>Doubtful</b></th> <th><b>Bad &amp; loss</b></th> </tr> </thead> <tbody> <tr> <td>Continuous &amp; Demand Loan (except CMSME)</td> <td>3 months or more but less than 9 months</td> <td>9 months or more but less than 12 months</td> <td>12 months or more</td> </tr> <tr> <td>Continuous &amp; Demand Loan (BRPD circular no.16 under CMSME)</td> <td>6 months or more but less than 18 months</td> <td>18 months or more but less than 30 months</td> <td>30 months or more</td> </tr> <tr> <td>Fixed Term Loan(except CMSME)</td> <td>6 months or more but less than 12 months</td> <td>12 months or more but less than 15 months</td> <td>15 months or more</td> </tr> <tr> <td>Fixed Term Loan (BRPD circular no.16 under CMSME))</td> <td>09 months or more but less than 21 months</td> <td>21 months or more but less than 33 months</td> <td>33 months or more</td> </tr> <tr> <td>Short Term Agricultural &amp; Micro Credit</td> <td>12 months or more but less than 36 months</td> <td>36 months or more but less than 60 months</td> <td>60 months or more</td> </tr> </tbody> </table>	<b>Type of facility</b>	<b>Overdue period for loan classification</b>			<b>Sub-standard</b>	<b>Doubtful</b>	<b>Bad &amp; loss</b>	Continuous & Demand Loan (except CMSME)	3 months or more but less than 9 months	9 months or more but less than 12 months	12 months or more	Continuous & Demand Loan (BRPD circular no.16 under CMSME)	6 months or more but less than 18 months	18 months or more but less than 30 months	30 months or more	Fixed Term Loan(except CMSME)	6 months or more but less than 12 months	12 months or more but less than 15 months	15 months or more	Fixed Term Loan (BRPD circular no.16 under CMSME))	09 months or more but less than 21 months	21 months or more but less than 33 months	33 months or more	Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	36 months or more but less than 60 months	60 months or more
<b>Type of facility</b>	<b>Overdue period for loan classification</b>																											
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Reschedule accounts	Reschedule accounts will be marked as per BRPD Circular No.16 dated July 18, 2022 & BRPD Circular Letter No. 33 dated August 03, 2022
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### Guidelines for loan loss provisions:

Specific provisions for classified loans and general provisions for unclassified loans and advances and contingent assets are measured as per Bangladesh Bank's prescribed provisioning rates, as mentioned below:

General provision:	Rate
Unclassified (STD & SMA) general loans and advances	1.00%
Unclassified (STD & SMA) small and medium enterprise	0.25%
Unclassified (STD & SMA) loans to BHs/MBs/SDs against shares, etc.	1.00%
Unclassified (STD & SMA) loans for housing finance and on loans for professionals	1.00%
Unclassified (STD & SMA) consumer financing other than housing finance and loans for professionals	2.00%
Unclassified (STD & SMA) credit card loans under consumer financing	2.00%
Unclassified short term agricultural credit	1.00%
Micro-credit Nano	0.25%
Off balance sheet exposures	1.00%
Specific provision:	
Substandard loans and advances other than short term agricultural credit and micro-credit	20.00%
Doubtful loans and advances other than short term agricultural credit and micro-credit	50.00%
Bad & loss loans and advances	100.00%
Substandard & doubtful short term agricultural credit and micro-credit	5.00%
Substandard cottage, micro and small credit under CMSME under BRPD circular no. 16 dated 21 July 2020	5.00%
Doubtful cottage, micro and small credits under CMSME under BRPD circular no. 16 dated 21 July 2020	20.00%
Micro-credit Nano SS and DF	5%
Micro-credit Nano BL	100%

### Quantitative disclosures

Total gross credit risk exposures broken down by major types of credit exposure	Type-wise credit exposure	Amount in mn BDT
	Continuous loan	52,381.42
	Small & medium enterprise financing (SMEF)	11,936.74
	Consumer Finance	16,193.19
	Loans to BHs/MBs/SDs against shares	723.41
	Other than SMEF, CF, BHs/MBs/SDs	23,528.08
	Demand loan	177,706.73
	Small & medium enterprise financing (SMEF)	12,582.91
	Consumer finance	-
	Loans to BHs/MBs/SDs against shares	-
	Other than SMEF, CF, BHs/MBs/SDs	165,123.82
	Fixed Term loan	202,587.10
	Small & medium enterprise financing (SMEF)	48,842.51
	Consumer finance (including staff, other than HF)	44,984.32
	Housing finance (HF)	17,296.97
	Loans to professionals for business setup (LP)	-
	Loans to BHs/MBs/SDs against shares	-
	Other than SMEF, CF, BHs/MBs/SDs	91,463.30
	Short term agri. credit and micro-credit	8,386.70
	Short term agri. Credit	6,821.64
	Microcredit	1,565.06
	Staff loan	3,915.75
	<b>Total credit exposure</b>	<b>444,977.69</b>



	<b>Geographical exposure</b>	<b>Amount in BDT mn</b>
	Dhaka	374,856.91
	Chattogram	36,009.66
	Rajshahi	11,867.78
	Khulna	11,332.79
	Rangpur	3,485.35
	Sylhet	2,068.34
	Barishal	1,939.92
	Mymensingh	1,638.49
	Outside Bangladesh	1,778.46
	<b>Total exposure</b>	<b>444,977.69</b>
	<b>Industry-wise distribution of exposure</b>	<b>Amount in BDT mn</b>
	Consumer credit	70,290.39
	Readymade garments industry	71,300.48
	Other manufacturing industry	59,350.33
	Trade service	54,768.20
	Energy and power industry	38,298.39
	Textile & spinning mills	29,648.57
	Agri & micro-credit through NGO	22,484.66
	Real estate financing	19,535.66
	Construction	15,439.75
	Edible oil and food processing	13,181.45
	Steel industry	12,811.52
	Service industry	11,603.98
	Pharmaceuticals industry	10,422.12
	Others	7,037.54
	Assembling industry	5,087.23
	Chemical industry	2,102.69
	Transport, storage & communication	1,273.56
	Hospitals	276.65
	Ship breaking & building	64.50
	<b>Total Exposure</b>	<b>444,977.69</b>
	<b>Residual contractual maturity-wise exposure</b>	<b>Amount in BDT mn</b>
	Repayable on demand	13,614.48
	Not more than 3 months	122,541.82
	More than 3 months but not more than 1 year	116,239.83
	More than 1 year but not more than 5 years	148,889.73
	More than 5 years	43,691.83
	<b>Total exposure</b>	<b>444,977.69</b>



By major industry or counterparty type:	<b>Counterparty-wise distribution of impaired loans and past due loans</b>	<b>Amount in BDT mn</b>	
		<b>NPL</b>	<b>SMA</b>
• Amount of impaired loans and if available, past due loans	Small & medium enterprise financing (SMEF)	5,947.38	1,284.34
• Specific and general provisions; and	Consumer financing (Other than HF &LP)	2,590.05	572.57
• Charges for specific allowances and charge-offs during the period	Loans to BHs/MBs/SDs	-	-
	Other than SMEF, CF, BHs/MBs/SDs	7,515.94	2,526.31
	Housing finance (HF)	439.46	143.18
	Loans for professionals to setup business (LP)	-	-
	Short term Agri. credit	20.73	-
	Micro-credit	55.54	-
	Staff loan	-	-
	<b>Total exposure</b>	<b>16,569.10</b>	<b>4,526.40</b>
Particulars of specific and general provisions for entire loan portfolio and off-balance sheet exposures		<b>Amount in BDT mn</b>	
Specific provision for loans and advances		7,245.77	
General provision for loans and advances		8,796.06	
General provision for off-balance sheet exposures		1,651.86	
• Gross Non-Performing Assets	<b>Non-performing assets</b>		<b>Amount in BDT mn</b>
	Gross non-performing assets (NPAs)	16,569.10	
• Non-Performing Assets to Outstanding Loans & advances	NPAs to outstanding loans and advances (%)	3.72%	
• Movement of Non-Performing Assets (NPAs)	<b>Movement of NPAs (gross)</b>		
• Movement of Specific provisions for NPAs	Opening balance	14,385.09	
	Additions	18,741.11	
	Less: Reductions (cash recovery, rescheduling, W/O)	(16,557.10)	
	<b>Closing balance</b>	<b>16,569.10</b>	
	<b>Movement of specific provisions for NPAs</b>		
	Provision held at the beginning of the year	6,233.23	
	Fully provided debts written off during the year	(3,496.65)	
	Fully waived during the year	(27.93)	
	Recoveries of amounts previously written off	760.86	
	Specific provision made during the year	2,509.43	
	Transfer (to)/from general provision	1,266.83	
	<b>Closing balance</b>	<b>7,245.77</b>	

**Table 05: EQUITIES – DISCLOSURES FOR BANKING BOOK POSITIONS****Qualitative disclosures**

The general qualitative disclosure requirement with respect to equity risk, including:

- Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and
- Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices

Bank's investment in equity securities are broadly categorized into two categories:

- Quoted Securities:** The instruments are quoted in active markets. These securities include Common shares, Mutual funds listed with Stock Exchanges. These instruments are categorized as trading book assets. Investment in trading book includes securities holding for capital gains, dividend income and securities holding for strategic reasons.
- Unquoted Securities:** Unquoted Securities have no active market for price quotation. These instruments are categorized as banking book assets. Once unquoted securities get listed in secondary market, is reclassified as quoted and trading book assets.

As per Bangladesh Bank circular (ref: BRPD circular number -14 dated June 25, 2003 and DOS circular number-30 dated August 4,2022), the quoted shares are valued as per market price in the stock exchange(s). Quoted shares Under special fund are not revalued at market price according to DOS circular number- 1 dated 10 February 2020.

Equity securities holdings in the banking book or unquoted are recognized at cost price.

Provisions for shares are maintained for unrealized loss (gain net off) arising from diminution in value of investments. Provision for shares against unrealized loss (gain net off) has been made according to DOS circular number-04 dated 24 November 2011 and for mutual funds (closed-end) according to DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.

**Quantitative disclosures**

- Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.
- The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.
- Total unrealized gains (losses)
- Total latent revaluation gains (losses)
- Any amounts of the above included in Tier 2 capital.

<b>Particulars</b> (BDT in mn)	<b>Solo basis</b>		<b>Consolidated basis</b>	
	<b>Cost price</b>	<b>Market value</b>	<b>Cost price</b>	<b>Market value</b>
Value of quoted shares	4,439.59	4,253.52	8,535.12	7,256.40
Value of unquoted shares	100.05	100.05	664.16	664.16

<b>Particulars (BDT in mn)</b>	<b>Solo basis</b>	<b>Consolidated basis</b>
The cumulative realised gains (losses) arising from sales and liquidations in the reporting period	113.97	172.39
Total unrealised gains (losses)	(515.04)	(1,478.14)
Total latent revaluation gains (losses)	-	-
Any amounts of the above included in Tier-2 capital	-	-

<b>Risk weighted assets and capital charge for unquoted shares (BDT in mn)</b>	<b>Solo basis</b>		<b>Consolidated basis</b>	
	<b>Balance sheet amount</b>	<b>RWA</b>	<b>Balance sheet amount</b>	<b>RWA</b>
Unquoted shares	88.05	110.06	652.16	815.20
Unquoted shares (venture capital)	12.00	12.00	12.00	12.00
<b>Total unquoted shares</b>	<b>100.05</b>	<b>122.06</b>	<b>664.16</b>	<b>827.20</b>
<b>Capital requirement @ 10% of RWA</b>		<b>12.21</b>		<b>82.72</b>

**Table 06: INTEREST RATE RISK IN BANKING BOOK (IRRBB)****Qualitative disclosures**

The general qualitative disclosure requirement including the nature of Interest Rate Risk in Banking Book (IRRBB) and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.

Interest rate risk refers to the vulnerability of a bank's financial health to unfavorable shifts in interest rates. Fluctuations in interest rates alter the present value and timing of future cash flows, thereby impacting the value of the bank's assets, liabilities, and off-balance sheet items, ultimately affecting its Economic Value. These changes influence both the bank's current earnings (earnings perspective) and its net worth (economic value perspective).



	<p>Excessive Interest Rate Risk in the Banking Book (IRRBB) can pose a significant threat to the bank's current capital base and/or future earnings.</p> <p><b>Sources of Interest Rate Risk in Banking Book (IRRBB)</b></p> <p><b>Gap Risk or Maturity Mismatch Risk:</b> This arises when the repricing schedules of assets, liabilities, and off-balance sheet items do not align. The severity of gap risk depends on whether changes in the term structure of interest rates occur uniformly across the yield curve (parallel risk) or vary by period (non-parallel risk).</p> <p><b>Basis Risk:</b> Basis risk occurs when two yield curves that typically move together diverge unexpectedly. This results from the imperfect correlation in the adjustment of rates earned and paid on different instruments or products.</p> <p><b>Option Risk:</b> This stems from embedded options within the bank's assets, liabilities, and off-balance sheet instruments or products.</p> <p>All three sub-types of IRRBB can alter the price, value, earnings, or costs of interest rate-sensitive assets, liabilities, and off-balance sheet exposures in a manner or timing that negatively impacts the bank's financial condition.</p> <p>Nature of Interest Rate Risk Management:</p> <p>The bank evaluates interest rate risk from both earnings and economic value perspectives.</p> <p><b>Earning Perspective:</b> Focuses on the effect of interest rate changes on the bank's earnings. Net interest income may fluctuate due to factors such as repricing, shifts in the yield curve, and embedded options in products.</p> <p><b>Economic Value Perspective:</b> Reflects the sensitivity of the bank's net worth to interest rate fluctuations. This perspective offers a broader view of the potential long-term impacts of interest rate changes on the bank's net worth.</p> <p>Management Framework for Interest Rate Risk In Banking Book (IRRBB):</p> <p>City Bank has a Board-approved IRRBB Policy in place to manage this risk.</p> <ul style="list-style-type: none"><li>• The Board of Directors ensures that the bank identifies, measures, monitors, and controls IRRBB in line with approved strategies and policies.</li><li>• The Asset and Liability Management Committee (ALCO) is primarily responsible for developing IRRBB policies and practices, with close collaboration from the bank's risk management division.</li></ul>
	<p>IRRBB Measurement Process include steps like Categorization, Slotting of Cash Flows, Calculation of <math>\Delta EVA</math> and <math>\Delta NII</math> and Aggregation across six supervisory prescribed interest rate shock.</p> <p><b>Interest Shock Scenarios:</b></p> <p>The six scenarios used for measurement are:</p> <ol style="list-style-type: none"><li>1. Parallel shock up;</li><li>2. Parallel shock down;</li><li>3. Steepener shock (short rates down, long rates up);</li><li>4. Flattener shock (short rates up, long rates down);</li><li>5. Short rates shock up; and</li><li>6. Short rates shock down.</li></ol> <p><b>Behavioral and Model Assumptions for IRRBB:</b></p> <ul style="list-style-type: none"><li>• Expectations for the exercise of interest rate options (explicit and embedded) by the bank and its customers under specific shock and stress scenarios.</li><li>• Treatment of balances and interest flows from non-maturity deposits (NMDs).</li><li>• Treatment of own equity in economic value measures.</li><li>• Implications of accounting practices for IRRBB.</li></ul>



### Quantitative disclosures

<p>The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).</p>	<p>The plausible interest rate risk in the banking book as of December 31, 2024 is calculated as below:</p> <p><b>Interest rate sensitivity analysis:</b></p>			
	<b>Interest rate change</b>	<b>1%</b>	<b>2%</b>	<b>3%</b>
	Change in net interest income in short term bucket (BDT in mn)	(255.8)	(511.6)	(767.4)
<p><b>Duration gap analysis:</b></p>				
<b>Interest rate change</b>	<b>1%</b>	<b>2%</b>	<b>3%</b>	
Change in market value of equity (BDT in mn)	(5,695.2)	(11,390.4)	(17,085.7)	

**Table 07: MARKET RISK – DISCLOSURES RELATING TO MARKET RISK IN TRADING BOOK**

### Qualitative disclosures

<p>a) Views of BOD on trading/investment activities</p> <p>b) Market risk management system</p> <p>c) Policies and processes for mitigating market risk</p> <p>d) Methods used to measure Market risk</p>	<p>Market risk is the risk of potential losses in the on-balance sheet and off-balance sheet positions of a bank, stems from adverse movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices. Market risk exposure may be explicit in bank's trading book and banking book. The objective of the market risk management is to minimize the impact of losses on bank's earnings and shareholders' equity.</p> <p>The Board of Director establishes trading and investment objectives, limits, and other risk controls through different board approved policies, guidelines, and frameworks. The delegation chain for trading and investment activities initiates from the Board, which further establishes control limits, and responsibility centers for these activities. Furthermore, the Board regularly reviews trading and investment activities, and makes necessary advices and recommendations.</p> <p>Bank follows a market risk management process that allows risk-taking within well-defined limits in order to create and enhance shareholder value and to minimize risk. Regular market risk reports are presented to the Board's Risk Management, Assets &amp; Liabilities Management Committee, Executive Risk Management Committee and Investment Committee.</p>
	<p>Board and Board's Risk Management Committee have the superior authority to set market risk management strategy. Board has delegated its technical functions to the Assets &amp; Liabilities Management Committee, Executive Risk Management Committee and Investment Committee. To administer technical policies concerning financial models and risk management techniques and to implement bank's market risk management policies, procedures and systems, Asset Liability Management desk, Market Risk Management desk and Treasury Middle Office are functioning in tandem.</p> <p>Bank has Foreign Exchange Risk Management Policy, Asset Liability Management Policy and Investment Policy, duly approved by the Board of Directors. These policies work in conjunction with the Board approved Market and Liquidity Risk Management Framework, Risk Management Guidelines of City Bank, and other internal risk management policies. These policies delineate the management process of Market Risk Factors. The Bank reviews these policies preferably on yearly basis for effective management of interest rate risk, liquidity risk and foreign exchange risk.</p> <p>Bank measures its market risk exposure using Value at Risk (VaR) Model which is a quantitative approach to measure potential loss for market risk. Stress Testing is used on asset and liability portfolios to assess sensitivity on bank's capital in different situations including stressed scenario. This test also evaluates resilience capacity of the bank.</p> <p>Major methodologies employed to measure market risk are Interest Rate Sensitivity Gap Analysis, Duration Gap Analysis, FX VaR, and Equity VaR computations.</p> <p>Disciplined presentation and monitoring of these methods and control of loss from trading assets are ensured by putting in place Risk Appetite Statement, Management Action Triggers (MAT) and Stop loss limit. Notional limit and Exposure limits are set for Trading portfolios and Foreign Exchange Open Position. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher, of the foreign currency positions held by the Bank.</p>



## Quantitative disclosures

The capital requirements for:

- interest rate risk;
- equity position risk;
- foreign exchange risk; and
- Commodity risk.

As on 31 December 2024, capital allocation for market risk using standardised approach is as below:

### Solo basis:

Capital requirement for	Amount in BDT mn
Interest rate risk	1906.05
Equity position risk	1,259.48
Foreign exchange risk	101.46
Commodity risk	0.00
Total capital requirement	3,266.98

### Consolidated basis:

Capital requirement for	Amount in BDT mn
Interest rate risk	1,912.45
Equity position risk	1,632.78
Foreign exchange risk	101.46
Commodity risk	0.00
Total capital requirement	3,646.69

**Table 08: OPERATIONAL RISK**

## Qualitative disclosures

- a) Views of BOD on system to reduce Operational risk
- b) Performance gap of executive and staffs
- c) Potential external events
- d) Policies and processes for mitigating operational risk
- e) Approach for calculating capital charge for operational risk

The Board of Directors (BOD) remains committed to maintaining a strong Operational Risk Management Framework to support a robust risk culture. The existing framework continues to provide a structured approach to identifying, assessing, and mitigating operational risks across the Bank. The BOD continues to oversee its effective implementation to ensure alignment with regulatory requirements and industry standards.

The BOD emphasizes continuous improvement in risk mitigation strategies, reinforcing proactive risk identification and control mechanisms. The BOD remains dedicated to fostering a culture of accountability and risk awareness across all business functions.

Building on last year's enhancements to the Performance Management Process (PMP), the inclusion of risk as a Key Performance Indicator (KPI) has led to increased risk awareness across all levels of the organization. Employees are now more proactive in identifying and mitigating risks, fostering a stronger risk culture in day-to-day operations.

This shift has contributed to more informed decision-making and improved adherence to risk management protocols. As risk awareness continues to grow, City Bank remains focused on reinforcing this risk culture through ongoing engagement and alignment of performance expectations with organizational risk objectives.

External events remain a significant factor in operational risk, with evolving cyber threats, political and regulatory shifts, and economic fluctuations posing ongoing challenges. City Bank recognizes that disruptions from geopolitical instability, technological advancements, and unforeseen crises can impact its operations and risk environment.

To mitigate these risks, City Bank emphasizes proactive monitoring and preparedness; risk identification and mitigation through risk triggers. The Business Continuity Plan (BCP) undergoes regular reviews to ensure it remains effective against emerging threats. Recent review included a risk-based approach for all units of the Bank. Routine BCP drills reinforce operational readiness, while the IT governance team continuously enhances cybersecurity frameworks to safeguard critical systems and data.

City Bank continues to refine its policies and processes for mitigating operational risk by focusing on governance, monitoring, and compliance across all levels. Key initiatives include:

- Regular Operational Risk Management Committee (ORMC) and Risk Champions' meetings to ensure continuous dialogue on risk mitigation and management.
- 4 new comprehensive Risk & Control Self-Assessments (RCSA) on 4 divisions, namely, Retail Banking, Digital Financial Services, Medium Business, Small Business, have been completed this year to evaluate and address risks across business and operations lines.
- The monitoring of Key Risk Indicators (KRIs) has been extended to 14 divisions in total to identify and respond to risks on a monthly basis.



	<ul style="list-style-type: none"> <li>• Expanding the scope of Control Assurance processes to Cards and Agent Banking, ensuring the implementation of current controls and compliance.</li> </ul> <p>Operational risks identified are escalated to both the ORMC and Executive Risk Management Committee (ERMC), ensuring that senior management is involved in managing key risks. These committees oversee the implementation of operational risk management strategies, track significant exposures, and guide their resolution.</p> <p>The Internal Control &amp; Compliance Division (ICCD) ensures robust monitoring through tools like Departmental Control Function Checklists (DCFCL), Quarterly Operation Reports (QOR), and internal audits. The Risk Management Division (RMD) plays a crucial role in monitoring and escalating key risks, ensuring that the senior management is always aligned with strategic risk priorities.</p> <p>Specialized teams such as the Fraud Risk Management and IT Governance teams continue to manage specific operational risks, while the ICCD Audit team, as the third line of defense, provides independent assurance on the effectiveness of internal controls and regulatory compliance.</p> <p>City Bank remains committed to ensuring strong capital reserves for operational risk, continuing the use of the Basic Indicator Approach (BIA) for calculating the capital charge. In line with the Risk-Based Capital Adequacy (RBCA) guidelines, the operational risk capital charge has been calculated at 15% of the positive annual average gross income over the last three years. This method ensures alignment with regulatory standards while effectively addressing operational risk exposure.</p>
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### Quantitative disclosures

Capital requirement for operational risk for the year 2024:

Sl. No.	Particulars	Amount in BDT mn
01	Capital charge for operational risk under MCR (solo basis)	5,068.29
02	Capital charge for operational risk under MCR (consolidated basis)	5,213.96

**Table 09: LIQUIDITY RATIO**

### Qualitative disclosures

a) Views of BOD on System to reduce liquidity risk	Liquidity risk is the risk to the bank's earnings and capital arising from its inability to timely meet obligations when they come due without incurring unacceptable losses. Liquidity risk primarily arises due to the maturity mismatch associated with assets and liabilities of the bank. Therefore, The Board of Directors of the bank set policy, different liquidity ratio limits and risk appetite for liquidity risk management.
b) Liquidity risk management system	The Board of Directors of the bank set policy, different liquidity ratio limits, and risk appetite for liquidity risk management. Asset and Liability Management Committee is responsible for both statutory and prudential liquidity management. Ongoing liquidity management is discussed as a regular agenda of ALCO meeting, which takes place on a monthly basis. At the ALCO meeting, bank's liquidity position, limit utilization, changes in exposure and liquidity policy compliance are presented to the committee. Asset Liability Management Desk closely monitors and controls liquidity requirements on a daily basis.
c) Methods used to measure liquidity risk	Key liquidity metrics on both local currency and foreign currency balance sheets are monitored to evaluate the liquidity mismatches and prudential limits such as:
d) Policies and process for mitigating liquidity risk	<ul style="list-style-type: none"> <li>• Cash Reserve Ratio (CRR)</li> <li>• Statutory Liquidity Requirement (SLR)</li> <li>• Advance to Deposit Ratio (ADR) and Investment to Deposit Ratio (IDR)</li> <li>• Structural Liquidity Profile (SLP)</li> <li>• Maximum Cumulative Outflow (MCO)</li> <li>• Liquidity Coverage Ratio (LCR)</li> <li>• Net Stable Funding Ratio (NSFR)</li> <li>• Liquid Asset to Total Deposit Ratio</li> <li>• Liquid Asset to Short Term Liabilities</li> <li>• Commitment Limit</li> <li>• Wholesale Borrowing Limit</li> </ul> <p>Liquidly Risk Management is guided by Asset Liability Management Policy of the bank. Liquidly risk management and Liquidity Contingency Plan are the two major aspects in the ALM policy. The Liquidity Contingency Plan clearly defines the responsibilities of the Contingency Management Team and ensures the business continuity through close monitoring of the Bank's liquidity position against the pre-defined liquidity Management Action Triggers</p>



Quantitative disclosures		
Sl. No.	Particulars	Solo
01	Liquidity Coverage Ratio	193.95%
02	Net Stable Funding Ratio (NSFR)	108.54%
03	Stock of High Quality Liquid Assets (BDT in mn)	156,950.71
04	Total net cash outflows over the next 30 calendar days (BDT in mn)	80,768.96
05	Available amount of stable funding (BDT in mn)	525,968.25
06	Required amount of stable funding (BDT in mn)	484,583.21

**Table 10: LEVERAGE RATIO**

Qualitative disclosures		
a) Views of BOD on System to reduce excessive leverage	Basel III guidelines introduced a simple, transparent, non-risk based ratio known as leverage ratio in order to avoid building excessive on and off balance sheet leverage in the banking system. City Bank has embraced this ratio along with Basel III guideline as it acts as a credible supplementary measure to risk-based capital requirement and assesses the ratio periodically in order to properly address the issue.	
b) Policies and processes for maintaining excessive on and off-balance sheet leverage	Revised guideline of RBCA based on Basel III as provided by BRPD of Bangladesh Bank is followed by the bank while managing excessive on- and off-balance sheet leverage of the bank, and the regulatory requirement has been addressed in the ALM Policy of the bank. As per RBCA, leverage ratio shall be Tier I capital divided by total exposure after related deductions.	
c) Approach for calculating exposure	City Bank follows the approach mentioned in the revised RBCA for calculating exposure of the bank. The exposure measure for the leverage ratio generally follows the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following are applied by the bank: a. On balance sheet, non-derivative exposures will be net of specific provisions and valuation adjustments b. No physical or financial collateral, guarantee or credit risk mitigation is considered c. No netting off of loans and deposits is considered	

**Quantitative disclosures**

Sl. No.	Particulars	Solo	Consolidated
01	Leverage ratio (%)	5.81%	5.69%
02	On-balance sheet exposure (in BDT mn)	690,102.82	702,313.18
03	Off-balance sheet exposure (in BDT mn)	135,708.82	135,708.82
04	Total deductions from On and Off- Balance sheet exposure/ Regulatory adjustments made to Tier 1 capital (in BDT mn)	733.72	1,566.15
05	Total exposure (in BDT mn)	825,077.93	836,455.85

**Table 11: REMUNERATION**

Qualitative disclosure		
a) Information relating to the bodies that oversee remuneration.	<b>Governing body of Remuneration Policy and Process:</b> City Bank has a board approved Compensation and Benefit Policy that outlines the rules relating to compensation structure and the benefit package of the organization and gives detailed procedures for exercising them in order to promote fair treatment and consistency within the Bank. The policy is approved by Board, while it is the Management that implements the same across the organization. However, operational aspects of the policy are being taken care by Human Resource (HR) Division of the bank.  <b>External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process:</b> City Bank takes help of external consultant for certain areas during designing the remuneration under Compensation and Benefit Policy. Assignment of any consultancy services is carried out in line with Board approved Procurement Policy of City Bank, while each consultant is appointed by Management/Board, as appropriate.	



	<p>At City Bank we have practice to appoint following consultants, as and when required:</p> <ul style="list-style-type: none"> <li>• Tax advisors on salary and benefits</li> <li>• Actuary for valuation of gratuity</li> <li>• Auditor for provident fund and gratuity</li> <li>• Salary survey</li> <li>• Head hunters, etc.</li> </ul> <p><b>Scope of the City Bank Remuneration Policy:</b></p> <p>Policy applies to all the permanent employees of the bank. Additionally, separate Compensation and Benefit Package is usually approved for temporary and casual staff on case to case basis. Any other benefit is guided by the contract agreement with individual employees.</p> <p><b>Material Risk Takers and Senior Management of City Bank:</b></p> <p>At City Bank, Chief Executive Officer and other members of Management Committee (MANCOM) hold the prime authority to take key decisions and ultimate implementation. As such, CEO and MANCOM are considered as material risk takers. However, in course of implementation Division Heads also play a pivotal role in banking business. Composition of MANCOM as on 31 December 2024 is provided below:</p> <table border="0"> <tr> <td>• MD &amp; CEO</td> <td>01</td> </tr> <tr> <td>• AMD</td> <td>03</td> </tr> <tr> <td>• DMD</td> <td>05</td> </tr> <tr> <td>• SEVP</td> <td>10</td> </tr> <tr> <td>• EVP</td> <td>01</td> </tr> <tr> <td>• SVP</td> <td>01</td> </tr> </table>	• MD & CEO	01	• AMD	03	• DMD	05	• SEVP	10	• EVP	01	• SVP	01
• MD & CEO	01												
• AMD	03												
• DMD	05												
• SEVP	10												
• EVP	01												
• SVP	01												
b) Information relating to the design and structure of remuneration processes	<p><b>Objectives and key features of Remuneration Policy:</b></p> <p>Compensation and Benefits policy of City Bank outlines the rules relating to the compensation structure and the benefit package of the organization and gives detailed procedures for exercising them with the objective of promoting fair treatment and consistency across the Bank. Additionally, compensation to be commensurate to individual's performance, desired role in the organization, quality of past experience, quality of training received, technical competency. Key features of the policy besides the base salary are:</p> <ul style="list-style-type: none"> <li>• Provident Fund</li> <li>• Gratuity Benefit</li> <li>• Group Term Life Insurance</li> <li>• Covid19 Life Insurance</li> <li>• Medical Benefits</li> <li>• Critical Illness Benefits</li> <li>• Bonuses</li> <li>• Various Allowances</li> <li>• Financial Assistance Schemes</li> <li>• Advance Salary</li> <li>• House Building loan facility</li> <li>• House Building loan insurance</li> <li>• Car loan facility</li> <li>• Bike loan facility for drivers</li> <li>• Provident Fund loan facility</li> </ul> <p><b>Review of Remuneration Policy:</b></p> <p>As per the policy, compensation structure of the Bank will be reviewed as and when management deem appropriate to allow for adjustments in the Cost of Living and market forces pertaining to the Banking industry. The HR Division is responsible for initiating the review process and their recommendations are approved/disapproved or amended by the Governing Body. In the latest review, City Bank restructured salaries of all grades employees of the bank, increased the benefits of Group Hospitalization Plan, House Building Loan and Car Loan. Besides, this year bank has also introduced Critical Illness benefits for the employees under Group Hospitalization Insurance.</p> <p><b>Independence of Risk &amp; Compliance employees from businesses they oversee:</b></p> <p>CRO supervises bank's overall risk management activities which is independent from business verticals and reports to Board's Risk Management Committee. On the other hand, all compliance professionals report to Head of Internal Control and Compliance Division (ICCD), who reports to Board's Audit Committee. Hence, their evaluation process is also independent of the Businesses they oversee.</p>												



c) Information relating to the design and structure of remuneration processes	<p><b>Key risks taken into account when implementing remuneration measures:</b></p> <p>In the competitive financial sector like Bangladesh, remuneration system is basically driven by market dynamics. Due to huge competition in a crowded market with substantial number of participants, restructuring of compensation package is more frequent than other industries. However, such revisions sometimes may lead to market distortion, excessive profit motive and disparity in work-life balance. Nevertheless, City Bank always strives to design the remuneration strategies so that the competitive staff members are rewarded compensation package they really deserve. On top of it, City Bank is committed to ensure maintaining internal equity and fair treatment in its compensation system across the organization.</p> <p><b>Key measures used to take account of these risks:</b></p> <p>To make the compensation package judicious, market survey is conducted as and when felt required so that the package logically compensates employee for their expertise, time, mental and social engagement with the organization.</p>
	<p><b>Ways in which these measures affect remuneration:</b></p> <p>These measures ensure that the remuneration process of City Bank is</p> <ul style="list-style-type: none"><li>• Commensuration to individual's performance, desired role in the organization, quality of past experience, quality of training received, technical competency.</li><li>• Fair and Equal for different position of the bank</li><li>• In line with the market dynamics and practices</li></ul> <p><b>Changes in the nature and type of these measures over the past year:</b></p> <p>To increase the retention, Management of City Bank had revised minimum salary threshold for the grades of SEO and below effective from July 01, 2021. Based on the salary revision and performance, adjustment had been given to the SEO and below grades. Besides, to remain compliant with central bank directives, City Bank implemented minimum salary scale for the entry level positions from April 01, 2022.</p> <p>In addition, bank has also restructured salaries of all grades of the bank and increased salaries of the employees with effect from November 01, 2024.</p>
d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration	<p><b>Overview of main performance metrics of City Bank:</b></p> <p>At City Bank, we believe in a performance driven culture. As per our Performance Management Policy, all permanent employees need to go through annual performance evaluation process along with a mid-year review. These help our employees to keep their own performance objectives vis- -vis achievements in line of sight and thus make necessary measures to ensure consistent performance.</p> <p>In addition, the bank has adopted an initiative named 'Ask for Feedback' which mandates every employee to get feedback on his / her performance and demonstration of organizational values from the direct line manager(s) at least once in each quarter. The bank has also established a robust coaching / counseling culture with standardized templates – CFG (Coaching, Feedback, Guidance) Form, counselling letters etc.</p> <p>We conduct our performance evaluation based on two main parameters:</p> <p>Performance Objectives - focuses on core job and key purpose of any position and what value this position adds to the business, measured through a Balanced Scorecard having 05 Key Result Areas – business / financial, customer, risk, innovation and people. These helps to drive a holistic performance delivery by each employee.</p> <p>Demonstration of Values - how the employee demonstrated organization's values while performing in the role. It contributes in cementing a culture of ethics and values necessary for financial institution.</p> <p>The organization has created a formal body, 'KPI Driving Committee' to meticulously review all individual and divisional KPI / Objectives to ensure fairness and alignment with organizational broader goals.</p> <p><b>Linkage between remuneration and performance:</b></p> <p>The overall performance rating of any employee is based on the cumulative rating of aforementioned two parameters. In order to translate performance into remuneration, City Bank associates this overall performance rating of an employee with different features of remuneration policy such as yearly increment, performance bonus, etc. This performance rating is calculated based on a scale of six (06) ratings, combining achievements against both the performance objectives and the demonstration of values, to ensure fair and transparent evaluation of performance.</p> <p>The bank has created a cross functional body, 'PMP Moderation Committee' to minutely review all individual and divisional performance rating and promotion nominations to ensure fairness and alignment with organizational achievements.</p>



	<p><b>Adjustment of remuneration in the event that performance metrics are weak:</b></p> <p>City Bank believes that every individual can improve the performance with proper nurturing by the organization coupled with own right mindset. When performance metrics need boosting for an employee, our structured performance improvement process helps that employee. During this process, we assist the employee in his / her journey towards performance improvement by making necessary development intervention e.g. coaching, counselling, mentoring, class room training, or digital learning etc.</p>
e) Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance	<p>City Bank believes that the individual and team effort and performance should be regularly appreciated and recognized so as to keep our employees motivated to give in their best efforts. And more importantly by recognizing these performances, we reinforce, with our chosen means of recognition, the actions and behaviors we want City Bank employees to repeat most.</p> <p>City Bank relates yearly overall rating of individuals which is based on their performance with different features of remuneration policy such as yearly increment, bonuses etc. Additionally, two or more years of rating are also considered for promotion recommendation of individuals if suitable opening is available commensurate with individual skills and expertise.</p>
f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms	<p>City Bank recognizes the effort and performance of its employees based on its Compensation and Benefit policy which consist of base salary and different benefit packages mentioned earlier. However, City Bank occasionally practice commission based remuneration process for temporary staffs as per their Compensation and Benefit Package. There is also a Reward &amp; Recognition (R&amp;R) program that recognizes extraordinary contribution not only for business gain but also those that inspire and set high quality services, support or standard.</p>

#### **Quantitative disclosures**

Number of meetings held by the main body overseeing remuneration during 2024 and remuneration paid to its member	NA*
Number of employees having received a variable remuneration award during 2024	NA*
Number and total amount of guaranteed bonuses awarded during 2024	2 Festival Bonus (573.6 mn)
Number and total amount of sign-on awards made during 2024	4,677 employees and 32.1 mn
Number and total amount of severance payments made during 2024	
Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	NA*
Total amount of deferred remuneration paid out in 2024	
Breakdown of amount of remuneration awards for 2024 to show: • Fixed and Variable • Deferred and Non-deferred • Different forms used (cash, shares and share linked instruments, other forms)	NA
Quantitative information about employees' exposure to implicit and explicit adjustments of deferred remuneration and retained remuneration: <ul style="list-style-type: none"> <li>• Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments</li> <li>• Total amount of reductions during the financial year due to ex post explicit adjustments</li> <li>• Total amount of reductions during the financial year due to ex post implicit adjustments.</li> </ul>	NA

#### **Note:**

\* In City Bank, no separate and exclusive meeting of the governing body takes place to oversee the remuneration. Rather, HR is assigned to initiate any proposal on remuneration as per the Compensation and Benefit Policy of the bank and upon consent of the management committee same is also placed to regular Board meeting for approval and further actions.

\*\* During 2024, Compensation and Benefit Policy of City Bank did not have provision of any kind of variable remuneration, deferred remuneration, severance payment or other forms of remuneration as mentioned above for its permanent staff. However, City Bank provides commission based remuneration to its temporary and casual staffs which doesn't fall under the scope of above mentioned policy.

# DISCLOSURE PERTAINING TO IFRS S1 AND IFRS S2



"City Bank takes pleasure to report on IFRS S1 and IFRS S2 disclosures for the first time in its Annual Report. IFRS S1 and S2, introduced by the International Sustainability Standards Board (ISSB), has set a global baseline for sustainability-related disclosures. As a responsible and longstanding bank of Bangladesh, we have committed ourselves to green and sustainable financing well before they came into vogue. While IFRS S1 requires disclosure of sustainability-related risks and opportunities that could impact the bank's financial position and performance, IFRS S2 focuses on climate-related disclosures, such as governance, strategy, risk management and metrics tied to climate risks and opportunities. By adopting and communicating these standards, City Bank has taken a step forward in enhancing transparency and making a clear statement of supporting Bangladesh's climate goals and climate transition journey."

**Mashrur Arefin**  
MD & CEO, City Bank

## Overview

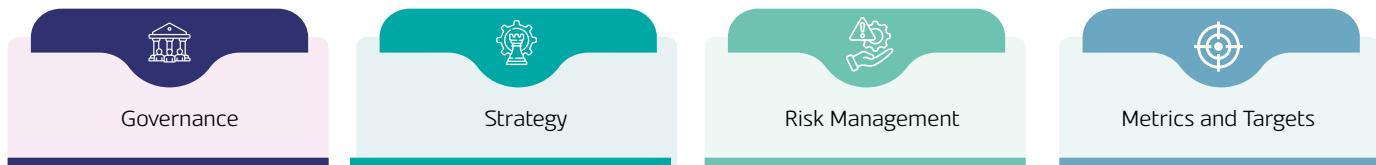
Banks and financial institutions in Bangladesh are exposed to climate change risks, particularly due to the country's position as a climate-vulnerable nation, ranked 7th in a global list of countries prone to climate-induced impacts. Climate change risks primarily manifest in two forms:

- Physical risks, such as floods, cyclones and droughts that damage assets and livelihoods
- Transition risks, driven by global climate policies like the Paris Agreement that aim to phase out high-emission industries through decarbonization

As a result, financial institutions with financed assets in vulnerable areas or those being incompatible with modern green technologies may face significant challenges. To address these risks, Bangladesh Bank has introduced guidelines for Sustainability & Climate-Related Financial Disclosure for Banks and Financial Institutions, aligning with the international IFRS S1 and IFRS S2 standards.



The guidelines identify climate-related risk and opportunities based on the following four pillars:



## Governance Overview

### Governance bodies and individuals

The Board and the Board's Risk Management Committee (BRMC) oversee City Bank's overall risk management, which includes environmental and social (E&S) risks. At the beginning of each year, BRMC establishes quarterly targets for Green Finance and Sustainable Finance, ensuring that these goals align with the bank's broader business strategy of financing projects that support decarbonization and climate transition. Additionally, since the bank has committed to the Board-approved net-zero targets, BRMC ensures that credit underwriting and financing are integrated into the bank's business strategy and risk management for facilitating the achievement of the climate-related goals and objectives.

To ensure effective evaluation of sustainability-related risks and opportunities, the Board places strong emphasis on staff training and learning & development initiatives. In 2024, approximately 1,383 officials of City Bank participated in training programs covering climate risk, environmental and social (E&S) risk, sustainability awareness, and other ESG-related topics. Additionally, the BRMC regularly reviews the skills and competencies of its members to support informed decision-making on climate and sustainability issues. It receives quarterly updates on sustainability risks and opportunities, enabling ongoing oversight and timely action.

The Board adheres to a systematic framework for decision-making, which incorporates a thorough review of Environmental, Social, and Governance (ESG) risk ratings for clients. Each credit-related Board memo includes a summarized ESG risk assessment derived through the bank's Environmental & Social Due Diligence (ESDD), aligned



with its Environmental & Social Risk Management (ESRM) Policy.

Before credit approval, the Board thoroughly examines the borrower's ESG risk ratings and compliance metrics. Furthermore, during every quarterly meeting of the Board Risk Management Committee (BRMC), the institution's performance on Green Finance, Sustainable Finance, and carbon footprint reduction is evaluated against predefined benchmarks.

To streamline this process, City Bank has developed a ESDD Software in the platform Edoc. Within this system:

- The Business Team (Maker) answers the ESDD questioner based on site visit and data collection from the client.
- The Project Inspection & Assessment Team (Verifier) verifies the ESDD information provided by the Business Team
- The Credit Risk Management Division (Approver) gives final approval through designated risk managers.
- The Sustainable Finance Team monitors the overall ESDD process

#### **Below is a summary of target performance:**

Attribute	Target Set by Bangladesh Bank	Achieved by City Bank	Amount (BDT mn)
Green Finance	5%	34.13%	33,354
Sustainable Finance	20%	88.12%	402,340

The integration of sustainability risk management into the bank's internal control policies has had a positive impact on the overall governance framework. The bank's ESRM Policy is more stringent than the ESRM Guideline set by Bangladesh Bank, reflecting a higher standard of sustainability commitment.

Aspect	Bangladesh Bank (BB) ESRM Guideline (2022)	City Bank ESRM Policy (2022)	City Bank's Stricter Approach
ESDD Threshold for Small Enterprises	Required if loan amount > BDT 3.00 million	Required if loan amount > BDT 1.00 million	City Bank uses a lower threshold to assess more small enterprises for E&S risks
ESDD Threshold for Medium Enterprises	Required if loan amount > BDT 5.00 million	Required for all medium enterprises	Applies E&S checks more broadly
Use of IFC Performance Standards	Not required	Adopted comprehensively into ESMS	Aligns with international best practices, beyond BB's minimum
Third-party ESIA	Only for Infrastructure Projects	Mandatory for all Red Category Projects	Ensures deeper risk analysis through independent assessments
Excluded Activities	As per BB list	Adopts BB list, IFC & ADB	More comprehensive ethical screening

Additionally, City Bank usually sets higher Green Finance and Sustainable Finance targets compared to the central bank's norms. To ensure achievement of these goals, follow-ups and monitoring activities are conducted on a monthly basis.

This sustainability governance structure highlights City Bank's proactive approach in managing climate and sustainability-related risks, integrating them into its overall business strategy and ensuring accountability through oversight and performance reviews.

## **Sustainability Strategy and Implementation**

### **Sustainability-related Risks and Opportunities**

City Bank recognizes sustainability and climate-related risks that could impact its business model over time. Among these, transition

## **Management's role in sustainability governance**

The responsibility for overseeing Green Finance, Sustainable Finance and carbon emission-related activities is delegated to the bank's Sustainable Finance Committee (SFC), which conducts reviews at least on a quarterly basis. Additionally, sustainability initiatives and performance is reported to the Managing Director and Management Committee (MANCOM) on a monthly basis. Apart from SFC, the Emission Reduction Steering Committee (ERSC) is tasked with overseeing the bank's net-zero targets and carbon emission reductions. Statistics are provided to strategic planning and decision-making portion)

To strengthen oversight of sustainability-related risks, City Bank has implemented robust governance mechanisms through the Sustainable Finance Committee (SFC) and the Environmental and Social Risk Committee (ERSC). The specific roles and responsibilities of these committees are defined in their respective Terms of Reference (ToR). At the start of each year, both committees establish sustainability targets, which are then cascaded to relevant departments to ensure effective implementation across the bank's operations.

risks include policy and regulatory changes, legal challenges, shifts in market dynamics, technological advancements and reputational risks arising from environmental concerns.

Additionally, physical risks pose a threat, categorized as acute and chronic. Acute risks involve an increase in the severity and frequency of extreme weather events such as cyclones and floods, while chronic risks pertain to long-term changes in precipitation patterns and unpredictable climatic variations. Sustainability-related risks also include governance challenges, pressure from shareholders and NGOs and potential reputational damage associated with greenwashing.

Despite these risks, City Bank sees sustainability as an opportunity to develop new products and services while enhancing its corporate branding. At present, these risks do not significantly affect the bank's business model. However, in the future, as climate-related physical

risks materialize, the bank will need to implement adaptive strategies. Currently, the bank is harnessing opportunities by expanding its portfolio of green finance and sustainable investment products (Green liability product: Green Savings Account), contributing to both business growth and environmental responsibility.

Concentration of sustainability-related risks varies based on geographical and time-based considerations. From a geographical standpoint, branches located in climate-vulnerable areas, particularly in coastal regions and flood-prone zones, are more susceptible to climate-related disruptions. It should be noted that the bank's branches are located in areas that are not prone to climate vulnerability.

From a temporal perspective, immediate short-term risks are minimal, with potential medium-term effects becoming more evident within one to five years. Over the long-term (beyond five years), businesses and industries that fail to adapt may face greater survival risks. Given these dynamics, City Bank aims to harness emerging opportunities through launching innovative green banking solutions and widening climate-conscious financing in the spirit of stewardship.

## Strategic Planning and Decision-making

City Bank integrates sustainability into its long-term strategic vision by embedding environmental and social considerations into its risk management and operational frameworks. The bank has established Environmental and Social Risk Management (ESRM) and Sustainable Finance policies in accordance with the regulatory guidelines of Bangladesh Bank. Reinforcing its commitment to climate responsibility, the bank has set a target to achieve net-zero emissions by 2050. In pursuit of this goal, City Bank is progressively reducing its exposure to high-carbon sectors while scaling up investments in renewable energy and sustainable development initiatives.

## Renewable Energy Financing

- Total Disbursement: BDT 2,133 mn allocated to renewable energy projects
- Key Products:
  - Net Metering Rooftop Solar Systems
  - Solar Grid Solutions

To strengthen its sustainability initiatives, the bank has established a five-year sustainability roadmap that outlines annual, mid-term (one to five years), and long-term (beyond five years) targets. This structured approach ensures that sustainability considerations are incorporated into the bank's strategic decision-making processes and that climate resilience remains a key focus area.

To accelerate emission reduction, City Bank has developed sector-specific targets which is disclosed on the website <https://www.citybankplc.com/download/Net-Zero-Emission-Target-Setting-Disclosure.pdf> as part of Net-Zero Banking Alliance requirement. By 2030, the bank aims to reduce emissions by\*:

- 55 percent in the RMG and textiles sector
- 47 percent in the power sector
- 46 percent in the pharmaceutical industry

Beyond regulatory compliance, City Bank has also set ambitious internal targets for green finance and sustainable investments, exceeding the requirements set by the central bank. This includes initiatives such as increasing the number of solar-powered ATMs,

\*Compared to the business-as-usual growth projections.

expanding green branch operations and implementing rainwater harvesting projects.

## Resource Allocation for Sustainability

City Bank is actively increasing capacity to address sustainability risks through enhanced resource allocation. Internally, the bank has expanded its Sustainable Finance operations, which now includes environmental economists, climate finance specialists and ESG analysts. These professionals undergo extensive training in climate risk assessment and sustainable finance management to strengthen the bank's ability to integrate sustainability into its operations.

From a financing perspective, City Bank is prioritizing green finance initiatives. This includes lending to renewable energy projects such as solar, wind and hydropower, as well as funding businesses that adopt energy-efficient technologies. The bank also supports waste management and circular economy projects, along with sustainable agriculture financing to help marginalized farmers transition to green practices.

Beyond direct financial activities, the bank also engages in CSR projects aimed at climate adaptation. These include large-scale tree plantation drives and community support programs for climate-vulnerable populations.

## Financial Performance and Resilience

Short-term sustainability related risks have not had a detrimental impact on the bank's financial position. Over the long-term, viability of high-emission industries such as burnt brick manufacturing and fossil fuel-based power plants is expected to decline. However, climate regulations are not only creating risks—they're also opening up new opportunities. City Bank is actively seizing these opportunities. For instance, in 2024, the Bank disbursed BDT 2,133 mn to renewable energy projects, including solar and wind power initiatives.

As part of its broader commitment to sustainability, the bank has also implemented eco-friendly infrastructure across its operations:

 Solar-Powered Branches:	<b>38</b>
 Branches with Rainwater Harvesting Systems:	<b>2</b>
 Branches Practicing Solid Waste Management	<b>186</b>
 Bangladesh Bank-Accredited Green Branches:	<b>0</b>
 Solar-Powered ATM Booths	<b>33</b>
 Solar-Powered Agent Outlets	<b>19</b>

City Bank has given a thrust to its green finance portfolio that has helped counter regulatory risks facing conventional energy projects.

Over the past few years, financing for green projects has grown significantly, with more than BDT 33,354 mn disbursed in green finance in 2024. NPL ratio for this portfolio remains exceptionally low at less than 0.1 percent, reflecting strong demand and profitability in sustainable financing. Given this positive trajectory, City Bank is exploring Green Bonds to further expand its financing for environmental projects.



## Climate Resilience and Future Readiness

Type	Climate-related opportunity
Internal Capabilities	City Bank has established strong internal teams, including environmental specialists, energy auditors and engineers focusing on climate-resilient infrastructure.
Training & Development	The Sustainable Finance team and Project Inspection & Assessment Department (a team of engineers) have undergone technical training with Deloitte, which has helped in formulating the bank's initial net-zero strategy.
Climate Scenario Analysis	A full-scale scientific climate scenario analysis has not been conducted due to limited country-level data; however, key long-term risks and opportunities have been identified.
Key Risks	<ul style="list-style-type: none"> <li>- Burnt brick financing is expected to decline in the next five years due to regulatory shifts towards eco-friendly alternatives.</li> <li>- HFO-based power plants may become less viable due to increasing carbon taxes and sustainability mandates.</li> <li>- Expanding our role as a climate-conscious financial institution.</li> <li>- Introduction of Green Savings Accounts to promote environmentally responsible banking.</li> <li>- Exploring new low-carbon financing products.</li> <li>- Collaborating with multilateral development banks to secure low-cost green funding.</li> </ul>
Opportunities	
Long-Term Resilience	City Bank's membership in the Net Zero Banking Alliance and its sustainability initiatives enhance its ability to manage climate risks and adapt to financial disruptions.

## Risk Management Overview

City Bank employs a structured approach to identifying, assessing, prioritizing and monitoring sustainability and climate-related risks. The bank follows well-defined processes and policies to manage climate risks and ensure alignment with national and international sustainability standards.

Parameters used for assessing climate-related risks include three major categories.

- The first is climate-related transition risks, which encompass policy risk, legal risk, technology risk, market risk and reputational risk. These risks emerge due to regulatory changes, shifts in market preferences, or technological advancements that could impact businesses and financial institutions.
- The second is climate-related physical risks, which are divided into acute and chronic risks. Acute risks include extreme weather events such as cyclones and flooding, while chronic risks involve long-term changes in precipitation patterns and increasing variability in weather conditions.
- The third covers sustainability-related risks, including challenges in ESG governance and pressures from shareholders, NGOs and political entities, as well as reputational concerns such as greenwashing.

To ensure effective climate risk assessment, the bank utilizes the Environmental and Social Due Diligence (ESDD) tool developed by the central bank and aligned with IFC Performance Standards. For carbon emission measurement, the bank follows international frameworks such as the Greenhouse Gas Protocol. To ensure accuracy and compliance, a reputed third-party consultant, Deloitte, has been engaged for benchmarking emission calculations.

Scenario analysis plays a crucial role in identifying sustainability-related risks. In assessing climate-related physical risks, the bank identifies climate-vulnerable areas to measure potential exposures.

For climate-related transition risks, the bank consults government regulations, including the National Adaptation Plan, Perspective Plan, 8th Five-Year Plan, Delta Plan, Bangladesh Climate Change Strategy and Action Plan (BCCSAP), National Adaptation Plan (NAP)

and the Integrated Energy and Power Master Plan for Bangladesh. These regulatory frameworks provide guideline for measuring transition risks associated with government policies and economic shifts.

To evaluate the nature, likelihood and magnitude of climate-related risks, City Bank considers the magnitude, intensity and timeframe of potential risks. This approach allows for a quantitative and qualitative assessment of both physical and transition risks, ensuring that risk assessments are data-driven and actionable.

Prioritization of climate-related risks is via a structured methodology too where risks are evaluated based on their probability of occurrence within a specific timeframe. Once these risks are analyzed, they are escalated to senior management for decision-making and necessary interventions.

Monitoring climate and sustainability-related risks is an ongoing process carried out through data collection, analysis and reporting. This ensures risk trends are continuously tracked and strategic adjustments thereof are made in response to emerging challenges.

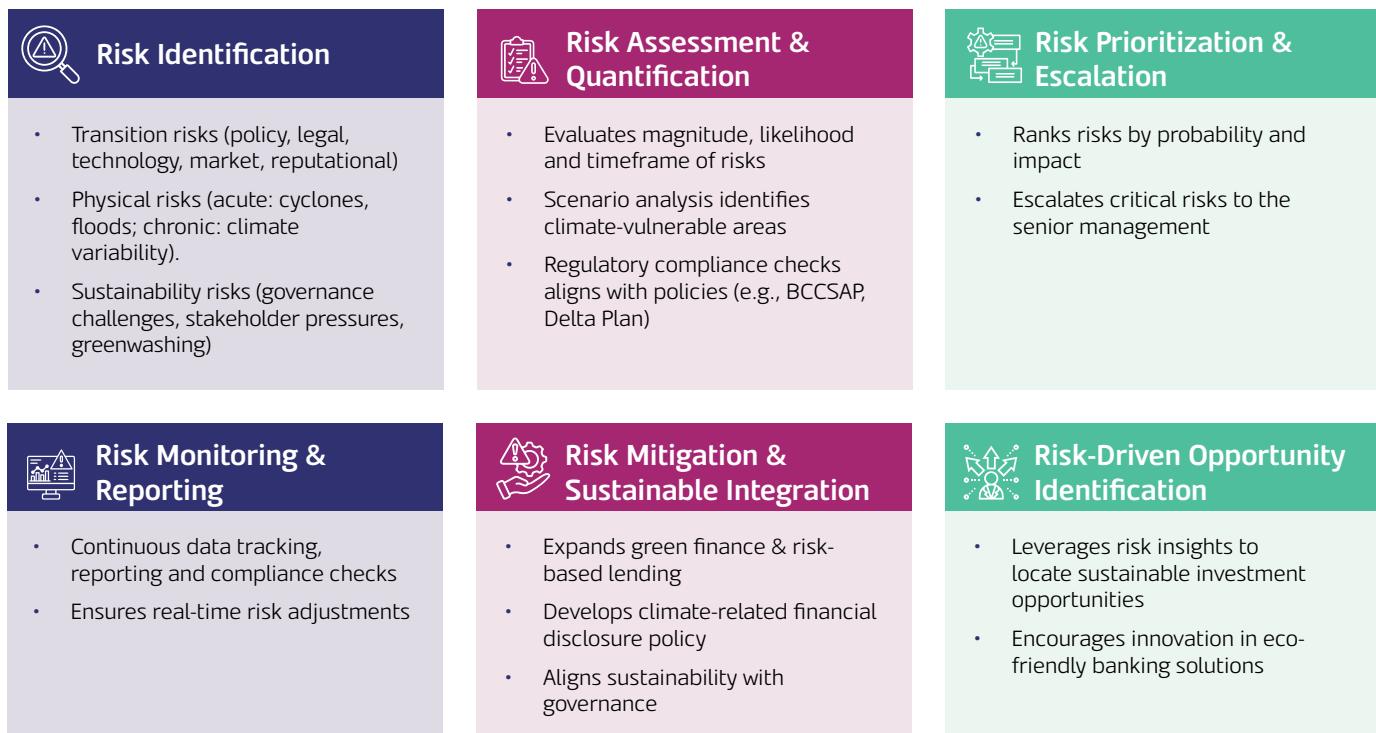
Regarding changes to processes, there have been no significant modifications compared to the previous reporting period. Existing methodologies and frameworks continue to guide the bank's sustainability risk assessment and management practices.

Identification, assessment, prioritization and monitoring of sustainability-related opportunities follow a structured framework. The bank first identifies clients who are exposed to climate change risks, considering both physical and transition risks. For example, transition risks are evaluated based on government policy shifts. Due to recent policy shifts, burnt bricks and brick production using fixed chimney kilns are expected to face significant challenges. The transition risk however, creates new opportunities for companies producing cement blocks.

City Bank is developing a climate-related financial disclosure policy that will detail the processes for identifying, assessing and monitoring climate and sustainability-related risks and opportunities. This policy will integrate sustainability risk management into the bank's overall risk governance framework, ensuring that climate-related considerations are systematically escalated and addressed at the highest levels of decision-making.



## Process of Managing Climate Related Financial Risks



## Metrics and Targets Overview

City Bank has established a comprehensive framework to measure and monitor its GHG emissions and climate-related targets. The bank's approach focuses on absolute emissions across different scopes, financed emissions in various industries and long-term sustainability targets.

### Climate-related Metrics and Emissions Measurement

Scope 1 Emissions	Scope 2 Emissions	Scope 3 Emissions (Financed emissions)
238.37 tCO2	8,944.66 tCO2	978,642 tCO2

### Exclusions from Financed Emissions Calculation

City Bank includes approximately 50% of its gross exposure in the financed emissions calculation. Exclusions primarily cover:

- Retail loans
- Small business loans

These exclusions are justified as they do not significantly contribute to GHG emissions, allowing the bank to prioritize high-impact industries for effective emission measurement and reduction.

### Methodology and Approach

City Bank employs the equity share method to attribute emissions based on its gross exposure. The bank does not include emissions from undrawn loan commitments in its calculations.

### Climate-related Risk Integration and Decision-Making

City Bank integrates climate-related risks and opportunities into its financial decision-making. By recognizing the risks posed by climate change (both physical and transition risks). The bank identifies emerging opportunities in renewable energy, green technologies and sustainable infrastructure. This allows it to finance projects that align with global sustainability goals, reinforcing its standing as a pioneer in green financing.

City Bank is committed to maintaining transparency in its environmental impact reporting. The bank regularly reviews its measurement approaches, inputs and assumptions, ensuring that any changes in methodology are justified and aligned to international best practices.

Through these climate-related metrics and targets, City Bank demonstrates its dedication to sustainability, responsible financing and proactive environmental risk management.



# BLOOMBERG RATING CHECK LIST

**B**

	Indicator Description	Response
 <b>Organizational Profile</b>	Name of the Organization	City Bank PLC
	Primary Products and/or Services	1. Depository Services 2. Loan Products 3. Credit Products 4. Investment Services 5. Payment Services 6. Foreign Exchange Services 7. Insurance Products.
	Operational Structure of the Organization	Corporate Organogram ( <a href="#">Page:52</a> )
	Total Employees	5,321
	Significant Changes During Reporting Period	Sustainable Finance Unit comprises of the following members: The team comprises of: 1. Mr. Mohammed Minhazur Rahman, Head of Corporate Credit Risk 2. Mr. Molla Karimul Islam, Operational Head of Sustainable Finance Unit 3. Ms. Gultekin Binte Azad, Senior Manager, Sustainable Finance Unit 4. Nabil Rahman, Assistant Manager of Sustainable Finance Unit 5. Naznin Sultana, Assistant Manager of Sustainable Finance Unit. 6. S.M. Mehrzad-Ul-Alam, Officer, Sustainable Finance Unit
 <b>Report Profile</b>	Awards & Recognitions	<ul style="list-style-type: none"> <li>Ranked among the Top 10 Sustainable Banks in Bangladesh for Four Consecutive Years</li> <li>Awarded as the Best Climate Focus Bank in Bangladesh</li> <li>Ranked in Top 10 Sustainable Banks Globally in Sustainability Magazine</li> <li>Represented Bangladesh at the 28th and 29th installment of the Conference of the Parties as a part of government delegate as the only bank in Bangladesh</li> </ul>
	Reporting Period	1 January 2024 to 31 December 2024
	Date of most recent previous report	08-08-24
	Reporting Cycle (annual, biennial, etc.)	Annual
	Reporting Framework	GRI Foundation 2021
	Materiality Assessment Conducted	Yes City Bank has conducted a thorough materiality assessment as part of its process for publishing the 2024 sustainability report. This assessment involved systematically identifying, evaluating, and prioritizing the environmental, social, and governance (ESG) issues that are most significant to the bank's operations, stakeholders, and long-term objectives. Through this process, City Bank aimed to ensure that its sustainability strategies are aligned with the most pressing challenges and opportunities, as well as the expectations of its various stakeholders, including customers, employees, investors, and regulatory bodies.
	Alignment with SDGs	Yes City Bank demonstrates a strong alignment with the United Nations Sustainable Development Goals (SDGs), integrating these global objectives into its corporate strategy and operations. The bank has carefully mapped its sustainability initiatives to the relevant SDGs, ensuring that its efforts contribute directly to fostering economic growth, social well-being, and environmental stewardship.
	GRI Content Index	Provided in sustainability report 2024
	State any Specific Limitations on the Scope or Boundary of the Report.	N/A



	Indicator Description	Response
 <b>Governance</b>	Governance Structure of the Organization	Topline organogram attached ( <a href="#">page: 52</a> )
	Mission, Values & Code of Conduct Implementation	City Bank has consistently upheld its commitment to its Mission, Values, and Code of Conduct, which have been integral to its operations and corporate culture. These guiding principles, which were reinforced in 2024, continue to reflect the bank's dedication to maintaining the highest standards of ethics, integrity, and responsibility in all its business dealings.
	Independent Board Members	1. Dr. Salim Mahmud 2. Mr. Matiul Islam Nowshad
	ESG Committee at Board Level	Yes
	Board Oversight of ESG Issues	Board Risk Management Committee (BRMC) provides guidance and sets targets concerning green finance, sustainable finance, environmental and social risk rating, training and capacity-building initiatives, awareness programs (if applicable), and other Environmental, Social, and Governance (ESG) issues. Consequently, City Bank reports its achievements and performance against these targets to the BRMC on a quarterly basis.
	Stakeholder Engagement	City Bank has established a highly effective and comprehensive approach to stakeholder engagement, ensuring consistent communication and collaboration with key partners, customers, and other influential entities. Their robust strategy includes proactive outreach, transparent dialogue, and a commitment to building long-term relationships, fostering trust, and driving mutual growth.
	Board Meeting Attendance Rate (%)	100%
 <b>Economic</b>	Total Revenue	BDT 39,535.94 million
	Net Profit	BDT 10,851.05 million
	Return on Equity (ROE) (%)	26%
	Tax Contribution	BDT 13,957.96 million.
	Employment Growth	7.21%
	SME Lending & Financial Inclusion	BDT 90,413.41 million
	Responsible Investment Practices	Yes
	Digital Banking Growth (City Touch)	28.87%
	Local Supplier Procurement (%)	N/A
	Cost Efficiency Ratio (%)	41.69%
 <b>Environmental</b>	Renewable Energy Consumption (MWh)	
	Greenhouse Gas (GHG) Emissions (Scope 1, 2)	Scope 1 Gross Green House Gas Emissions - 238.45 MT Ton Net Green House Gas Emissions - 238.37 MT Ton Scope 2 Gross Green House Gas Emissions - 8,944.66 MT Ton Net Green House Gas Emissions - 8,944.66 MT Ton
	Water Consumption (m³)	120613 (m³)(Only Head office and Back Offices) Exp Tk. 55,72,792.00. Tariff per 1000 Ltr = 1 m³ @ 46.20
	Waste Generation (tons)	N/A
	Recycling Rate (%)	N/A
	Hazardous Waste Management	Yes
	Air Pollutants Emissions (NOx, SOx, etc.)	N/A
	Climate Change Strategy	Yes
	Carbon Offsetting Programs	Yes
	Sustainable Procurement Practices	Yes
	Environmental Compliance Incidents	No
	Green Bond Issuance	No
	Environmental Certifications (ISO 14001, LEED)	Yes
	Biodiversity and Habitat Protection Initiatives	N/A



	<b>Indicator Description</b>	<b>Response</b>
 <b>SOCIAL PERFORMANCE: LABOR PRACTICES &amp; DECENT WORK</b>	Paper and Plastic Reduction Programs	Yes
	Renewable Energy Investments	2,133 Million BDT
	Initiatives to Provide Energy-Efficient Products and Services	BDT 8750 million invested in energy and resource efficient machines
	Habitats Protected or Restored.	N/A
	Initiatives to Reduce Greenhouse Gas Emission	A total of 3,500 trees have been planted through the Green Savings Account initiative.
 <b>SOCIAL PERFORMANCE: LABOR PRACTICES &amp; DECENT WORK</b>	Labor Practices and Human Rights Policy	Yes
	Employee Rights & Freedom of Association	Yes
	Non-discrimination Policies	Code of Conduct Recruitment Policy
	Workplace Health & Safety Standards	Speak Up POSH Policy Occupational Health & Safety Policy City Bank acknowledges the importance of employee health and safety, aiming to prevent accidents and illnesses, and promoting a healthy work environment.
	Fair Compensation and Wage Policy	Compensation and Benefit Policy
	Training & Development Opportunities	City Bank offers extensive training and development opportunities through in-house and external programs, covering functional, general, and soft skills. In 2024, 719 sessions trained 45,092 participants, totaling 185,703 hours. The bank also promotes digital learning via "City Shikhi" and leadership programs like Management Trainee and internship initiatives.
	Employee Benefits (Health, Retirement, etc.)	Provident Fund Gratuity Fund Leave Encashment Maternity Leave Paternity Leave Emergency Support Fund
	Diversity and Inclusion Initiatives	As part of City Bank's ongoing commitment to fostering a diverse and inclusive workplace, the bank had the addition of four ethnic minority recruits and one specially-abled recruit to the City Bank team in 2024. This initiative underscores City bank's dedication to creating equal opportunities and embracing talent from all backgrounds.
	Grievance Mechanism	The Grievance Committee maintains strict confidentiality regarding both the complaint and the complainant to ensure a thorough investigation and resolution. It also takes appropriate actions based on the severity of the issue, as deemed necessary by the Committee. Additionally, the Grievance Committee implements measures to protect the complainant from any retaliation.
	Child Labor & Forced Labor Prevention	No child Labour and Forced Labour
	Worker Well-being (Mental Health, Work-life Balance)	City Bank prioritizes employee well-being through various health and wellness initiatives, including mental health awareness sessions, yoga, and blood donation programs. The bank also promotes work-life balance by encouraging a supportive environment where employees can harmonize their professional and personal lives.
	Equal Opportunity	Yes
	Parental Leave Policy	1. All female employees of the bank are entitled to avail maternity leave on full-pay for 6 months. The 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 employee's tenure in the bank. 2. 5 Calendar days of leave for permanent male employees, fostering shared parenting responsibilities.
	Employee Turnover Rate	11.17%
	Board Gender Diversity(%)	30% (Total Board of Directors: 10, Female Board of Directors: 03)



	Indicator Description	Response
 <b>SOCIAL PERFORMANCE: HUMAN RIGHTS</b>	Health & Safety Incidents	No health and safety incidents were reported in 2024. However, the bank remains committed to ensuring the well-being of its employees by maintaining a robust Occupational Health, Safety & Environment (OHS&E) Framework. This framework is designed to proactively address potential hazards, promote a safe working environment, and safeguard the physical health of all staff members. It includes comprehensive policies, regular safety audits, training programs, and the implementation of best practices to mitigate risks and ensure that health and safety standards are consistently upheld across the organization.
	Full-Time vs. Part-Time Employees	N/A
	Employee Diversity Statistics (%)	Total Female Employees: 18.9% Total Male Employees: 81.1%
	Gender Pay Gap (%)	City Bank has an approved Compensation & Benefit Policy that defines the guidelines for the organization's compensation structure and benefits package. This policy provides detailed procedures for their implementation to ensure fairness and consistency across the Bank. When determining an employee's salary, City Bank does not take into account gender, race, or ethnicity. Instead, salaries are based solely on individual merit and experience.
	Minimum Wage Compliance	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 whole labor force, the average basic pay of males is BDT 61,670 per month, while the average monthly basic salary of females is BDT 50,796
	Career Development Programs	City Shikhi: Digital learning management system City Shikhi has ushered in a new era of learning and engagement for employees. This digital learning platform empowers employees in terms of enabling them to participate in diverse trainings through this module
	Average Training Hours per Employee	27.11
	Grievance Mechanism for Employees	Code of Conduct Grievance Management Policy Prevention of Sexual Harrasment Policy
 <b>SOCIAL PERFORMANCE: HUMAN RIGHTS</b>	Fair Employment Practices Policy	Yes City Bank promotes fairness in every aspect of employment—including recruitment, hiring, training, promotion, compensation, and workplace conduct—by making decisions based solely on merit, qualifications, and job performance.
	Employee Rights	Employee rights at City Bank are upheld in accordance with the laws and regulations of the country. The Bank is committed to protecting the rights of its employees through a comprehensive set of internal policies, such as the Code of Conduct, Disciplinary Policy, Prevention of Sexual Harassment (POSH) Policy, Whistleblower Policy, and the Occupational Health, Safety & Environment (OHS&E) Framework, among others. These policies are designed to ensure that employees are treated fairly, with respect to their legal rights, and in alignment with the Bank's ethical standards. The Code of Conduct provides clear guidelines for acceptable behavior and decision-making within the organization, while the Disciplinary Policy outlines the procedures for addressing any violations of these standards. The POSH Policy ensures a safe and respectful work environment by preventing and addressing any form of sexual harassment. The Whistleblower Policy encourages employees to report unethical or illegal activities without fear of retaliation, promoting transparency and accountability. Additionally, the Occupational Health, Safety & Environment (OHS&E) Framework is in place to safeguard the physical well-being of employees by identifying, assessing, and mitigating workplace hazards. Together, these policies help create a work environment that is transparent, equitable, safe, and compliant with legal requirements, fostering a culture of fairness, accountability, and respect for all employees.
	Labor Practices	Yes City Bank is dedicated to upholding fair labor practices that promote equity, dignity, and respect in the workplace. The bank ensures that all employees are treated fairly in terms of recruitment, compensation, working conditions, and career development, in full compliance with national labor laws and international standards.



	<b>Indicator Description</b>	<b>Response</b>
	Training on Human Rights	29% (1976 participants) (For Training on Human Rights, we have considered sessions on values, Code of Conduct, speak up, POSH, unconscious bias, HR Policies/ service rules etc.)
 <b>Social Performance: Society</b>	Impacts on Communities	Positive impact on community
	Percentage of Employees Trained In Anti-Corruption Policies	49%
	Actions Taken In Response to Incidents of Corruption	Actions taken in response to corruption incidents depend on the severity of the offense. In cases where corruption is proven, HR typically recommends job separation. No incidents of bribery or corruption were reported in 2024. Our Code of Conduct clearly defines our anti-bribery and corruption policies, and any proven cases are addressed with the appropriate severity, following the bank's Disciplinary Policy.
	Public Policy Positions and Participation in Policy Development	Yes
	Total Number of Legal Actions For Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices and their Outcomes	N/A
	Monetary Value of Significant Fines	N/A
	Total Number of Nonmonetary Sanctions for Noncompliance	N/A
 <b>SOCIAL PERFORMANCE: PRODUCT RESPONSIBILITY</b>	Customer Satisfaction Score	Net Promoter Score (NPS): 86
	Data Privacy Breaches	No
	Customer Complaint Resolution Rate	99.86%
	Responsible Lending Policy	Yes
	Financial Inclusion Programs	Yes
	Ethical Banking Policies	Yes
	Accessibility of Banking Services	City Bank ensures widespread accessibility of its banking services through 134 branches, 52 sub-branches, and 480 agent outlets across various regions. This extensive network allows customers to conveniently access financial services, enhancing banking reach and inclusivity.
	Digital Security Measures	Yes
	Health & safety impact assessment of products	N/A
	Noncompliance incidents (health & safety)	N/A
	Product & service information compliance	Yes
	Customer satisfaction survey results	N/A
	Marketing compliance programs	N/A
	Noncompliance incidents (marketing)	N/A
 <b>GHG Verification Statement</b>	Customer privacy complaints	No. of Complaints received: 7,261 No. of Complaints Resolved: 7,221
	Fines for product & service noncompliance	No
	External assurance for the report	Yes



# SUSTAINABILITY HIGHLIGHTS

At City Bank, we embrace the 3P philosophy of People and Planet in pursuit of Profit and this is at the heart of our efforts in sustainability. We present here the key sustainability highlights for the year 2024 that encompass our focus on People and the Planet in ensuring a more sustainable Bank and a better future for all.



CSR projects & events	
2024	2023
81	63



CSR investment (Tk.)	
2024	2023
79.9 mn	115 mn



Total female employees	
2024	2023
1,193	1,044



No. of employee participation in training (Unique Participant)	
2024	2023
6,848	6,217



Diversity mix	
2024	2023
88% Islam, 12% Others	88% Islam, 12% others



Exchequer deposit (Tk.)	
2024	2023
13,957 mn	12,138 mn



CSR Beneficiaries	
2024	2023
79,049+ and for 39 events Beneficiary is unknown	76,033+ and for 63 events Beneficiary is unknown



Avge. training hours per employee	
2024	2023
27	16



Female employees as % of total employees	
2024	2023
19	18



Green finance (Tk.)	
2024	2023
Disbursed BDT 33,354 mn	Disbursed BDT 11,086 mn



Employee Support Fund provided (No. of Employees)	
2024	2023
430	353

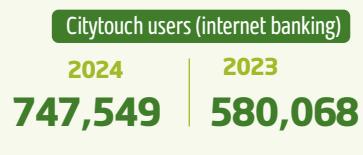


Trees Planted	
2024	2023
3500	400+



No. of employees receiving training on E&S, IFC PS and green and sustainable finance

2024	2023
<b>1,383</b>	<b>966</b>



Number of Rooftop Solar Panels on city bank facilities

2024	2023
<b>74</b>	<b>48</b>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) OVERVIEW

## 1. Sustainability overview

### Toward a Resilient and Sustainable Future

At City Bank, sustainability is more than a responsibility—it is a core commitment to creating a positive impact on our community, environment, and stakeholders. Recognizing the critical role financial institutions play in fostering sustainable growth, we have integrated Environmental, Social, and Governance (ESG) principles into our operations to drive meaningful change.

This section of the annual report underscores our steadfast commitment to sustainability and highlights the progress we achieved in 2024 towards meeting our environmental and social responsibilities. Over the past few years, in view of our continuous efforts to promote sustainability, CBL has expanded its collaboration with international financial institutions such as the IFC, FMO (Dutch Development Bank), and the Global Climate Partnership Fund

(GCPF), among others. By setting ambitious medium- and long-term sustainability targets, we are striving to align our initiatives with global priorities, including the United Nations Sustainable Development Goals (SDGs), the Paris Agreement on climate change, and international alliances like the Net Zero Banking Alliance (NZBA) of United Nations Environment Programme Finance Initiative (UNEPFI).

## 2. Our Approach to Environmental Social & Governance (ESG)

### Empowering Sustainable Futures

At the core of our ESG strategy is a steadfast commitment to creating long-term value for our stakeholders, driven by the principles of environmental stewardship, social responsibility, and strong governance.



In 2024, we've further integrated ESG in all our business strategies, operations and value chain, focusing on impactful initiatives that promote sustainable growth, community engagement, and ethical business practices. Through measurable targets, transparent reporting, and collaboration with partners, we aim to build a resilient future that aligns with the evolving global sustainability landscape. Our approach is both proactive and accountable, ensuring that our ESG efforts not only meet regulatory standards but also drive positive change for people and the planet.

### 2.1 Environmental Responsibility: Shaping a Greener Future

We are dedicated to reducing our environmental footprint and leading by example in sustainable finance. By integrating climate-conscious strategies into our operations and services, we're fostering an ecosystem where both our business and the planet thrive. Our initiatives focus on renewable energy investment, waste reduction, and carbon neutrality, ensuring we contribute to global efforts to combat climate change.

### 2.2 Social Impact: Enhancing Communities and Diversity

We prioritize social impact by investing in communities, advancing financial inclusion, and promoting diversity, equity,

and inclusion (DEI) in every aspect of our business. We actively partner with organizations that drive positive change and work to create a more equitable society. Our inclusive workplace policies reflect our commitment to fostering diverse talent and empowering underserved communities with the tools they need for financial growth.

### 2.3 Governance: Upholding Ethical Standards

Our governance framework is designed to ensure transparency, accountability, and ethical leadership. We are committed to the highest standards of corporate governance, maintaining strict compliance with regulatory requirements while fostering trust with our stakeholders. By implementing robust oversight, anti-corruption



measures, and fostering a culture of integrity, we ensure our operations are conducted with the utmost responsibility.

As we continue to advance our ESG goals, we remain focused on creating

long-term value for all our stakeholders. Our approach is rooted in continuous improvement, collaboration with partners, and innovative solutions that address the evolving needs of a sustainable world.

### 3. ESG Highlights in 2024



#### 3.1 Environment

Particulars	2024	Achievements
Green Finance Disbursement	BDT 33,354 million	34% of total term loan disbursement whereas BB target was 5%
Sustainable Finance Disbursement	BDT 402,340 million	88% of total disbursement whereas BB target was 20%

##### Green Savings Account

City bank opened 20,001 green savings accounts with deposit mobilization of BDT 612.70 million and planted 3500 trees against it

##### Set Emission Reduction Target for 5 key sectors as part of Net Zero commitment

RMG, Textile, Power, Steel & Pharmaceuticals

##### Financing Renewable Energy

BDT 2,133 million allocated to renewable energy-based projects; supported 132 MW Solar projects & 68 MW Wind projects

##### Energy & Resource Efficiency

BDT 8,750 million invested in energy & resource-efficient machineries

##### Green Building & Industry Development

BDT 6,130 million allocated, with 37 LEED-certified clients in the portfolio

##### Waste Management for a cleaner Future

BDT 187 million invested in liquid & solid waste management (ETP)



#### 3.2 Social

##### Sustainable Agriculture

BDT 1,238 million invested in fostering resilient Agricultural practices.

##### Women Empowerment & Gender Equality

BDT 5,667 million committed to financial inclusion and economic upliftment of women.

##### Green CMSME (Cottage Industry)

BDT 57 million dedicated to promoting sustainable small businesses.

##### Information & Communications Technology

BDT 248 million invested in advancing digital infrastructure and accessibility.

##### Workplace safety

BDT 1,073 million disbursed for workplace safety and environmental improvements.

Partnered with local NGOs to drive environmental awareness and sustainability campaigns

##### Corporate Social Responsibility (CSR) Contributions:

BDT 20.43 million contributed to Health sector where the number of beneficiaries are 26

BDT 14.00 million contributed to Education sector where the number of beneficiaries are 963

BDT 10.08 million contributed to Environment, Climate Adaptation & Mitigation project where the number of beneficiaries are 3000



### 3.3 Governance



Board Risk Management Committee



Sustainable Finance Committee



Emission Reduction Steering Committee



Environmental & Social Risk Management Policy.



Occupational health and safety Policy



"Banking for a Better Tomorrow"

"The future of finance is not just about profits—it's 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 isn't an option; it's the way forward. Together, let's bank for a better tomorrow."

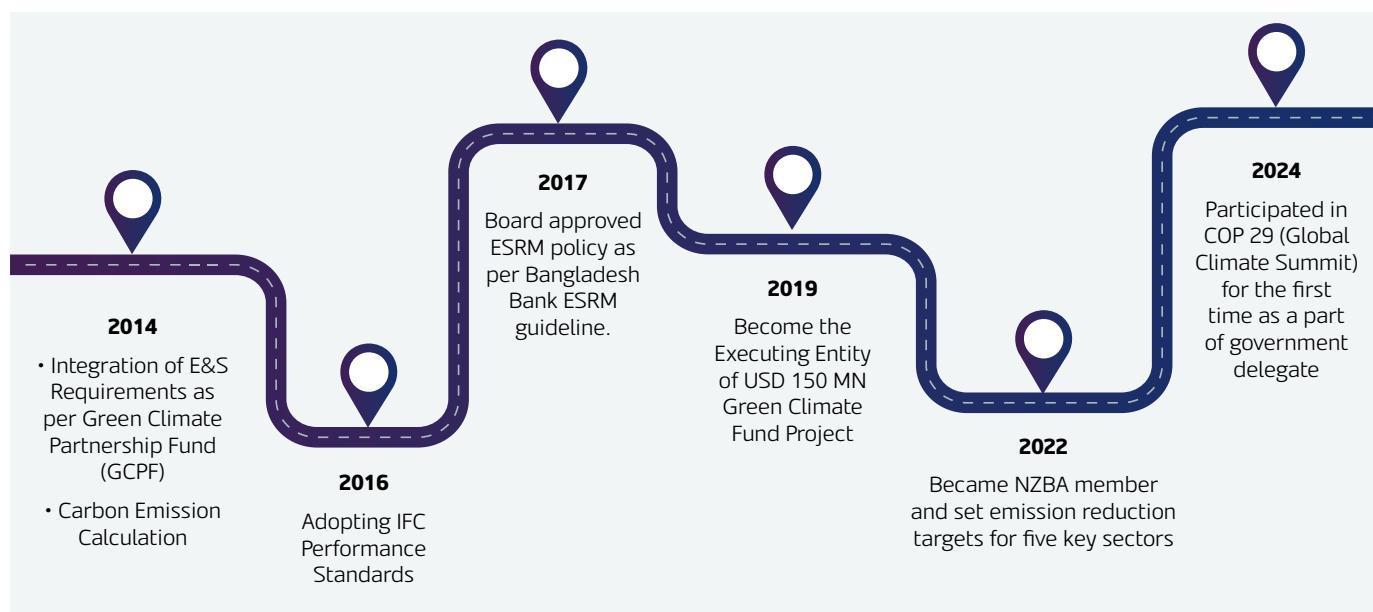
Sincerely,

**MD Mahbubur Rahman**

President of Sustainable Finance Committee  
Additional Managing Director & CFO, City Bank PLC.

## 4. Beyond Banking: City Bank's Sustainability Journey

At City Bank, our sustainability journey reflects a steadfast commitment to responsible banking and environmental stewardship. Over the years, we have taken significant steps to align our strategies with global sustainability standards, ensuring that our operations contribute positively to the environment and society.



These milestones reflect our dedication to embedding sustainability within our core operations, reinforcing our position as a leader in green finance and responsible banking. As we look ahead, City Bank remains committed to driving positive change, fostering financial inclusion, and supporting the transition to a low-carbon economy.



## 5. City Bank's ESG Practices in Alignment with SDGs

Our progress is driven by a strong ESG framework that acts as a roadmap for continuous improvement, setting clear targets and addressing emerging risks. Throughout the year, ESG remained a key focus in both management and Board discussions, emphasizing its crucial role in shaping the organization's future. Regular updates on ESG initiatives were shared across all levels, with the Board making ESG a priority agenda item in every meeting.

City Bank's sustainability framework is rooted in ESG principles, ensuring our business activities deliver value to stakeholders while promoting resilience and long-term positive impact. We are deeply committed to aligning our initiatives with the United Nations' Sustainable Development Goals (SDGs) most relevant to our operations. Our focus remains on the goals where we can drive the greatest environmental and social impact. Guided by a strong sense of purpose, we strive to create enduring value through responsible and balanced business management. This vision is brought to life through our five core sustainability pillars.

### Pillars of Progress: Sustainability



City Bank is dedicated to aligning its operations and community initiatives with the Sustainable Development Goals (SDGs). The table below highlights the progress made across the selected goals where we aim to create the greatest impact, categorized into organizational and social impact.

PILLAR 1: RESPONSIBLE BANKING			
Initiative	Description	Outcomes Achieved	SDG Alignment
Financial Inclusion and Access to Banking	Expanding access to banking services, particularly through digital platforms, for underserved communities.	City Bank is committed to expanding financial inclusion, particularly for low-income and rural populations, by enhancing access to credit and savings.	 <b>1 NO POVERTY</b>  <b>10 REDUCED INEQUALITIES</b>



Initiative	Description	Outcomes Achieved	SDG Alignment
Ethical Banking Practices and Transparency	Ensuring transparency in banking operations, including clear communication about fees, loan terms, and environmental impacts.	Improved customer trust and satisfaction. Reduced financial exclusion due to hidden costs and opaque terms.	 <b>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</b>
Promoting Financial Literacy and Education	Offering financial education programs to raise awareness about sustainable banking practices.	Empowered consumers to make informed financial decisions. Increased understanding of sustainable financial products.  As part of these efforts, City Bank has provided sustainable finance training to 1,383 employees, equipping them with the necessary knowledge to drive responsible financial practices. Additionally, the City Alo has successfully trained 288 individuals/customers throughout the year.	 <b>4 QUALITY EDUCATION</b>  <b>8 DECENT WORK AND ECONOMIC GROWTH</b>
Responsible Investment Policies	Implementing policies to avoid financing industries or projects contributing to negative environmental or social impacts, such as tobacco or fossil fuels.	A key factor in achieving these outcomes is the bank's adherence to the exclusion lists of both Bangladesh Bank and the International Finance Corporation (IFC).	 <b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>  <b>13 CLIMATE ACTION</b>

PILLAR 2: SUSTAINABLE FINANCING FOR A GREENER FUTURE			
Initiative	Description	Outcomes Achieved	SDG Alignment
Green Bonds Financing	Financing or Issuing bonds specifically for financing environmentally sustainable projects.	Mobilized funds for renewable energy projects; increased investment in green infrastructure.  City Bank invested in a Green Sukuk to develop solar based power plant. As on 31-Dec-2024 the O/S was 2499.8 million.	 <b>7 AFFORDABLE AND CLEAN ENERGY</b>  <b>13 CLIMATE ACTION</b>
Sustainable Loan Programs & Green and Social Impact Investments	Offering preferential loan terms for projects with positive environmental impacts.	Facilitated financing for eco-friendly businesses; supported climate-resilient infrastructure.  In line with this, city bank disbursed BDT 33,354 million in green finance and BDT 402,340 million in sustainable finance.	 <b>9 INDUSTRIAL INNOVATION AND INFRASTRUCTURE</b>  <b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>
Climate Risk Assessment for Financial Products	Integration of climate-related risks into financial product evaluation and lending criteria.	City Bank measures the CO <sub>2</sub> emissions associated with its portfolio.  In addition, we also calculate transition and physical risk of climate change which plays a pivotal role in credit appraisal	 <b>13 CLIMATE ACTION</b>  <b>15 LIFE ON LAND</b>
Investment in Renewable Energy Projects	Financing large-scale renewable energy projects, such as solar, wind, and hydroelectric plants.	Expansion of renewable energy infrastructure; reduced dependence on fossil fuels.  In 2024, the bank's commitment to renewable energy financing amounted to BDT 2,133 million. Furthermore, we have supported 192 MW renewable energy based projects (solar and wind) adhering to renewable energy goals.	 <b>7 AFFORDABLE AND CLEAN ENERGY</b>  <b>13 CLIMATE ACTION</b>



## PILLAR 3: RESPONSIBLE BUSINESS PRACTICES

Initiative	Description	Outcomes Achieved	SDG Alignment
Corporate Social Responsibility (CSR) Programs	Engaging in community development initiatives, such as health, education, and environmental conservation.	City Bank's commitment to corporate social responsibility has enhanced community welfare and strengthened its reputation as a socially responsible business. The bank has supported various sectors, including education, healthcare, climate risk mitigation, environmental sustainability, disaster management, infrastructure development, and the promotion of sports and cultural activities. A total of BDT 79.9 million has been allocated to these initiatives.	 
Energy Efficiency and Waste Reduction	Implementing energy-efficient technologies and waste reduction practices across business operations..	<p>Reduced carbon footprint; minimized waste generation; lower operational costs.</p> <p>City Bank now operates 38 solar-powered branches and 33 solar-powered ATMs, reducing dependence on conventional energy sources. Furthermore, the bank has 186 branches implementing solid waste management systems. In addition, efforts toward water conservation have been made, with 2 branches incorporating rainwater harvesting systems, while the head office has implemented 4 such systems. These initiatives are supported by a substantial investment of BDT 8,750 million in energy and resource-efficient technologies, reinforcing City Bank's commitment to sustainable operations.</p>	 
Diversity and Inclusion Policies	Promoting a diverse and inclusive workplace through equal opportunity hiring, training, and leadership programs.	City Bank has fostered a diverse and inclusive workforce, leading to increased employee satisfaction and innovation. Women make up 18.9% of the bank's workforce. Additionally, the Grievance Committee plays a vital role in addressing employee concerns, while policies such as the POSH (Prevention of Sexual Harassment) Policy, Grievance Management Policy, Whistleblower Policy, and the Code of Conduct ensure a safe, respectful, and transparent work environment.	 
Anti-Corruption and Ethical Governance	Establishing anti-corruption measures and promoting transparency in all business dealings.	<p>Strengthened integrity and trust in business operations; reduced instances of corruption.</p> <p>Additionally, the bank has effectively adopted Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) policies, ensuring a more secure and transparent financial environment.</p>	



## PILLAR 4: CREATING SOCIAL IMPACT

Initiative	Description	Outcomes Achieved	SDG Alignment
Access to Education Programs	Providing scholarships, educational resources, and training programs to underprivileged communities.	<p>Increased literacy and skill development; improved access to higher education for marginalized groups.</p> <p>City Bank regularly conducts certification program, entrepreneurship development program and Uthan Boithak to empower their women customers from all economic classes. In 2024, City Bank conducted 02 entrepreneurship certification programs for 66 participants. Moreover, Uthan Boithak was arranged for 220 participants in three separate regions. In addition, internally the bank has also awarded BDT 1.32 million in scholarship to the children of 10 employees.</p>	 



Initiative	Description	Outcomes Achieved	SDG Alignment
Affordable Healthcare Initiatives	Offering affordable healthcare services, preventive care, and health education in underserved areas.	City Bank's initiatives have contributed to improved health outcomes for low-income populations and a reduction in healthcare disparities. Through its CSR programs, the bank disbursed BDT 20.43 million to 26 beneficiaries. Additionally, as part of its in-house CSR efforts and ongoing commitment to employee support, City Bank established the Emergency Support Fund (ESF) to provide financial assistance to regular employees and their dependents during crises. In 2024, total 430 employees received support from ESF.	 
Job Creation and Skills Development	Supporting employment programs that offer skill development and job placements for marginalized groups.	Reduced unemployment; enhanced economic empowerment of disadvantaged communities.  In 2024 alone, City Bank arranged 652 training sessions for 40,926 employees.	 
Financial Empowerment for Low-Income Communities	Providing microfinance services, financial literacy programs, and savings tools to underserved populations.	Increased access to credit and financial independence for low-income families.  The bank has successfully disbursed 10,666 million in microfinancing linkages.	 
Social Enterprise Support	Funding and mentoring social enterprises that tackle issues like poverty, hunger, and environmental sustainability.	Empowered social enterprises to scale; improved livelihoods in affected communities.  As of Dec 2024, 18.43% of City Bank's portfolio comprises of CMSMEs.	 
Community Resilience and Disaster Preparedness	Investing in community-based disaster risk reduction and resilience-building programs.	City Bank's efforts have strengthened disaster response capacity and reduced vulnerability to natural disasters. Through its CSR initiatives, the bank provided support to 75,050 beneficiaries during disasters by disbursing BDT 31.6 million in 2024.	 

## PILLAR 5: CARBON NEUTRALITY AND CLIMATE RESILIENCE

Initiative	Description	Outcomes Achieved	SDG Alignment
Awareness on Environment & climate Action	Awareness campaigns, green financing, and eco-friendly practices.	Increased climate awareness, adoption of green financing, and reduced carbon footprint.  City Bank has leveraged global environmental observances such as World Environment Day and Earth Day to amplify its sustainability efforts. These events have provided platforms for awareness campaigns, community engagement, and initiatives.	  
Climate Change Mitigation	supporting in renewable energy projects or GHG reduction emission initiatives.	Reduced overall carbon footprint; enhanced biodiversity through tree planting and conservation efforts.  As part of its Net Zero commitment, it has set emission reduction targets for five key sectors: Ready-Made Garments (RMG), Textile, Power, Steel, and Pharmaceuticals. Furthermore, City Bank has demonstrated its commitment to renewable energy by allocating BDT 2,133 million to renewable energy-based projects. The bank has already planted 3,500 trees, symbolizing its tangible contributions to a greener future.	 
Climate-Resilient Infrastructure Development	Designing and building infrastructure that can withstand extreme weather events and changing climate conditions.	Enhanced infrastructure resilience; reduced damage from natural disasters. In 2024, for Green buildings and infrastructure development, BDT 6,130mn is allocated to 37 LEED certified clients.	 



Initiative	Description	Outcomes Achieved	SDG Alignment
Climate Change Mitigation	Promoting climate-smart agriculture techniques, such as agroforestry and conservation tillage, to reduce emissions and increase crop resilience.	City Bank's initiatives have contributed to improved food security, enhanced soil fertility, and reduced agricultural emissions. To support sustainable agriculture, BDT 1,237.36 million was disbursed across various sectors, including crops, pisciculture, and livestock. In addition, women also play a pivotal role in climate change adaptation. As of December 2024, women entrepreneurs account for 4.73% of the bank's portfolio, while they make up 14.19% of the CMSME portfolio.	 
Climate Risk and Vulnerability Assessments	Conducting climate risk assessments to identify vulnerabilities and design adaptation strategies for businesses and communities.	Increased awareness of climate risks; better preparedness and adaptation strategies. We assess physical & transitional risk of climate change of our portfolios.	 

## 6. Green and Sustainable Finance

### Overview

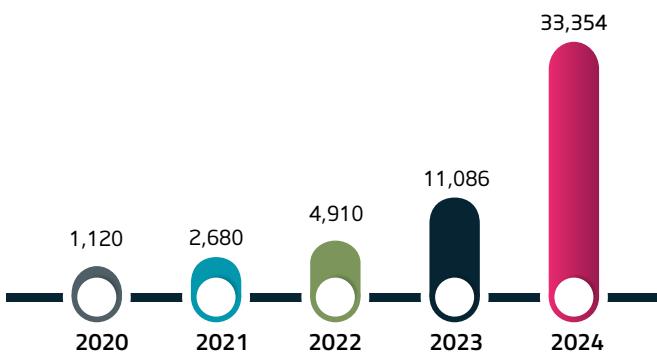
The banking sector is pivotal in meeting the Bangladesh's Nationally Determined Contributions (NDCs) goals in terms of climate mitigation financing for transitioning to a seamless and equitable transition to a low carbon society. In addition, City Bank also plays a significant role in climate adaptation financing by having significant footprint in agriculture, financing to promote women empowerment and financing through NGO-MFI linkage. To facilitate the process, the Sustainable Finance Policy of Bangladesh Bank has been a comprehensive guide for contributing to meet the NDC target and subsequent Sustainable Development Goals (SDGs).

### Green Financing at City Bank

From the 94 products under green finance taxonomy, City Bank has footprint in 15 products and services in 2024. By consciously aligning all the investment decisions towards green finance, City Bank has

expanded its green book by almost three folds from 11,086 mn in 2023 to 33,354 mn in 2024; which is nearly 34% of its total term loan disbursement.

#### Green Finance Disbursement (BDT mn)



As a fundamental commitment to fostering green growth, City Bank has been actively involved in carbon mitigation financing and has expanded its footprint to 15 products to transition to a low carbon economy. In 2024, the bank's green financing portfolio comprises of:



Segments	2024	2023	2022	2021	2020
Energy and Resource Efficiency	8,750.10	3,521.7	3,568.9	1,246	1,053
Renewable Energy	2,133.20	21.5	185.8	22	-
Solid and Liquid Waste Management	201.90	73.8	347.8	37	-
Establishment of Green Industry	6,129.70	3777.7	856.3	1,176	67.5
Financing for Ensuring Safety/Security of Factory Workers	1,073.40	70.6	113.8	199	0.9
Green Socially Responsible Financing	14,756.60	3,568.2	-	-	-
Green CMSME	56.50	27.2	-	-	-

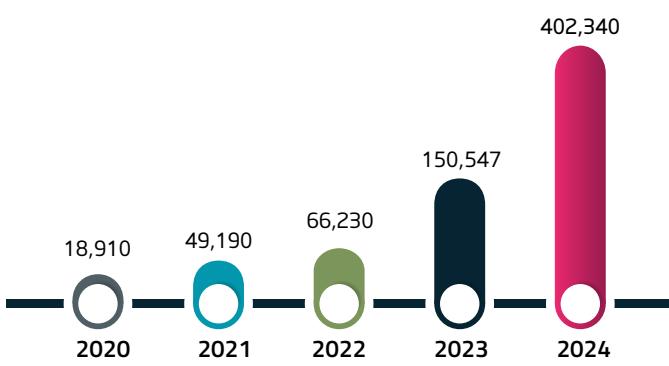


Segments	2024	2023	2022	2021	2020
Circular Economy	9.00	7.6	-	-	-
Investment in Broadband Network and IT Solutions	248.30	-	-	2,681	1,121
Total	33,358.70	11,086	4,905	2,681	1,121

## Sustainable Finance at City Bank

As of 2024, City Bank disbursed USD 402,340 Mn to various sustainable projects which is 88.12% of its total loan disbursement. Apart from green finance, City Bank has been actively allocating funds to enhance adaptive and resilience capacity of people vulnerable to climate change. It has strong footprint in sustainable agriculture (crops, fisheries, agricultural equipment etc.) and in development of small and medium enterprises. In addition, City Bank is also catering to the unbanked population of the country by financing through NGO-MFI linkage.

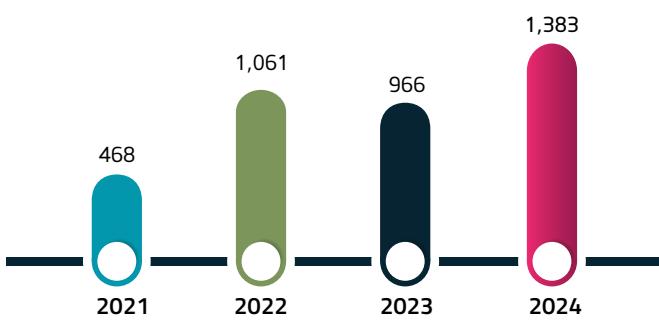
### Sustainable Finance Disbursement (BDT mn)



## Capacity Building on Sustainable Finance

Employee awareness and capacity building is a key to proper assessment for green and sustainable finance. In this regard, the bank trained 1,383 employees on green and sustainable finance, ESRM policy, IFC performance standards etc. Apart from training conducted by in-house resources, external experts from related organizations and regulatory bodies also conducted capacity building sessions for City Bank employees on ESG, green banking and sustainable finance.

### Number of Participants Trained on E&S, IFC PS, Green and Sustainable Finance



## 7. Sustainability Governance

Our ESRM framework is overseen by the Board's Risk Management Committee (BRMC), which directs the Sustainable Finance Committee (SFC) to develop and monitor strategies related to the environment, green finance, and sustainability through the Sustainable Finance Unit (SFU). Additionally, City Bank has established an Emission Reduction Steering Committee (ERSC) to manage carbon emission reduction strategies for both our lending portfolio and internal operations.

### Committees Driving Change

#### 7.1 Sustainable Finance Committee (SFC)

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

#### 7.2 The 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 Sustainable Finance Committee (SFC) to oversee and manage all activities related to environmental sustainability, green finance, and overall sustainability efforts, with central coordination provided by the Sustainable Finance Unit.

### 7.3 Emission Reduction Steering Committee (ERSC)

City Bank PLC also has a dedicated ESG Committee known as the Emission Reduction Steering Committee (ERSC), which is specifically responsible for overseeing and guiding the bank's strategies aimed at reducing its carbon emissions. The 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. This committee monitors progress, evaluates impact, and ensures that the bank's operations and activities contribute to a sustainable and low-carbon future.

## 8. Environmental & Social Due Diligence

Policy formulation: A commitment to a greener, more sustainable Future

At City Bank, we take pride in being a responsible financial institution committed to enhancing our green credentials through sustainable financing and environmentally-conscious lending practices. These efforts underscore our dedication to ecological sustainability and environmental preservation across the delta.

Our enduring green initiatives, coupled with regulatory directives, ensure that environmental management remains a core priority for City Bank. Leading this journey toward becoming a sustainable bank focused on green capital is our Environmental and Social Risk Management (ESRM) policy.

Guided by Bangladesh Bank's ESRM policy and IFC Performance Standards, our ESRM framework is built on a robust implementation



system that clearly defines accountability and sets specific goals. This approach enables us to effectively manage the bank's environmental performance while driving meaningful change.

### Policy Objectives and Core Principles

To ensure the effectiveness of the ESRM policy, City Bank has integrated robust monitoring mechanisms. These include regular assessments of the policy's impact, consistent training programs for employees to improve their understanding of environmental

and social risks, and stakeholder engagement activities to ensure alignment with the bank's sustainability goals. Furthermore, the automation of ESRM/ESDD processes guarantees a seamless and efficient integration of the policy into day-to-day operations, fostering continuous improvement in managing environmental and social risks. City Bank remains committed to adhering to both national regulations and international best practices in promoting sustainability across all its financial services.

Due to this strategic approach to sustainability, 68% of the portfolio of City Bank has been assessed for environmental & social risks.



## 9. Legacy of Excellence

City Bank was honored with several prestigious awards and recognitions over the year, reflecting not only its high operational standards but also its dedication to responsible and ethical banking. These accolades reinforce our commitment to sustainability, green finance, and ESG-driven growth.

### Ranked Among Top 10 Sustainable Banks in Bangladesh (4th Consecutive Year)

City Bank has been ranked among the Top 10 Sustainable Banks in Bangladesh by Bangladesh Bank for the fourth consecutive year (2020-2023). From 2020 to 2023, City Bank has consistently secured its position among the top sustainable banks in Bangladesh. This recognition highlights its commitment to sustainability through green financing, CSR initiatives, and responsible banking practices.

The bank continues to excel in sustainable finance and environmental in the industry.



### Awarded as Best Climate Focus Bank in Bangladesh

City Bank has been awarded the title of "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 in Top 10 Sustainable Banks Globally

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

## ESG & Sustainability Initiatives

### City Bank's Environment Week 2024

#### Inspiring Action for a Sustainable Future

City Bank is committed to environmental sustainability. In celebration of Environment Week (June 2-6, 2024) and World Environment Day, City Bank organized activities like pledge writing, quizzes, movie screenings, tree planting, and lake cleaning with a civil society organization. All the employees actively participated, promoting sustainability and community engagement.



#### Tree Plantation Initiative: A Key Milestone

A highlight of Environment Week 2024 was the tree plantation program on June 5 at Gulshan Link Road, in partnership with Gulshan Society, Dhaka North City Corporation, and Rajuk. As part of our CSR efforts, City Bank has planted over 100,000 trees nation-wide. This year, we kicked off a large-scale plantation program with 5,000 trees in collaboration with Gulshan Society.



#### Tree Plantation Initiative

#### Beyond Tree Plantation: A Holistic Approach to Sustainability

City Bank goes beyond tree planting by partnering with Gulshan Society, Dhaka North City Corporation, and Rajuk to restore Gulshan's water bodies. This initiative supports local ecosystems and a cleaner urban environment. Committed to sustainability, we drive positive change for a greener future.

#### City Bank Sustainability Report 2023

Be the Change You Wish to See in the World

City Bank's 2023 Sustainability Report, published in August 2024, highlights its commitment to eco-friendly practices, carbon footprint



reduction, and environmental responsibility. For the bank, green is more than a color—it symbolizes progress, innovation, and a sustainable future. Embracing resilience and adaptability, City Bank reimagines banking through sustainability, driving a movement to protect our planet for future generations.



### **City Bank's Sustainability Champion Awards**

#### **Leading the Way in Sustainable Finance**

This year, we launched the “Sustainability Champion Awards” to recognize relationship managers for outstanding contributions to sustainable finance. This initiative encourages engagement, inspires proactive efforts, and strengthens our position as a leading sustainable bank.



### **Representing Bangladesh at the largest Global Climate Summit (COP29) of UNFCCC**

City Bank PLC represented Bangladesh as the sole bank selected by the GoB and MoEFCC at COP29 in Baku, Azerbaijan. At the Bangladesh Pavilion, the bank delivered a keynote on its climate finance initiatives and hosted a panel discussion on mobilizing private sector investments for climate action.



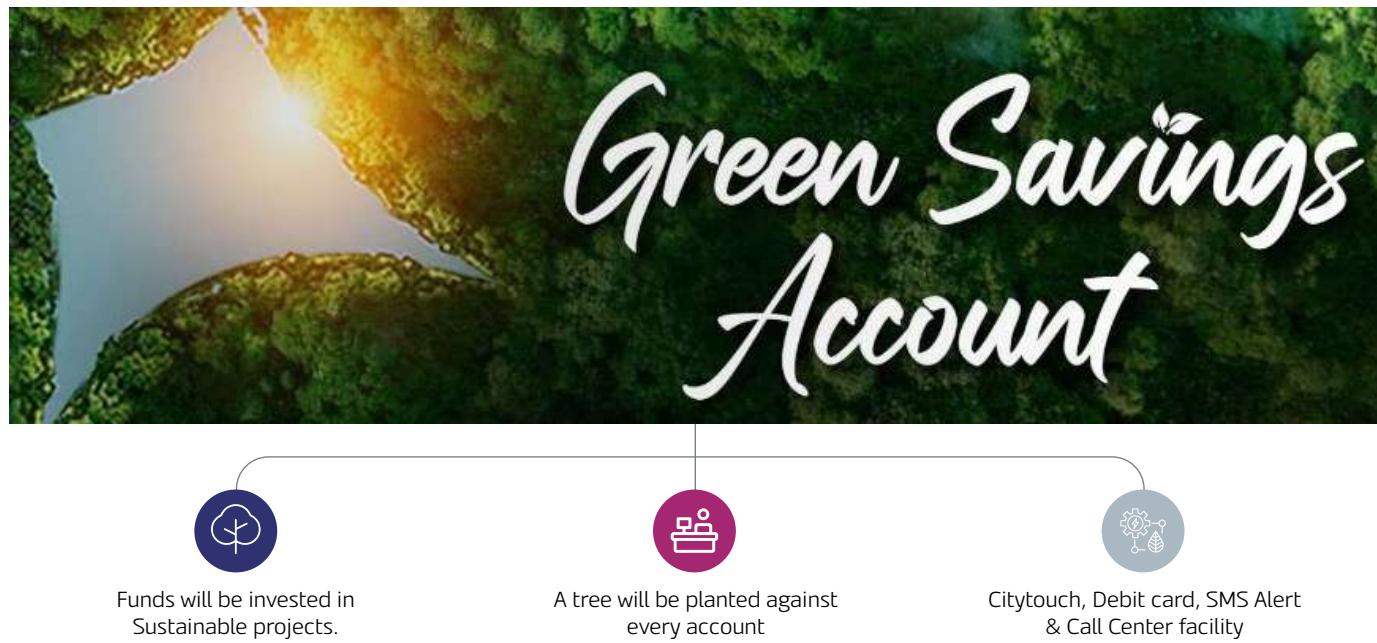


## Mobilizing Private Sector Climate Finance: Challenges & Opportunities

### City Bank's Green Savings Account

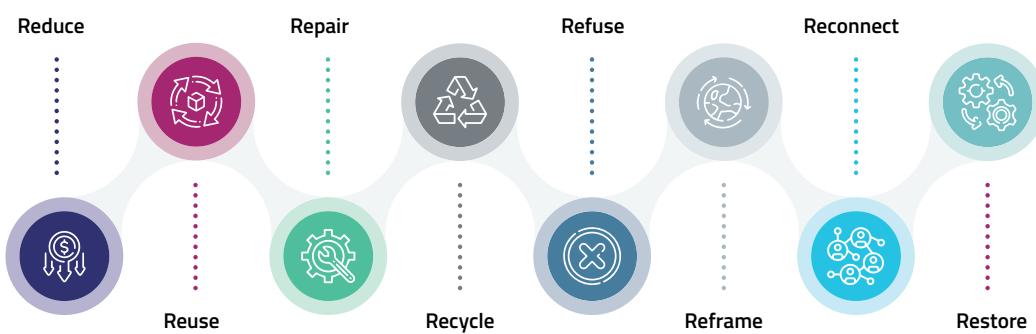
Pioneering change through green liability product in Bangladesh

City Bank, a leader in Green and Sustainable Finance, launched Bangladesh's first Green Savings Account in February 2024 to bridge the gap in Green Liability products. Customer deposits exclusively fund eco-friendly projects, aligning with Bangladesh Bank's green taxonomy. As part of its commitment to sustainability, City Bank plants a tree for every account opened. By December 2024, 20,001 Green Savings Accounts had been opened, accumulating deposits worth BDT 612.7 million amounts. Staying true to its pledge, City Bank has already planted 3,500 trees, symbolizing its tangible contributions to a greener future



### City Bank and 8Rs

The core of circular living is a potent framework called the 8Rs, a cutting-edge strategy that directs people toward a more sustainable and regenerative way of living. As the cornerstone of circular living, the 8Rs—Reduce, Reuse, Repair, Recycle, Refuse, Reframe, Reconnect, and Restore—consist of an extensive set of guidelines designed to reduce waste, preserve resources, and promote a closer relationship with the environment. Every R stands for a different facet of sustainable living, promoting thoughtful consumption, deliberate choices, and a move toward a more circular economy. We at City Bank are dedicated to the 8Rs and take initiative in this area.



### 10. Together, We Create Impact

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 lasting change for a more inclusive and resilient future. By aligning with global sustainability goals, we empower individuals and businesses while safeguarding our planet. Together, we create impact and shape a better tomorrow.



Scan the QR code with your mobile device for quick access to Sustainability Report

# CSR AT CITY BANK



## Overview of Progress Made in Advancing Society

As we reflect on our progress of our citizenship and social activities, we are pleased to have made important strides in the execution of our CSR initiatives this past year. Yet, there remains a lot more to do.

In 2024, against a volatile macroeconomic backdrop, we continued to make good progress in fostering practices and initiatives across the bank and supporting a more sustainable and inclusive future for our society. As we expand on our sphere of citizenship, we are confident of delivering purposeful and impact-driven measures that create all-round benefits.

A core element of our sustainability focus is prioritizing community needs. We are committed to integrating social responsibility into every aspect of our operations, recognizing that CSR is a vital contributor to Bangladesh's development.

Our CSR strategy is defined by a profound commitment to social and civic initiatives. Rather than engaging in isolated acts of charity, we focus on programs that drive decisive long-term impact. Our CSR initiatives are built on the foundation of community support, going beyond just relief efforts to empower individuals, strengthen community resilience and create opportunities for a more equal future.

## Highlights:

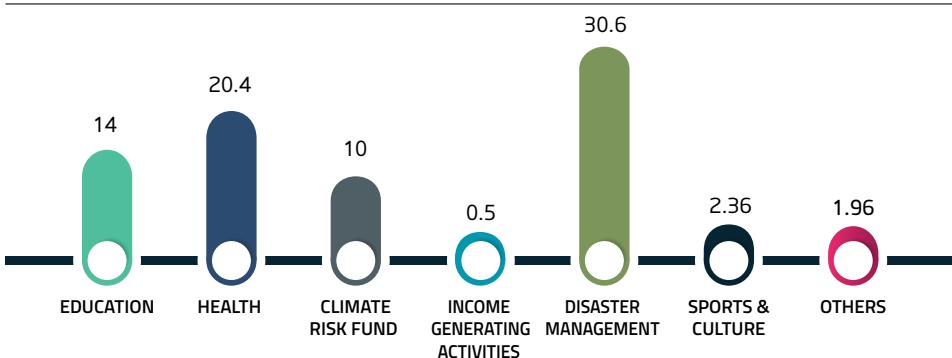
Particulars	2024	2023	2022	2021	2020	2019	2018
Beneficiaries (CSR)	79,049+ for 42 events and for 39 events Beneficiary is unknown	76,033 for 33 events and for 30 events Beneficiary is unknown	86,559 for 19 events and for 37 events Beneficiary is unknown	82,545 for 18 events and for 13 events Beneficiary is unknown	75,121 for 8 events and for 21 events Beneficiary is unknown	86,071 for 21 events and for 3 events Beneficiary is unknown	52,947 for 8 events and for 15 events Beneficiary is unknown

### CSR AT CITY BANK – OUR PURPOSE IN ACTION

"At City Bank, CSR has always been more than a just a policy. We focus on sustainable solutions that not only help those in need but also create an impact in their lives and also on the lives dependent on them. We believe it is women and youth who drive the economy forward through both direct and indirect means. Yet, these segments of the society often face neglect. Therefore, considering the contribution they can create to our economy, City Bank ensures that both women and youth are kept at the heart of its CSR strategy to create a better tomorrow for all. Using our purpose and influence, we are committed to encouraging sustainable choices and ensuring a better future."

- Mashrur Arefin, MD & CEO

### Sector-wise CSR Expenditure (in BDT mn)



**BDT 79.9 mn**

CSR Expenditure in 2024



## CSR Expenditure over the last 10 years (in BDT mn)



**BDT 1,160.9  
mn**

Total CSR Expenditure in  
the Last Decade

## EDUCATION

### WE AIM TO FOCUS ON THE EDUCATION OF THE UNDERPRIVILEGED AND UNDERSERVED TO ENSURE EQUAL LEARNING OPPORTUNITIES FOR ALL

Education has always played a crucial part in the development of a nation. Therefore, 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, City Bank also donated 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 and development of children with special needs.

Another key focus comprises vocational training of 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 donated to various organizations to provide free training to women and youth.

Financial literacy is crucial for Bangladesh. According to the Financial Inclusion Insights (2018) Program by Inter Media Research, financial literacy rate in the country stood at around 28% (December 2023), meaning more than 70% of the population lack a fundamental understanding of key financial concepts, making them susceptible to scams and fraud.

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



### Impact Delivered



Youth  
investment



Human capital  
development



Better  
livelihoods



Equality and  
empowerment



## HEALTH

### WE AIM TO ENSURE ACCESS TO QUALITY HEALTHCARE FOR THE MARGINALIZED COMMUNITIES

We recognize the imbalance between household income and high healthcare costs that often push families into poverty. We also know the importance of donations in bridging this gap, thus helping improve healthcare access and outcomes.

We contribute to various organizations and individuals in need, supporting essential medical services, life-saving treatments and healthcare infrastructure development. Our monetary contributions help provide financial assistance to underprivileged patients, fund medical research, supply hospitals with necessary equipment, and support health awareness programs.

In 2024, City Bank made donations to underprivileged patients suffering from cancer, kidney and heart diseases. This apart, we also contributed a significant amount to the National Institute of Cardiovascular Diseases (NICVD) to support the poor with free pacemakers.

The floods during the year 2024 created a devastating effect on individuals and families who also suffered from various health issues. City Bank, in partnership with Bangladesh Red Crescent Society, provided initial treatment to the affected people, thus contributing to easing pain and saving lives.



#### Impact Delivered



Improved public health



Disease prevention



Mental Health Awareness



## CLIMATE CHANGE MITIGATION AND ECOLOGICAL RESTORATION

OUR VISION IS TO SUPPORT COMMUNITIES Affected BY CLIMATE CHANGE THROUGH SUSTAINABLE SOLUTIONS

Climate change mitigation and adaptation along with environmental restoration has become a major focus worldwide due to the negative impact it bears. Being in a vulnerable topography, Bangladesh has been significantly affected by climate change in recent years, pushing the poor and marginalised communities to the brink. In view of solving this challenge, City Bank took up various initiatives to combat the effects of climate change.

Besides tree plantation which directly contributes to reduction of atmospheric carbon, the bank also partnered with organisations like ActionAid International Bangladesh, Bangladesh Red Crescent Society and TMSS to support rehabilitation of communities affected by the unprecedented flashfloods of August 2024 that ripped through the northeastern and southeastern regions of the country.

The bank's contributions focused on creating access to better sanitation facilities and shelter through infrastructural development for the flood-affected communities.



### Impact Delivered



Improved public health



Ecosystem protection





## DISASTER MANAGEMENT

**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 floods through Prothom Alo Trust and Bangladesh Red Crescent Society, along with shelter support. In one of the biggest disasters in the country's history, City Bank provided multidimensional support to the victims.

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



### Impact Delivered



Essential support



Emergency provisions



Community outreach





## OTHERS

### WE ARE COMMITTED TO EMPOWERING UNDERPRIVILEGED COMMUNITIES AND FOSTERING INCLUSIVE EXCELLENCE

City Bank has considered developing sporting talent as a means to ensure good health and mental wellbeing. Therefore, we have partnered with various organizations like Jangaon Women Football Academy and Bogra Golf Club along with various individual players to support their career in sports. Apart from this, 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 an income-generating initiative.



#### Impact Delivered



Social transformation



Cultural awareness



Equality in sports



Scan the QR code with your mobile device for quick access to CSR information for stakeholders



# ISO CERTIFICATION

City Bank is recognized as one of the most compliant organization, holding the prestigious ISO 9001:2015 certification. This is an internationally recognized standard for Quality Management Systems (QMS), established by the International Organization for Standardization (ISO). It provides a framework that enables organizations to ensure consistent quality in their products and services, improve customer satisfaction, and enhance operational efficiency. The standard ISO 9001:2015 applies to all industries and organizations, regardless of their size. It helps businesses enhance customer trust, ensure regulatory compliance, and improve operational resilience. Organizations that achieve ISO 9001 certification demonstrate a commitment to quality and continuous improvement.



## Key Principles of ISO 9001:2015

- **Customer Focus** – Meeting and exceeding customer expectations.
- **Leadership** – Establishing a unified direction and purpose.
- **Engagement of People** – Utilizing the competence and involvement of employees.
- **Process Approach** – Managing activities as interconnected processes for efficiency.
- **Improvement** – Continuous enhancement of products, services, and systems.
- **Evidence-Based Decision Making** – Using data and analysis for strategic decisions.
- **Relationship Management** – Maintaining mutually beneficial supplier and stakeholder relationships.

### The list of City Bank departments under ISO certification:

1	Liability Service Centre	6	Operations Compliance & Bond Management	11	IT Division
2	SWIFT Services and Central Reconciliation	7	ATM Services	12	General Administration Dept.
3	Treasury Operations	8	Card Operations	13	Credit & Collection
4	Central Clearing	9	Human Resources	14	Credit Administration Division
5	Cash Management Operations	10	Procurement	15	Trade Services Division
				16	General Admin



# DIRECTORS' REPORT

## Dear Respected Members,

On behalf of the Board of Directors of City Bank PLC, I feel privileged to present the Directors' Report and Auditor's Report, together with the bank's Audited Financial Statements for the financial year ended 31 December 2024.

The business environment during the year 2024 was unprecedented as the run-up to the change in the government regime in the middle of the year brought about major disruptions. Mass protests that spilled onto the streets and public unrest created months-long uncertainty that posed challenges for the banking sector. In a landscape that tested the resilience of many banks and NBFIs, some exhibited signs of weakness that was however corrected by prompt measures by the regulator. It was a classic environment where well-run banks were rewarded by higher customer trust and increased inflow of deposits. City Bank was one such bank and we are proud that today we stand on a pedestal of strength with a solid brand, sound fundamentals, a futuristic business model, well-staffed operations with many of our people in specialised roles, a pristine asset book and of course, the trust of our depositors and borrowers. Having further strengthened our foundations, we look forward to the future with hope, optimism and a deep sense of responsibility in solidarity with our country and countrymen.

## GLOBAL ECONOMY

Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000–19) average of 3.7 percent. The forecast for 2025 is broadly unchanged from that in the October 2024 World Economic Outlook (WEO), primarily on account of an upward revision in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.

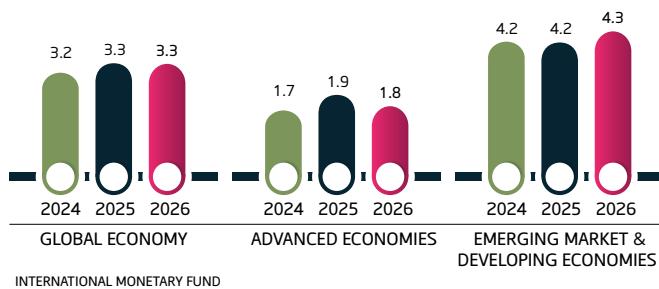
Medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterized by divergent risks. Upside risks could lift already-robust growth in the United States in the short run, whereas risks in other countries are on the downside amid elevated policy uncertainty. Policy-generated disruptions to the ongoing disinflation process could interrupt the pivot to easing monetary policy, with implications for fiscal sustainability and financial stability. Managing these risks requires a keen policy focus

### Global Growth Projections at a Glance

#### WORLD ECONOMIC OUTLOOK JANUARY 2025

#### GROWTH PROJECTIONS

(REAL GDP GROWTH, PERCENT CHANGE)



on balancing trade-offs between inflation and real activity, rebuilding buffers, and lifting medium-term growth prospects through stepped-up structural reforms as well as stronger multilateral rules and cooperation.

## Review

The January 2025 WEO states that notable revisions have taken place since the last updates, with upgrades to the forecast for the US offsetting downgrades to those for other advanced economies, in particular the largest European countries. Similarly, in emerging market and developing economies, disruptions to production and shipping of commodities, conflicts, civil unrest and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and sub-Saharan Africa.

These have been compensated by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth. The latest forecast for global growth five years from now—at 3.1 percent—remains mediocre compared with the pre-pandemic average. Persistent structural headwinds, such as population ageing and weak productivity are holding back potential growth in many economies.

The WEO report estimates that global headline inflation will decline from an annual average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. As global disinflation continues to progress, challenges to price stability persist. Goods prices have stabilized, yet services price inflation remains elevated in many regions, putting the onus on policymakers to recognise sectoral dynamics and calibrate monetary policy accordingly.

The report states that risks to the global outlook are tilted to the downside amid elevated policy uncertainty. Sudden eruptions in financial market volatility could tighten financial conditions and weigh on investment and growth, especially in developing economies in which large near-term external financing needs may trigger capital outflows and debt distress.

Further disruptions to the disinflation process, potentially triggered by new spikes in commodity prices amid persistent geopolitical tensions, could prevent central banks from easing monetary policy, which would pose challenges to fiscal policy and financial stability.

Deeper or longer-than-expected contraction in China's property sector could weaken consumer sentiment and generate negative global spillovers. An intensification of protectionist policies, like those being witnessed in the US currently, is expected to exacerbate trade tensions, reduce market efficiency and further disrupt supply chains. Rising public challenges could prompt social unrest, hurting consumer and investor confidence and potentially delaying the passage and implementation of necessary structural reforms.

The report discusses the vital role of multilateral cooperation to accelerate the green transition and support debt restructuring. Mitigating the risks of geoeconomic fragmentation and strengthening rules-based multilateral frameworks are essential to ensure that all economies can reap the benefits of future growth.



Global economic growth at 3.2 percent could aid in recovering Bangladesh's exports and remittances. Additionally, global inflation is expected to continue its downward trend, likely easing the issue of imported inflation.

#### Summary – Key observations in the global economy in 2024

- Escalation in geopolitical complexities with continuation of the Ukraine-Russia and Israel-Hamas wars
- Significant economic stimulus measures announced by the Chinese government to revive a sluggish economy
- Presidential elections in the US resulting in change of administration with the Republicans coming in
- National elections in India which saw continuity of government
- More acute focus on the principles of equity and climate sustainability with major climate disasters seen the world over

#### 2025 Outlook

The IMF's World Economic Outlook (WEO) January 2025 predicts global growth at 3.3 percent, both in 2025 and 2026, below the historical (2000-19) average of 3.7 percent. The forecast for 2025 is broadly unchanged from that in October 2024 WEO, primarily on account of an upward revision in the US offsetting downward revisions in other major economies.

Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies. The report states that medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterised by divergent risks. Upside risks could lift already-robust growth in the US in the short run, whereas risks in other countries are on the downside amid elevated policy uncertainty.

Among advanced economies, growth forecast revisions are seen to diverge. In the US, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance and supportive financial conditions. Growth is projected at 2.7 percent in 2025, a sign of strength.

In the Euro area, growth is expected to pick up, albeit at a gradual pace, with geopolitical tensions continuing to weigh on sentiment. Weaker-than-expected momentum at the end of 2024, especially in manufacturing, and heightened political and policy uncertainty suggest to a downward revision to 1 percent in 2025.

The January 2025 WEO states that in emerging market and developing economies, growth performance in 2025 and 2026 is expected to broadly mirror that in 2024. Growth for China in 2025 is expected at 4.6 percent, which reflects the carryover of the fiscal package announced by the government in 2024, offsetting the negative effects on investment from heightened trade policy uncertainty and property market crisis. In India, growth is projected to be solid at 6.5 percent in 2025 and 2026.

Progress on disinflation is expected to continue and government stimulus through policy support and tax incentives are expected to lift consumption demand. This could be a positive sign for the global economy, going forward.

#### Overview of the WEO Projections – January 2025

	Estimate	Projections	
	2024	2025	2026
World Output	3.2	3.3	3.3
Advanced Economies	1.7	1.9	1.8

	Estimate	Projections	
	2024	2025	2026
United States	2.8	2.7	2.1
Euro Area	0.8	1.0	1.4
United Kingdom	0.9	1.6	1.5
Emerging Market and Developing Economies	4.2	4.2	4.3
Emerging and Developing Asia	5.2	5.1	5.1
China	4.8	4.6	4.5
India*	6.5	6.5	6.5
Low-Income Developing Countries	4.1	4.6	5.4

\* For 12 months of FY2023-24 starting April 2023

Source: IMF WEO January 2025

#### Summary – Key observations in the global economy so far in 2025

- De-escalation in geopolitical complexities with the Hamas-Israel temporary ceasefire that may result in a long-term peace solution
- Intensification in the Ukraine-Russia war with no immediate solution in sight
- Major tariff threats by the US government that may cause significant trade disruptions and imbalances and trigger protectionist policies
- Potential withdrawal of the US from climate pacts and agreements that could derail global climate action
- Significant increase in the value of the US\$ against other currencies, further establishing its dominance
- A slowdown in the Indian economy due to inflationary pressures, tepid consumption demand, weak corporate earnings and FPIs pulling out of the stock markets

#### BANGLADESH ECONOMY

Bangladesh Bank's Monetary Policy Statement (MPS) for the January-June 2025 period states: "As the country enters a new era, it presents opportunities for much-needed reforms in the financial sector that can support the revival of the economy."

Setting the tone, the country has charted the way forward and looks to rewrite its future.

#### Review

The MPS for the second half of FY2025 primarily aims to address the ongoing inflationary challenges while stabilizing the forex market amid elevated NPLs in banks and non-bank FIs. The MPS reflects Bangladesh Bank's (BB's) strategic monetary policy direction for H2FY2025, based on the outcomes observed during the first half of the fiscal year.

The report mentions that BB has initiated essential reforms to address long-standing structured deficiencies in the banking sector and rebuild trust. The key focus areas of the reforms include restoring

macro-economic stability by addressing the inherited external and domestic sector imbalances and restoring price stability through lower inflation. Accordingly, BB has developed clear and forward-looking strategies and also started implementing reform measures to tackle economic and financial challenges.

As part of its broader implementation strategy, BB has established several priorities:

- Restoring macroeconomic stability
- Implementing measures to avert systemic liquidity concerns
- Initiating legal and policy reforms to resolve the banking problems
- Recovering of assets stolen from the banking system

Coming to the economic performance, the report states the persistence of several downside risks, including potential escalations in various regional conflicts, resurgence in financial market volatility that could adversely affect sovereign debt markets and an increase in protectionist trade measures.

Despite various monetary and fiscal tightening measures, inflation remained persistently high in the country, staying above 10 percent for an extended period. However, the impact of these policies is beginning to show, as the point-to-point inflation eased in December 2024 and again in early 2025, dropping to 9.94 percent in January 2025 from 11.38 percent in November 2024, mainly due to a decline in food inflation. With BB's firm policy stance and close collaboration with key stakeholders, the MPS surmises that inflation is expected to decline further in the near future, making the target range of 7-8 percent achievable.

Controlling inflation to target levels will be a significant economic re-pivot and will be instrumental in getting the economy back on a high growth track.

The latest MPS states that in H1FY2025, growth rate of money supply was subdued, with private sector credit growth decelerating to 7.3 percent in December 2024, marking the lowest growth rate since October 2021. Given the global and domestic realities, BB has continued to adopt a contractionary monetary policy stance for the second half of FY2025.

In light of the recent inflation print, the central bank decided to maintain the policy rate unchanged at 10 percent. The central bank declared the Standing Lending Facility (SLF) rate will remain at 11.5 percent, while the Standing Deposit Facility (SDF) rate will stay at 8.5 percent, establishing a policy rate corridor of ± 150 basis points.

Given the current inflation realities, BB anticipates a gradual tapering-off of inflation in the coming months. This outlook is supported by actions taken by the monetary and fiscal authorities, continued stability in the exchange rate, ongoing global commodity price moderation and anticipated output expansion in agri products, including rice, the staple food of the country.

Notably, BB has been implementing a crawling peg exchange rate mechanism to enhance both flexibility and stability of the rate in the forex market. This framework is designed to curb volatility and ensure exchange rate stability while preparing for an eventual transition to a more flexible exchange rate system in the future.

BB has stopped intervening in the exchange market by halting sales of forex in the interbank market to support exchange rate stability. The central bank has also established a methodology for calculating the Foreign Exchange Spot Reference Exchange Rate (RR) that is prepared and published twice a day. Prudent exchange rate management under the current system is anticipated to:

- Strengthen remittance inflows
- Stimulate export activities
- Augment forex reserves

On the other hand, the MPS states that Bangladesh's economy will likely encounter substantial hurdles in H2FY2025 as it grapples with the pressing need to curb inflation, stabilise the exchange rate, rebuild forex reserves and restore public confidence in the banking system. The landscape is further complicated by the growing NPL levels, sluggish economic activity and a slowdown in deposit and credit growth, all of which present formidable challenges for the banking sector.

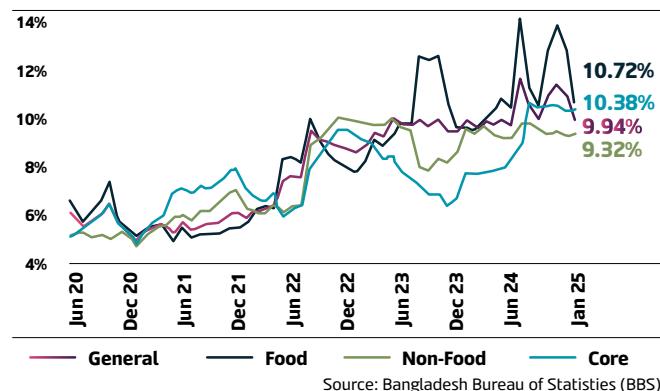
In response to these mounting issues, the new interim government and BB have embarked on ambitious reform programs to avert any potential crisis in the banking system and pave the way for long-term stability. BB has already initiated comprehensive solutions for distressed banks in line with the findings of the Asset Quality Review (AQR). The broad intent is to foster a more resilient and trustworthy financial environment that supports future growth.

## Price developments

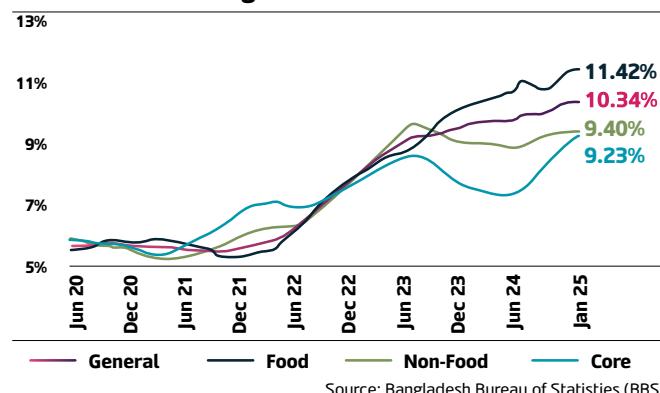
Inflation comprises a global economic challenge and Bangladesh is no different as elevated inflation has caused economic hardship for people by raising the price of basic staples and commodities, etc.

The H1FY2025 MPS states that headline inflation and its components (food and non-food inflation) have remained persistently high for an extended period. Particularly, since May 2022, headline inflation has risen steadily, reaching 9.33 percent in March 2023 and staying above the 9 percent mark ever since. In July 2024, inflation peaked at 11.66 percent, the highest level recorded since September 2011. While food inflation has remained volatile and exhibited a similar upward trend, non-food inflation has remained relatively stable.

### Point to Point CPI Inflation



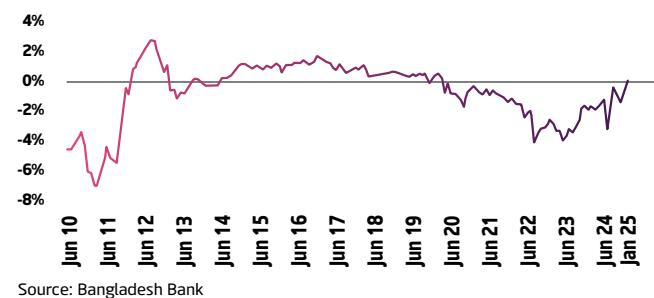
### Twelve Month Average CPI Inflation





Persistently high inflation observed in the economy can be attributed to several factors. Historical data regarding real policy rates indicates that monetary policy has remained excessively accommodative or expansionary since 2020, as demonstrated by the consistently negative real policy rate. In addition, implementation of a lending rate cap at 9% since April 2020, which remained in effect until May 2024, has undermined effective monetary policy operations, leading to ineffective transmission.

### Real Policy Rates in Bangladesh



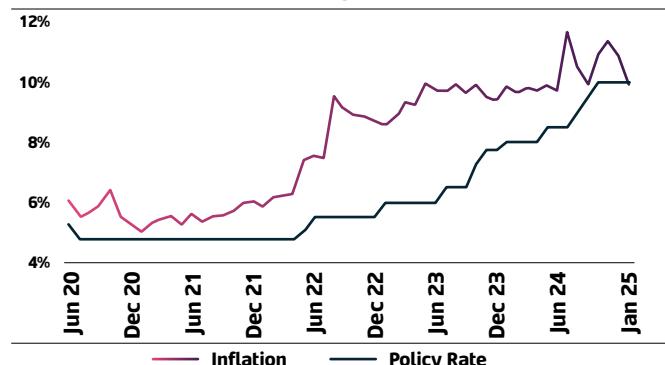
Another important contributor to the ongoing inflation was the rapid depreciation of the BDT against the US\$, which escalated sharply in 2022. By the end of 2024, BDT had lost value by more than 30%, contributing to the surge in inflation through pass-through effects. Even as global commodity prices began to stabilize after 2023, domestic prices continued to increase, primarily due to the detrimental effects of the domestic currency's significant devaluation.

Typically, Bangladesh's imports are much higher than exports with the country's primary import basket comprising energy products, etc., that have a pass-through effect on the consumer. Furthermore, persistent supply chain disruptions and inefficiencies exacerbated inflationary pressures, in addition to the twin floods in August and September 2024 that worsened the inflation situation.

BB determined that a sustained high period of inflation underscored the urgent necessity for robust and timely monetary policy response to restore macroeconomic stability. The 1.5 percentage point increase in the policy rate implemented by BB during August-October 2024 was a manifestation of that policy shift by the interim government.

In January 2025 (post balance sheet date), BB conducted a study on price determination and efficiency of the supply chain for essential agri products. The findings revealed that although domestic value/market chain is generally efficient, proactive measures such as robust monitoring and oversight of commodity stocks, timely imports before shortages occur, accurate and timely prediction of supply-demand gaps and rationalisation of import duties could be pivotal in stabilizing prices of staple consumer items.

### Policy Rate and Inflation Bangladesh



Additionally, the government's strategic initiative to cut unnecessary expenditure is expected to fortify macroeconomic management, allowing for more efficient resource allocation and fostering long-term economic stability. The implementation of key measures to improve supply chains includes:

- Reducing tariffs on essential commodities
- Adjusting LC margins for critical goods
- Expanding open market sale operations
- Facilitating fertilizer imports to support agri production

The outlook for global commodity prices remains on a downward stable trajectory, acting as a buffer against domestic inflationary pressures and further supporting the objective to maintaining price stability in the economy.

### GDP growth in Bangladesh

The post-pandemic economic recovery has been sluggish in Bangladesh, with real GDP growth of 4.22 percent in FY2024. This is sub-par and below Bangladesh's potential. However, despite the slowdown in economic activity, the growth should be viewed as satisfactory given the numerous challenges facing the economy.

The GDP slowdown had been triggered primarily by sustained high inflation, reflecting the challenges stemming from the Russia-Ukraine war, global uncertainty and mediocre growth coupled with rising inflation in key trading partners and remittance sources. This growth has been influenced by several factors, including adjustments to the exchange rate that resulted in depreciation, lower import demand, a tight monetary policy and efforts to maintain fiscal discipline. The mass uprising in the summer of 2024 led to business disruption that caused a mere 1.81 percent real GDP growth in the first quarter of FY2025, down from 3.91 percent in the last quarter of FY2024.

The industrial sector, which historically grows faster than other sectors, shows some potential for recovery despite sluggish private credit growth and rising unemployment. Conversely, the agri sector has suffered significant losses due to severe floods. The output losses during the public uprising, combined with disruptions in the domestic supply chain, posed challenges for the services sector as well. Weakened aggregate demand resulting from fiscal austerity, elevated uncertainty and a tighter policy mix could further hinder recovery of lost growth momentum.

The domestic market may however begin to show the effects of adaptation to the depreciated exchange rate of BDT over the last two fiscal years. As flexibility increases in the forex market, the external sector is performing better, as indicated by the recent surge in workers' remittances, strong export performance and rebounding import demand.

Importantly, the large-scale manufacturing output, a key component of GDP, exhibited a 1.95 percent growth during the July-October period of FY2025. Besides, the Purchasing Managers' Index (PMI) also indicated an expansion in economic activity in Q2FY2025, rising to 61.7 in December 2024, vs 47.7 in September 2024. This points to increased economic activity in agriculture, industry and services despite the incipient challenges.

It is these challenges that are likely to impede growth, with the outlook for H2FY2025 remaining less than optimistic. The silver lining nonetheless is strong worker remittances, growth in RMG exports (especially with the activation of the China+1 strategy) and increased private demand from the two upcoming religious festivals of Eid are expected to provide support.

Economic growth is expected to thus remain relatively sluggish in



the 4-5 percent range in FY2025. Growth should bounce back to 6 percent or above in FY2026 as the political situation stabilizes, uncertainty decreases and policies become more proactive.

### Monetary aggregates

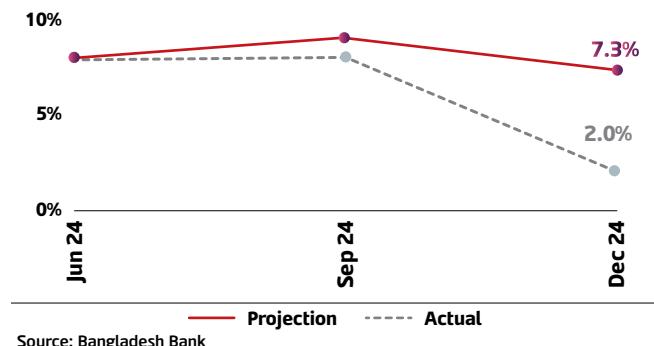
Broad money (M2), or money supply in the national economy, witnessed a YoY growth of 7.6 percent in December 2024 against the projected growth of 8.2 percent. The slower M2 expansion compared to the projected growth path is attributable to the negative growth in the net foreign assets (NFA).

NFA of the banking system during H1FY25 experienced a sharp

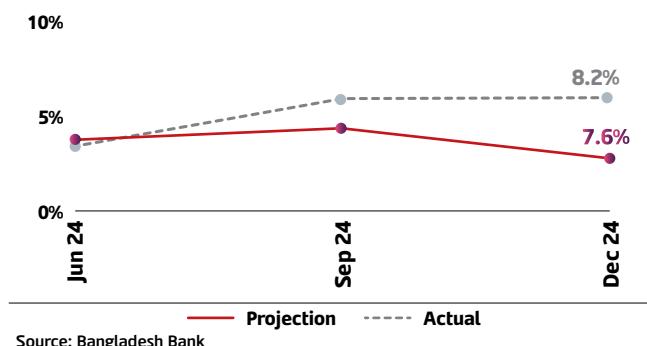
decline of 15.7 percent compared to the projected growth of 2.7 percent for December 2024. The deficit in the overall balance of payments (BoP), despite a virtual balance position in the current account and a surplus in the financial account is attributable to repayment of external payment arrears accumulated in the recent years.

Reserve Money (RM), which is the most liquid form of money, experienced a robust growth of 7.3 percent YoY by the end of December 2024. RM growth exceeded the projected trajectory for December 2024 due to robust growth in the net domestic assets (NDA) of BB. The positive growth of NDA was mainly driven by BB's significant liquidity support to some banks to meet their daily liquidity needs.

#### Reserve Money (RM) Growth



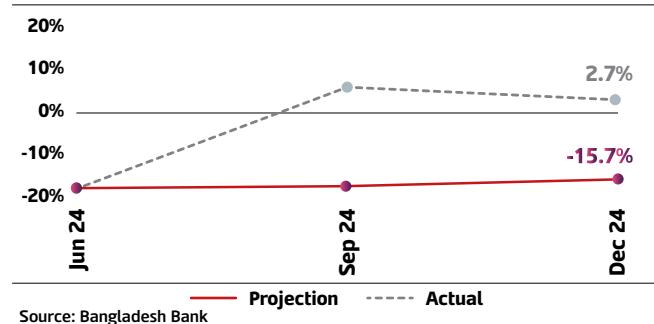
#### Broad Money (M2) Growth



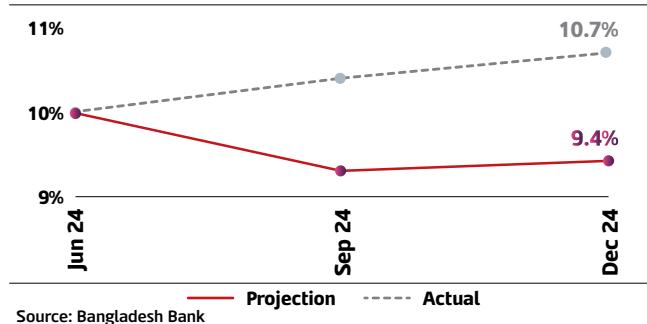
The positive growth of NDA partially offset the negative growth of the central bank's Net Foreign Assets (NFA). Although BB stopped the sale of dollars to commercial banks since August 2024, the

negative growth of the NFA of BB was mainly attributable to debt service payments associated in the public sector debt and lower-than-expected inflow of foreign financing for budget financing.

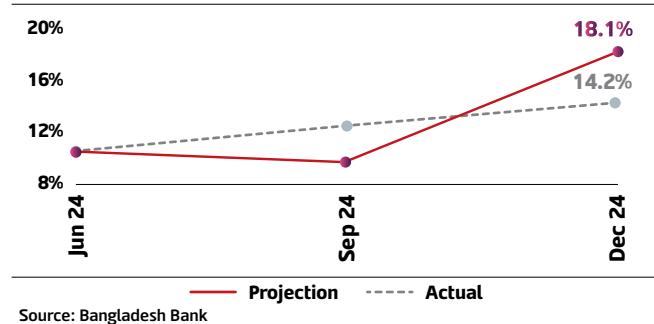
#### Net Foreign Assets (NFA) Growth



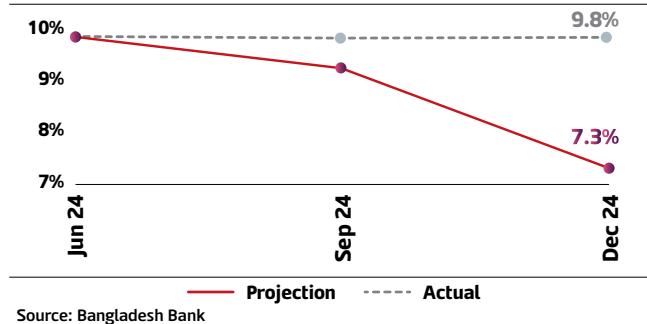
#### Domestic Credit Growth



#### Public Sector Credit Growth



#### Private Sector Credit Growth





Credit extended to the private and public sectors showed mixed trends during H1FY2025. Private sector credit growth has been declining since November 2022, reaching a growth rate of 7.3 percent in December 2024. This ongoing deceleration of private sector credit suggests that the slowdown is not due to the result of policy rate hikes but rather a combination of factors that include:

- Slower deposit growth
- Increased government borrowing from commercial banks, which is crowding out private sector credit

Deposit growth decelerated to 7.4 percent in December 2024 from 14.3 percent in March 2021, contributing primarily to the slowdown in the overall credit expansion.

Despite the slower deposit growth, public sector credit growth of 18.1 percent in December 2024, surpassed the projected growth of 14.2 percent. This significant increase is attributed to higher credit demand from the government attempting to meet its spending needs amidst revenue collection falling significantly below target.

Overall, domestic credit growth exceeded the projected trajectory for December 2024, largely driven by the increase in public sector credit, thereby crowding out the availability of credit for the private sector.

As per the latest MPS, the government's net credit from the banking system during the July-December period of FY2025 reached BDT 14,642.54 crore, which accounts for 14.79 percent of the revised target of BDT 99,000 crore borrowing from the banking system. During this timeframe, the government borrowed a net amount of BDT 69,056.1 crore from scheduled banks while making a net repayment of BDT 54,413.6 crore to BB.

With BB halting its devolvement, the government's net credit heavily depends on scheduled banks. Furthermore, government borrowing from National Savings Certificates (NSCs) during July-November FY2025 saw a decline of BDT 15,588.6 crore (July-November FY2024 decline of BDT 5,539 crore) that indicates repayments surpassed new sales, suggesting a partial redemption and diversion of non-bank savings to other sources.

### Liquidity and Interest Rates

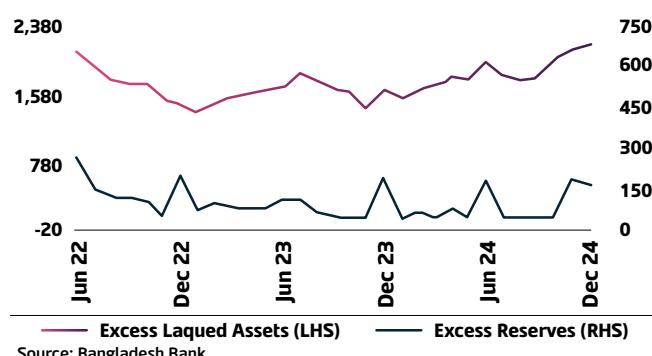
Bangladesh's banking sector has been facing a liquidity crunch since June 2021, which continued throughout H1FY2025. Tight liquidity situation is due to several factors, including sale of foreign exchange in the interbank market by BB out of its reserves in support of the exchange rate, slow loan recovery, high volume of NPLs, sluggish deposit growth despite rising and attractive interest rates on deposits, and increased public cash holding stemming from a general lack of confidence in the banking sector. Additionally, implementation of contractionary monetary policy to control inflation further limited liquidity in the sector.

In response to the declining liquidity trend, BB took several measures to relieve the pressure on the banking sector in H1FY25. These include:

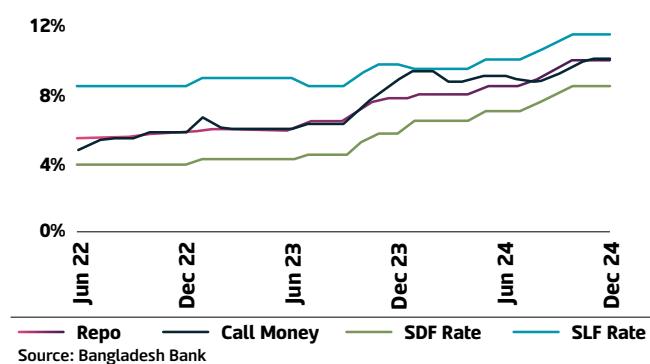
- Granting unrestricted access to the SLF and facilitating full allotment of repo facilities to banks and non-bank FIs
- Allowing liquidity-deficient banks to borrow from the inter-bank money market with BB guarantee
- Providing special liquidity support to certain banks facing operational difficulties

To mop up a part of the liquidity injections to cash-strapped banks, BB issued 30 and 90-day Bangladesh Bank Bills (BB Bills).

### Movement of Excess Liquid Assets



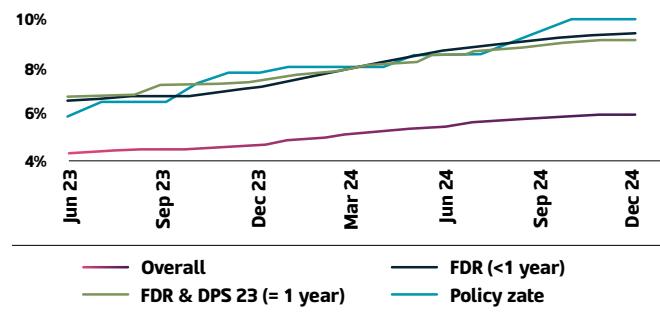
### Interest Rate Corridor and Call Money Rate



The combined effect of contractionary monetary policy and tight liquidity environment in the money market led to a significant rise in interest rates.

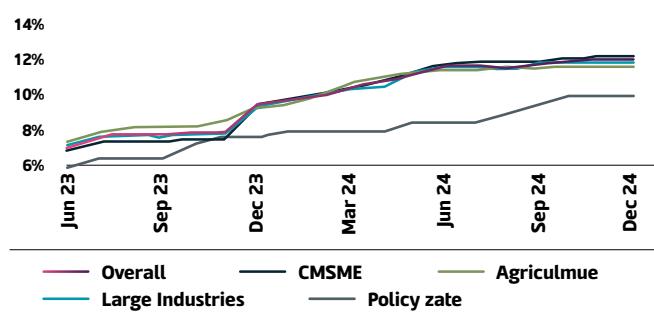
Weighted average call money rate increased by almost one percentage point to 10.07 percent over a six-month period to December 2024. Interbank repo rate rose from 8.56 percent in June 2024 to 10.18 percent in December 2024. Further, substantial increase in policy interest rate has been reflected in the lending and deposit rates. However, much of the increase in the lending rate originated at the time when the lending rate cap was removed (May 2024), well before the start of policy rate increases which began in August 2024.

### Developments of Deposit rates





## Developments of Lending rates



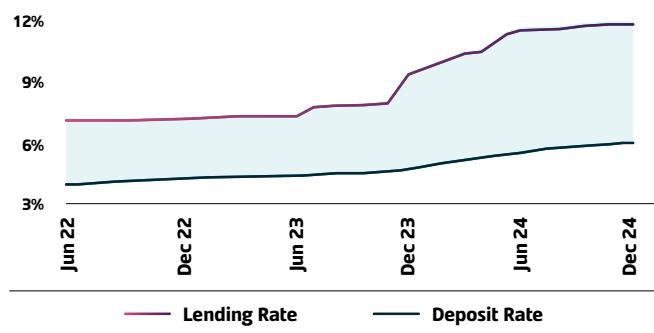
BB has consistently extended various forms of liquidity support to ensure healthy liquidity conditions for the banking sector. This includes provision of full allotment for repo facilities, Assured Liquidity Support (ALS), standard and special repo facilities, etc.

At the end of H1FY2025, outstanding liquidity reached BDT 1,17,533 crore, representing an increase from BDT 91,806 crore at the end of H2FY2024. Additionally, BB has guaranteed BDT 11,100 crore via its credit guarantee scheme to facilitate interbank transactions to assist banks facing liquidity constraints, with BDT 7,350 crore utilized under this scheme by December 2024. Furthermore, special liquidity support amounting to BDT 23,500 crore had been allocated to banks encountering challenges in their daily operational liquidity.

The liquidity landscape has shown improvement due to BB's comprehensive and continuous liquidity interventions. As of December 2024, banks' excess liquid assets rose to BDT 2,15,002.2 crore from BDT 1,95,824.5 crore in June 2024.

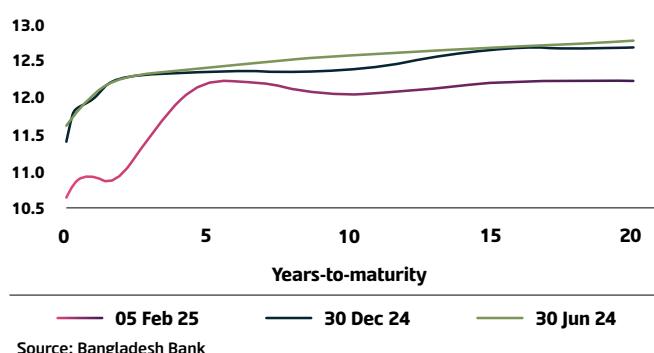
In the context of a tight liquidity situation, there was an increase in the nominal interest rate spread. Specifically, weighted average nominal lending rate rose from 11.52 percent in June 2024 to 11.84 percent in December 2024. Simultaneously, weighted average nominal deposit rate also experienced an increase, reaching 6.01 percent in December 2024, up from 5.49 percent in June 2024. Notably, long-term interest rates are now lower than short-term interest rates, indicating comparatively lower future inflation expectations.

## Development in Nominal Interest Rates Spread



Yields on government securities in December 2024 were lower than those at end-June 2024. Lower interest rates of T-bills and T-bonds stemmed from higher investment demand from banks, non-banks and individuals.

## Yields on Government Securities



Source: Bangladesh Bank

## External Sector Developments

The external sector experienced a notable turnaround in H1FY2025, supported by ongoing domestic monetary tightening, fiscal consolidation, exchange rate adjustments, strong remittance inflows, robust export growth and downward revision of policy rates in most advanced and emerging market economies. This improvement in the external position was evident in the narrowing BoP deficit, recovery of forex reserves and stabilisation of the exchange rate.

According to H1FY2025 MPS, external current and financial account balances witnessed remarkable improvements, both turning to surplus positions compared with large deficits recorded earlier.

Driven by a surge in remittance inflows and strong export growth, the current account balance (CAB) registered a surplus of USD 33 million in H1FY2025 comprising an improvement over a deficit of USD 3.5 billion in the corresponding period of the preceding fiscal year. Notwithstanding the surplus in the current and financial accounts due to large repayments of arrears accumulated in the past, overall BoP recorded a small deficit of USD 384 million in H1FY2025, compared with a much higher overall deficit of USD 3.5 billion in the corresponding period last year.

Exports increased YoY by 12.7 percent despite the output losses due to the July 2024 revolution and subsequent labour unrest to USD 24.5 billion during July-December 2024, up from USD 21.8 billion in the first half of FY2024. Exports were largely concentrated in RMG, which expanded by 12.3 percent in this timeframe.

Despite a significant depreciation of the exchange rate, tight foreign exchange liquidity conditions and higher borrowing costs due to the strict monetary policy, overall imports showed a remarkable turnaround in H1FY2025, especially in December 2024. This imports acceleration was primarily driven by strong demand for RMG-related inputs, relaxation of import restrictions, etc.

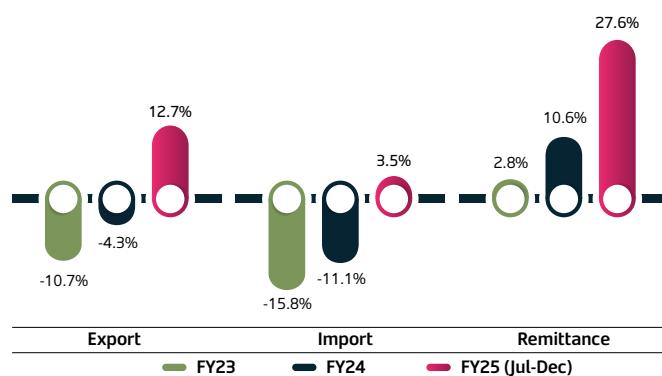
Following a sharp downturn of 11.1 percent in FY2024, imports rebounded strongly with a 23.3 percent YoY growth in December 2024, contributing to an overall 3.5 percent growth in H1FY2025.

Resurgence in remittance inflows through official channels, supported by a competitive exchange rate, government cash incentives, accessible agent banking network of banks and mobile financial services (MFS), along with vigilant surveillance of illegal invoicing, reduce pressure on BoP. Remittance inflows surged by 27.6 percent during July-December FY2025, compared to a growth of only 2.9 percent during the same period of FY2024.



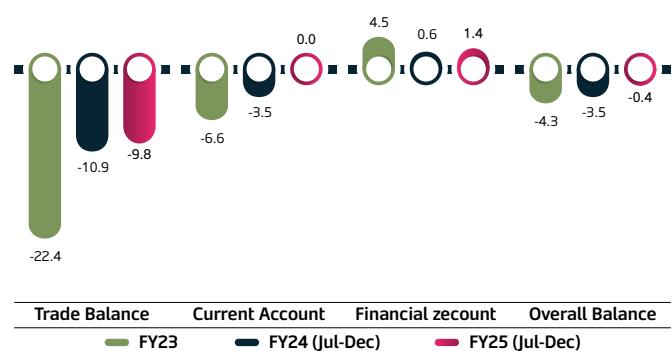
Similarly, a rise in inflows of medium to long-term loans, mostly in the form of budget supports, despite a significant decline in trade credit, led the financial account to a surplus of USD 1.4 billion in H1FY2025. This was a notable improvement over a modest surplus of USD 604 million in H1FY2024. Improvements in the current and financial accounts contributed to an overall reduction in the BoP deficit, which declined to USD 384 million in H1FY2025, down from a deficit of USD 3.5 billion in H1FY2024.

### Growth of Export, Import, and Remittance Inflows in FY25



Looking ahead, the potential for further improvement in the current account balance (CAB) is not intended due to the relaxation of import restrictions and an expected increase in imports from the anticipated recovery of economic growth. Political uncertainty and labour unrest in industrial areas could also negatively impact FDI and export prospects.

### Balance of Payment (billion USD)



### Movement of Exchange Rate and Foreign Exchange Reserve

Following a significant depreciation in FY2024, pressure on the exchange rate largely subsided, thanks to an improved BoP in H1FY2025. To stabilise the BoP, safeguard forex reserves and invigorate the forex market, BB permitted greater flexibility in the exchange rate and refrained from intervening in the interbank foreign exchange market. As a result, BB's foreign exchange reserves rebounded impressively to USD 21.4 billion by the end of December 2024, bolstered in part by foreign assistance.

The improvement in BoP effectively diminished pressure on the exchange rate. The nominal exchange rate of BDT/USD stood at 120 per USD by the end of December 2024, reflecting a slight depreciation of 1.7 percent in H1FY2025 following a more substantial 8.2 percent drop in FY2024.

The nominal effective exchange rate (NEER) showed a modest depreciation of 0.7 percent in H1FY2025. In contrast, the real effective exchange rate (REER) index increased to 103, marking a noteworthy appreciation of 4.4 percent due to higher inflation rates in Bangladesh compared to its major trading partners.

Consequently, the nominal exchange rate of BDT/USD was allowed to depreciate by 1.6 percent to BDT 122 per USD at the beginning of

January 2025, driven by market dynamics.

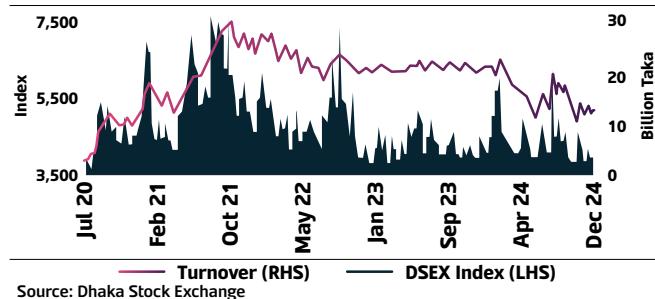
### Capital Market Review

In H1FY2025, Bangladesh's capital market experienced a tumultuous period characterized by a relentless downtrend, primarily fuelled by lack of investor confidence and weak corporate earnings and outlook. The landscape grew increasingly complex with the change in regime that prompted changes within the BSEC.

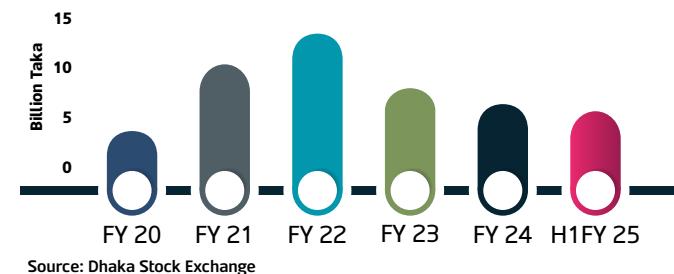
The newly appointed BSEC leadership responded with a series of assertive measures, including imposing significant fines on individuals and entities found guilty of market misconduct and manipulation. In addition, they established multiple investigative committees tasked with uncovering underlying cause of market instability and identifying those responsible for undermining its integrity.

DSEX, the benchmark index for the capital market, experienced a decline of 2.3 percent, falling to 5205 points by the end of December 2024, a drop from 5328 points at the conclusion of June 2024. The average daily turnover reflected a substantial downturn, plummeting by 10 percent to BDT 560 crore in H1FY2025, compared to BDT 622 crore during the entirety of FY2024. This decline signalled waning interest and reduced participation from investors in the market.

### DSEX Index and Turnover



### DSE Daily Average Turnover





Beyond punitive actions, BSEC also formed a special task force with a focused mission: revitalizing the capital market, restoring investor trust and upholding the principles of good governance. This represents hope for an optimistic outlook that aims to stabilize the current market conditions and foster a more robust and resilient financial ecosystem that will eventually inspire renewed confidence among investors.

### **Summary – Key observations in the Bangladesh economy in 2024**

- Change of political regime, a black swan event catalysed by mass student protests against a repressive regime that has come to be known as the August revolution
- Decline in YoY GDP growth due to tepid consumption environment, slow private and public capex, elevated inflation and reduced

wealth creation avenues due to lacklustre stock market

- Significant policy and restructuring initiatives taken by the new interim government to reform the ills of the past and restore economic growth and credibility
- Strong spirit of resilience shown by businesses and individuals in overcoming the challenges

### **Outlook, 2025**

At the time of publication of this report, the US has announced a significant hike in import tariffs on a majority of nations in April 2025, including a baseline tariff. The US has however offered a 90-day reprieve to all nations, except China, though keeping the baseline tariff. This is a material event that has the potential to reshape global trade and supply chains amidst uncertainty around the tariff regime and how it may impact our customers.

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## **Financial review**

### **THE YEAR 2024**

During the year 2024, Bangladesh faced significant headwinds and heightened uncertainties that demanded an exceptionally high focus by City Bank on strategies to manage the unprecedented situation and ensure stability of the organisation and the broader financial system.

Under this context, despite extraordinary changes to the operating environment, including abrupt regime change and instatement of a new interim government, the bank navigated the challenges with resilience, agility and a forward-thinking mindset, while prioritising business continuity and long-term sustainability of customers and the Bangladeshi economy.

The economic environment that prevailed during the year in review was one marked by both economic and political challenges. The July uprising of student-led protests against the government's job quota system morphed into public civil unrest that led to the change in the government. This period caused the economy to stall and enforced major disruption, with trade and business coming to a virtual standstill.

The establishment of the new transition government in August under Nobel laureate Prof Muhammad Yunus has since brought some measure of economic semblance and stability to the country and the nation is indeed charting a new course under the new regime. Reforms have been initiated across key sectors, especially banking and finance, and a new foreign policy is being outlined whereby the present government is committing to improve the business climate for attracting foreign investment in manufacturing, industry and other sectors. Simultaneously, there is a thrust on Bangladeshi exports too for encouraging revenue diversification and also towards bridging Bangladesh's significant trade imbalance.

Considering the headwinds during the year, Bangladesh Bank undertook a series of measures and enacted policies to prevent further spillover and try to keep the economy on an even keel. In a major directive, the central bank deregulated the lending and borrowing rate caps (earlier fixed at 9% and 6%, respectively) to strengthen monetary transmission for accelerated economic recovery. It is expected that this step will reinforce market-based pricing and improve credit allocation towards productive sectors of the economy. Through this phase-out, the central bank has fixed a reference rate based on the moving average of 182-day Treasury-bill that will be called by the Six-month Moving Average Rate of Treasury Bill or SMART index.

A number of positive factors are seen emerging in the economy which gives credence to a progressive turnaround. This is especially based on the inherent fundamentals of the country that has prepared it for a rebound after a setback.

For one, Bangladesh Bank held its policy rate at 10% in its February 2025 review. Following a series of hikes last year, the central bank indicated it had reached the decision to hold the repurchase rate because it expected inflation to gradually decline in the coming months and reach the bank's 7-8% target by June 30, 2025. The bank also held its standing lending facility rate at 11.5% and standing deposit facility rate at 8.5%. The central bank said monetary policy would remain contractionary during the first half of 2025 as inflation, Though lower than before, inflation remained elevated during the year. Yet, a softening could be expected as inflation cooled to the desired levels. Lower interest rates would be a major positive as it would revive capex and stimulate consumption that are the major drivers of the economy.

Further, the country's foreign exchange reserves surpassed the US\$ 25 billion mark in March 2025 following a record inflow of remittance during the month. Moreover, remittance crossed the US\$ 3 billion-mark in March of the current year for the first time ever, primarily driven by remittance despatches ahead of the major Eid festival. There are also signs that the informal money transfer system (hundi) is rapidly disappearing, creating the way for greater formalisation of remittances. The increase in remittances has significant implications for Bangladesh's economy as it supports the stabilisation of foreign exchange reserves and supports the forex market.

In 2024, City Bank remained agile in responding to the rapidly changing conditions. The bank adopted new processes and took stringent measures to ensure stability of the institution whilst minimising any negative outcomes for stakeholders. This includes measures like ensuring asset quality, enhancing non-funded income and focus on low cost deposits. We also took rapid all-round strides in our digitalisation endeavours, shifting more and more of our banking services to the digital realm and encouraging our customers to avail these services from their smartphones and other digital devices as a matter of enhancing their convenience and saving time.

The bank's Citytouch app remained the central area of focus of the bank's digital endeavours and continued to embody its pioneering initiatives in digital banking. Transaction volumes through the app crossed the BDT 957 billion mark in 2024 that is not only the highest-ever for the bank but also for any banking app in Bangladesh. This shows the utility of the app in everyday banking as well as growing customer habituation with the app. We regularly update the app to



launch new services and features and also to fix and bolster any security issues.

Our focus on digital banking extends to developing a whole financial ecosystem, including FinTech, whereby we cross leverage software and infrastructure through APIs with the objective of facilitating our customers. Our partnership with bKash, Bangladesh's largest MFS, for customers to avail microloans that are instantly credited into their bKash wallet has opened up a new pathway for collaboration to facilitate and expand financial access among the unbanked segments of the population and contribute towards their financial inclusion. City Bank's instant digital loan has ushered impactful changes to micro-entrepreneurs, marginalized communities, students and others to meet their emergency needs for personal and business purposes.

The year 2024 was also one where strong banks got stronger, thanks to continuous foundation-building activities undertaken by these banks, including customer-centric initiatives, balance sheet and liquidity management activities and adopting high standards of corporate governance with ethical and rule-based practices. City Bank is one such bank that has gained from its institutionalised brand appeal with high customer trust and also weakening perception about other banks. This has helped the bank to attract additional customers as they shifted from other banks. This phenomenon led to City Bank's aggregate deposits to grow sharply to BDT 514 billion during the year, which is the highest-ever in the bank's history, growing by 31% YoY. Supported by credit demand, especially from large corporate customers, the bank's loan portfolio also grew at a healthy pace of 12% YoY to BDT 444 billion.

The bank's advance-deposit (AD) ratio of 74.7% in 2024, vs. 83.7% in 2023, reflected a situation of sufficient liquidity over and above the normal course of credit demand. A large portion of the bank's surplus liquidity was invested in government Treasury bills and bonds that fetched attractive yields as government borrowings from the banking system surged during the year. This enabled the bank to generate attractive investment income that rose to BDT 16,615 million in 2024, against BDT 4,713 million in the prior year.

On balance, the year 2024 can be termed as a year of resilience, resolve and digital transformation for City Bank as our responsible governance practices and future-focused long-term strategy of supporting our customers and communities led to a strong performance during the financial period.

On standalone basis, the bank recorded profit after tax (PAT) of BDT 10.85 billion, substantially higher than the PAT of BDT 6.15 billion registered in 2023. This showed that the bank maintained its pioneering industry standing despite the challenging operating environment. This represented a creditable performance by the bank, especially considering plans were made against a significantly different economic backdrop.

## BANK'S FINANCIAL PERFORMANCE FOR 2024

Key financial metrics of City Bank for the year 2024 are discussed below.

### Interest income

City Bank's interest income surged by 33.2% to BDT 45,008 million in 2024, up from BDT 33,790 million in 2023. This growth is attributable to the bank's all-round performance, with contribution from almost all segments of the business. Increase in interest income came on the back of healthy growth in the bank's total loans and advances portfolio, which rose by 12.3% in 2024, up from 11.6% in the prior year. The interest income growth was also a factor of credit repricing

during the year post deregulation of the lending rate caps.

### Interest paid

The bank's total interest paid (including profit shared on deposits and borrowings, etc.) rose sharply to BDT 30,518 million in 2024, up from BDT 17,959 million in 2023, registering a 69.9% YoY increase. Deposit mobilisation was a major focus of the bank during the year. Keeping this central, there was a natural shift in the liability portfolio, with higher-cost deposits comprising 57.6% of the overall liability portfolio in 2024, as compared to 51.9% in 2023. Low-cost deposit, registered a slight drop to 42.4% in 2024, as compared to 48.1% in the prior year.

Higher interest payments was also a factor of rising borrowing costs, with the share of interest payments for fixed deposits comprising the most significant portion of interest expenses at BDT 14,872 mn in 2024, up from BDT 8,338 mn in 2023. Additionally, costs for scheme deposits, and current bank deposits stood at BDT 2,190 mn (2023: BDT 1,405 mn), BDT 2,789 mn (2023: BDT 1,677 mn), respectively, indicating continued impact of policy rate increases on interest rates and credit costs.

### Net interest income

City Bank's net interest income or NII declined by 8.5% in 2024, down to BDT 14,490 million during the year under report, from BDT 15,831 million in 2023. This decline is attributable to a much higher growth in interest payments (up 69.9% YoY), which offset the slower growth in interest income during the year. Further, shift in the composition of assets and liabilities, including relatively low-yielding assets and higher-cost liabilities caused the decline in net interest income, with the result that the bank's net interest margin or NIM increased from 4.5% in 2023 to 5.0% in 2024.

Though all measures will be taken to restore growth in NII and NIM, the bank expects this situation to persist at least in the current year (2025) too amidst challenges in lending opportunities and sluggish loan demand. Further, challenging economic and banking conditions are expected to cause variability in net interest income during the current year as well.

Amidst the prevalent economic environment wherein economic revival is key, the central bank is expected to take a more accommodative stance on the interest rate environment. With expected changes in the interest rates, the bank will be in a better position to assert control over net interest income due to its positive asset and liability maturity structure and a greater flexibility to reset loan and deposit rates.

### Total operating income

City Bank's total operating income expanded considerably by 43.2%, up from BDT 27,606 million in 2023 to BDT 39,536 million in 2024. This was due to sharp growth of 252.6% in investment income to BDT 16,615 million (a factor of sound growth achieved in treasury income), supported by 19.2% and 25.8% growth in commission, exchange & brokerage income, and other operating income, respectively. These three constituents combined generated a YoY growth of 112.7%, with the sum total up from BDT 11,775 million in 2023 to BDT 25,046 million in 2024. It is noteworthy that these three components helped provide counterweight to the decline in net interest income of the bank.

### Total operating expenses

City Bank's total operating expenses jumped by 16.8%, from BDT 14,108 million in the year 2023 to BDT 16,483 million in 2024.



Salaries and allowances comprises the largest element of the operating expenses – about 54% – and this line item registered a 14.1% YoY growth, from BDT 7,802 million in 2023 to BDT 8,906 million for the year under report. This increase was due to upward revision in salaries and compensation as part of the bank's overall focus on employee facilitation in a high inflation environment. It was also a factor of new employee intake during the year. Other expenses comprised the second biggest component of the total operating expenses – about 18% – and rose by 26.3% to BDT 2,902 million in 2024, largely due to expenses incurred in the normal course of business.

## Profit before provisions

The bank's pre-provision profit rose sharply by 70.8% from BDT 13,498 million in 2023 to BDT 23,053 million in 2024. This growth was primarily fuelled by a much higher growth in total operating income (up 43.2% YoY) in 2024 against slower growth in total operating expenses (up 16.8% YoY) during the year. This exhibits strong operating leverage with high productivity and efficiency leading to sound business performance.

## Total provisions

City Bank's total provisions rose by a material quantum of 86.5% YoY, from BDT 2,817 million in 2023 to BDT 5,254 million in 2024. Provisions kept aside for loans and advances constituted the biggest chunk of the total provisions at about 88%, translating to BDT 4,616 million in 2024 vs. BDT 2,568 million in 2023. The increase in provisions against loans and advances is primarily a precautionary measure to protect the bank's balance sheet against any credit deterioration. The bank maintained a provision coverage ratio in excess of 100% at 106.8% in 2024 (110.1% in 2023). It may be added that any release of provisions will contribute to the bank's profitability in the future.

## Provision for taxation

City Bank upholds its obligations and public responsibility of tax contribution. The bank's total tax provision rose by 53.4% to BDT 6,948 million in 2024, up from BDT 4,529 million in 2023. The component of current tax rose by 34.6% to BDT 6,315 million, up from BDT 4,690 million in 2023, in line with the growth in the bank's pre-tax profit. Though the component of deferred tax is marginal in the overall taxation structure of the bank, this part turned from a deferred tax income in 2023 to an expense of BDT 633 million in the year under report, which added to the overall taxation of the bank for the year.

## Net profit after tax

City Bank registered a sharp 76.4% uptick in its net profit that rose from BDT 6,151 million in 2023 to BDT 10,851 million in 2024. The net profit growth was an overall culmination of the bank's concerted strategy during the year, enabling it to become a stronger, larger and more purposeful private commercial bank of Bangladesh. This growth was a combined result of sound growth achieved in operating income driven by smart treasury gains, and strong operating leverage that helped contain cost growth. The bank expects to continue with this momentum in the current year too.

## Appropriations

City Bank's appropriation strategy takes into account capital requirements and expectations about the future. The essential principal is guided by retaining a surplus that adds to the bank's future strength. The bank's retained surplus for the year 2024 rose sharply to BDT 9,118 million, up by 67.3% from BDT 5,450 million in 2023.

**Key appropriations made during 2024 are provided below.**

Appropriations	2024 (BDT mn)	2023 (BDT mn)
Statutory reserve	1,225	240
Start-up fund	109	62
Coupon/dividend on perpetual bond	400	400
Retained surplus for the year	9,118	5,450

## Earnings per share (EPS)

Aided by an expanded net profit, City Bank's EPS rose considerably to BDT 8.06 in 2024, up from BDT 4.57 in the prior year period.

## Total assets

The bank's total assets increased by a sizeable quantum of 25.5% in 2024, from BDT 555,738 million in 2023 to BDT 697,349 million in 2024. The most material factor of this underlying growth comprised an upsurge in investment in government securities as a means of channelisation of the surplus deposits towards high-yield government treasury bills and bonds.

## Loans and advances

The bank's total loans and advances (including investments) increased by 12.3% YoY, from BDT 396,078 million in 2023 to BDT 444,978 million in 2024. This growth is ahead of the overall domestic credit offtake among banks in the country and symbolises City Bank's ability to efficiently cater to customers' demand for credit.

## Deposits

City Bank's total deposits raced by 31% YoY, up from BDT 392,510 million in 2023 to BDT 514,204 million in 2024. This phenomenal growth, the highest-ever in the bank's history, attests to its ability to attract various deposits from customers and savers. It is noteworthy that savings account deposits crossed the historic BDT 100 billion mark to stand at BDT 100,956 million, up from BDT 87,342 million in the previous year, registering a net additional inflow of BDT 13,614 million during the year. Likewise, fixed deposits also surged by a material value of 44.8%, from BDT 194,553 million in 2023 to BDT 281,790 million in 2024.

## Cost-to-income

The bank's cost-to-income ratio stood at 41.7% in 2024. Strong cost and expense management and the concurrent increase in income were the key factors that enabled the bank to register a healthy cost-to-income ratio.

## Non-performing loans

The bank's total NPLs or non-performing loans against total loans and advances stood at 3.7% in 2024. This comprises a sound accomplishment as the bank was able to sustain asset quality despite a deteriorating macroeconomic environment. Credit quality of the bank is amongst the best in Bangladesh's domestic banking sector, well below the industry average.



## ROE and ROA

The bank's return on equity (ROE) stood at 26.1% in 2024, up from 17.6% in 2023. Similarly, return on assets (ROA) stood at 1.7% in 2024, up from 1.2% in 2023. The return ratios of the bank have been largely stable, reflecting the strong fundamentals of the bank and testifying to its sustainable future growth.

## Dividend

All of the bank's strategic endeavours are towards value creation for shareholders and investors. Keeping this at the centre of all decision making, the bank has created a formidable track record in dividend payments. For the year 2024 too, the bank has announced a dividend rate of 25%, translating into BDT 2.5 per equity share,

which will be placed for shareholder approval at the upcoming AGM of the bank.

## Group Performance

Contribution of subsidiaries to the Group's performance remains insignificant. The bank manages its subsidiaries through a well-defined subsidiary charter, which sets out management processes and standards for subsidiaries, including systems for addressing the areas of risk, governance, finance, internal controls and legal matters. While some of the bank's subsidiaries have made a mark in their respective fields, others are yet to see maturity of their business models.

On consolidated basis, City Bank Group registered a PAT of 10.14 billion in 2024, up from BDT 6.38 billion in 2023.

## Way forward

Bangladesh's green shoots of economic revival presents new opportunities for the bank as we look forward to 2025 and beyond.

Amidst the opportunities however, there are still some incipient challenges such as the general elections that are forecasted to be held towards the close of the current year or the beginning of the next year. This will create a period of uncertainty. Further, Bangladesh is not immune to global economic shocks, and the continued geopolitical tensions, exacerbated by the new trade policies of the US government, will spawn its own set of challenges. The prevalent economic conditions are continued to be hampered by elevated interest rates that has exerted price pressures on consumers and moderated the general savings trend in the economy.

Within this scenario, City Bank will focus on expanding its performance and growth in 2025 that would ensure it is well-positioned to accelerate alongside the country's revival trajectory. As a leading private sector bank with a meaningful presence in Bangladesh's economy, we have aligned the bank's strategies and plans to national agendas and priorities.

We are gearing the bank's business model to best serve our stakeholders in 2025 and beyond. Priority allocation of liquidity and capital will cater to the country's essential requirements by optimising stakeholder expectations. The bank also has plans in place to continue scaling up efforts to engage with customers, support their business revival and provide for their long-term sustainability.

We plan to scale up green and sustainable lending and rollout of ESMS practices driven by the bank's ESMS policy and adhering to Bangladesh Bank's roadmap on green finance. The corporate sector will be an area of focus too as it demonstrates growth potential. Further, revival of small and medium businesses will also create new opportunities for the bank.

City Bank's financial reporting and internal processes are undergoing continued digitalisation and we expect them to play a key role in supporting informed and timely decision-making in the years to come. In addition, we remain committed to upholding international best practices in financial and sustainability reporting, in line with the bank's ethos of transparency, accountability and corporate responsibility.

The bank will focus on resilience, adaptability and digitalisation in 2025 and beyond, remaining watchful of the external scenario, maintaining balance sheet strength and prioritising stability of the bank through continued meeting of customer demands with high quality service levels.

**Aziz Al Kaiser**  
Chairman



# VALUE ADDED STATEMENT

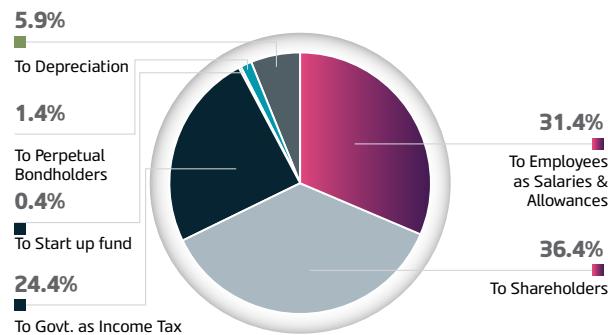
As Bangladesh's prime financial institution, City Bank is committed to sustainable value creation for all its stakeholders. Even despite its longstanding presence in the banking industry, City Bank has ensured consistency in stakeholder value generation, which is reflected in its value-added of BDT 28,421 mn reported in the year 2024.

Value added is a key measure of the wealth created by City Bank for its stakeholders. Through concerted management decisions and effective execution, the bank, in 2024, created appreciable value for its stakeholders, including shareholders, government and employees. This value-added is reflected in the form of salaries and allowances (paid to employees), duties and taxes (paid to government) and dividend (paid to shareholders) and also indicates post-depreciation value of fixed assets.

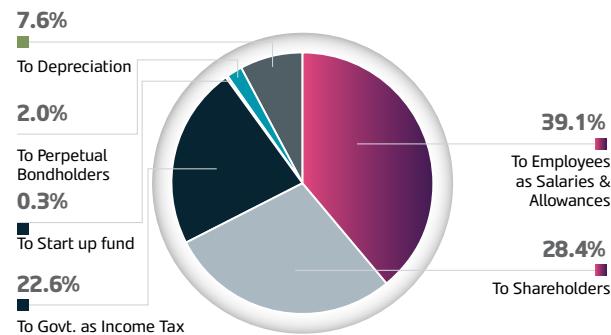
## Value Added Statement

Particulars	2024	%	2023	%
Income from Banking Services	70,054	-	45,558	-
Less: Cost of Services and Supplies	(36,379)	-	(22,715)	-
<b>Value Added by the Banaking Services</b>	<b>33,675</b>	-	<b>22,843</b>	-
Non-Banking Income	-	-	8	-
Loan Written Off and Provision	(5,254)	-	(2,817)	-
<b>Total operating income (A)</b>	<b>28,421</b>	-	<b>20,034</b>	-
<b>Distribution of Value Addition</b>				
To Employees as Salaries & Allowances	8,935	31.4%	7,829	39.1%
To Shareholders	10,343	36.4%	5,690	28.4%
To Govt. as Income Tax	6,948	24.4%	4,529	22.6%
To Start up fund	109	0.4%	62	0.3%
To CSR fund	-	0.0%	-	0.0%
To Perpetual Bondholders	400	1.4%	400	2.0%
To Depreciation	1,687	5.9%	1,524	7.6%
<b>Total Value added</b>	<b>28,421</b>	<b>100.0%</b>	<b>20,034</b>	<b>100.0%</b>

## Wealth Distribution - 2024



## Wealth Distribution - 2023





# ECONOMIC VALUE ADDED STATEMENT

Economic value added (EVA) is a fundamental measure of the financial performance of an organisation. It is based on the premise that since a company's management employs equity capital to earn a profit, it must pay for the use of this equity capital. This management tool is particularly useful to shareholders to take decisions with respect to long-term wealth creation.

EVA is equal to profit after tax plus the provision for loans and other assets less written off interest suspense during the year minus cost of equity where cost of equity is the opportunity cost that the shareholders forego. This cost of equity is calculated considering risk free rate based on weighted average rate of 20 Years Treasury Bills/bonds issued by the Bangladesh Government plus 2% risk premium. City Bank management is concerned for maximizing of wealth of its shareholders and other equity providers.

BDT in million

Particulars	2024	2023
Shareholders' Equity	45,818	37,220
Add: Provision for Loans and Advances	17,694	15,841
	63,512	53,062
Average Shareholders' Equity	58,287	50,110
<b>Earnings</b>		
Profit after Tax	10,851	6,151
Add: Provision for Loans and Others	5,254	2,817
Less: Interest Suspense	(988)	(219)
	<b>15,116</b>	<b>8,750</b>
Average cost of equity (based on weighted average rate of 20 Years Treasury Bills/bonds issued by the Bangladesh Government plus 2% risk premium)	14.68%	13.22%
	8,556	6,625
<b>Economic Value Added</b>	<b>6,560</b>	<b>2,125</b>

## Forward-looking dividend policy

The bank continued to pay a sizeable dividend to its shareholders in 2024, while ploughing back a healthy surplus to augment future funding needs and capital adequacy requirements. The bank is mindful of the need to strike a reasonable balance between these aspects in maintaining the growth trajectory commensurate with the risks undertaken by investors. A prudent dividend policy has enabled the bank to build a positive image amongst shareholders who have placed their conviction in the performance of the bank. Furthermore, surplus retention also creates the conditions for accelerated future value creation for shareholders. Considering the sound performance of the bank over the past year, the Board of Directors of the bank has recommended 12.5% cash dividend and 12.5% stock dividend for the year 2024.

## Maintaining satisfactory liquidity

The bank maintains liquid assets to carry out the day-to-day operations and fulfil the statutory requirements of the regulator. The bank's ALCO monitors the liquidity situation carefully and provides the necessary direction that helps maintain an optimum trade-off between liquidity and

profitability. Our policy is to carry a positive mismatch primarily in the 1-30 days' category in interest earning assets and interest bearing liabilities. Our liquidity remained at optimum levels during the year.

## Optimum utilization of resources

The bank is attentive to the need of mobilising resources, such as capital, deposits and borrowings at attractive terms. It is vigilant towards garnering resources in the most cost-efficient and effective manner, while also being cognizant of the need for prudent investment of funds for future profitability improvement. Hence, it carefully analyses the lending propositions and makes sure followup action is in place before disbursement of funds. Cost/income ratio reported by the bank, which is one of the lowest among local commercial banks, testifies the optimum utilization of resources. The bank's shareholders' equity stood at BDT 45,818 mn as at 31 December 2024, primarily due to numerous proactive initiatives taken, such as dividend disbursement, tax planning and controlled capital and revenue expenditure over the years.



# STOCK PERFORMANCE

City Bank's performance on the stock market, as reflected in its stock price, has remained commendable over the years. This reflects improved investor confidence, which is the outcome of focused strategy execution by the management, guided by the Board. Going forward, the bank pledges to keep shareholder interests and expectations at the front and centre of all its decisions, thus ensuring sustained value creation momentum.

## Stock Details

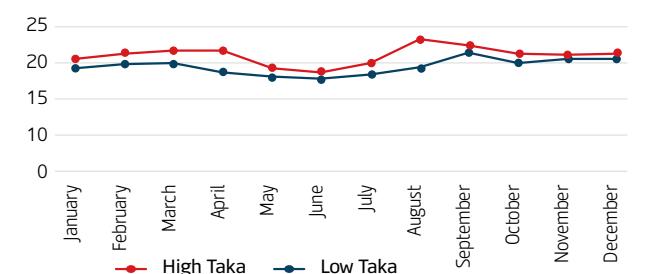
Particulars	Dhaka Stock Exchange (DSE)	Chittagong Stock Exchange (CSE)
Stock symbol	CITYBANK	CITYBANK
Company Code	11102	22006
Listing year	1986	1995
Market Lot	1	1
Market category	A	A
Electronic Share	Yes	Yes
Price	22.4	22.3

## Exchange Listing/ Share trading

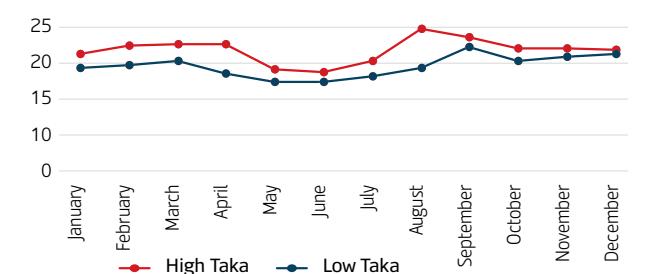
As a publicly traded company, the issued ordinary shares of City Bank are listed on the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The audited Income Statement for the financial year ended 31 December 2024 and the audited Balance Sheet of the bank as at 31 December 2024 have been submitted to the Dhaka Stock Exchange & Chittagong Stock Exchange within the permitted timeframe. The stock exchange code for City Bank shares is "CITYBANK". Market price of shares of the bank on the Dhaka Stock Exchange was BDT 22.4 on the close of business on 31 December 2024.

Month	DSE			CSE			Total volume on DSE & CSE
	High (Taka)	Low (Taka)	Volume	High (Taka)	Low (Taka)	Volume	
January	21.4	19.5	8,433,988	21.6	19.5	88,033	8,522,021
February	22.5	20.4	14,294,633	22.8	20.0	272,285	14,566,918
March	23.1	20.6	11,983,640	23.1	20.5	318,927	12,302,567
April	23.0	18.7	30,750,951	23.1	18.6	1,390,225	32,141,176
May	19.5	17.8	8,556,237	19.4	17.5	98,702	8,654,939
June	18.7	17.5	9,484,103	18.8	17.5	185,093	9,669,196
July	20.6	18.3	16,569,689	20.5	18.2	174,630	16,744,319
August	25.3	19.7	146,819,796	25.3	19.6	18,067,732	164,887,528
September	24.2	22.6	55,752,478	24.1	22.7	882,408	56,634,886
October	22.5	20.5	23,567,308	22.5	20.5	249,710	23,817,018
November	22.3	21.4	17,248,160	22.4	21.2	7,770,457	25,018,617
December	22.4	21.5	18,790,402	22.3	21.6	25,212,985	44,003,387

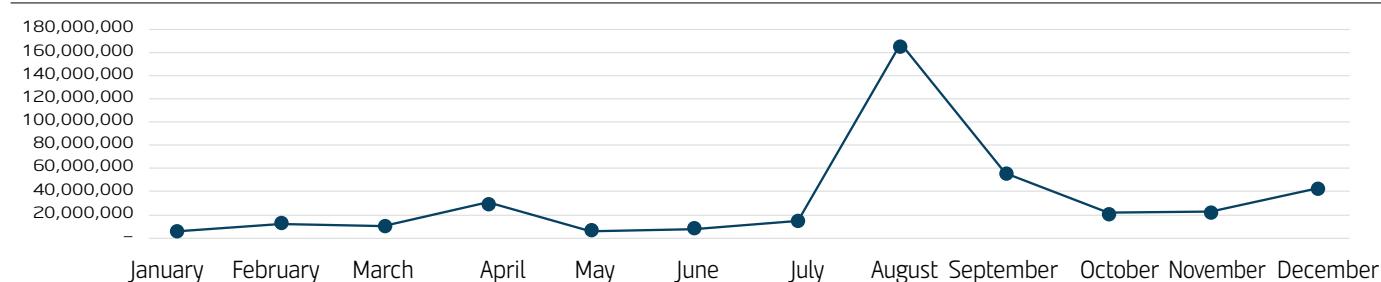
### DSE Market Price 2024



### CSE Market Price 2024



### Total Volume on DSE and CSE - 2024





# MARKET VALUE ADDED STATEMENT

Market Value Added (MVA) is an important metric as it evaluates the performance of a company from the external point of view, comprising the perspective of the stock market. Typically, stock market participants are highly aware of the company's performance and future outlook that helps build their perception to assign value to the company, reflected in its stock

Particulars	2024	2023
No. of Shares Outstanding	1,347,080,764	1,224,618,877
Market Value Per Share (Taka)	22.4	21.4
Face Value Per Share (Taka)	10.0	10.0
Total Market Capitalization	30,175	26,207
Book Value of Paid Up Capital	13,471	12,246
<b>Market Value Added</b>	<b>16,704</b>	<b>13,961</b>

## Financial Goals and Performance (Bank)

Particulars	2024		2023	
	Goals	Achievement	Goals	Achievement
Loans and advances	431,704	444,978	397,394	396,078
Deposits	449,148	514,204	377,798	392,510
Capital Adequacy Ratio	15.2%	16.0%	13.5%	15.8%
% of NPL	4.3%	3.7%	3.8%	3.6%
Profit after tax	698	10,851	4,401	6,151
Cost to income ratio	47.4%	41.7%	59.9%	51.1%
Return on Assets (ROA)	1.1%	1.7%	0.8%	1.2%
Return on Equity (ROE)	17.3%	26.1%	12.6%	17.6%

# SEGMENT ANALYSIS

City Bank is a full-fledged banking services provider offering a range of services to customers. In addition, it also has a number of subsidiaries that are engaged in diversified, yet complementary activities, such as brokerage and investment banking, cross-border trade and finance, remittances, etc. The following tables show the bank and subsidiary performance across various parameters, as well as the key metrics of the bank's own business divisions.

## Segment reporting-City Bank

Particulars	2024						
	City Bank Plc	City Brokerage Limited	City Bank Capital Resources Limited	CBL Money Transfer Sdn. Bhd.	City Hong Kong Limited	Elimination of inter-company transactions	Consolidated
						Taka	Taka
Net interest income/profit on investments	14,490	41	147	(23)	26	-	14,680
Add: Other operating income	25,046	390	174	262	46	(30)	25,888
Total operating income	39,536	431	322	239	71	(30)	40,568
Less: Total operating expenses	16,483	206	126	201	51	(13)	17,054
Operating profit	23,053	225	196	38	20	(18)	23,514
Less: Total provision	5,254	553	479	-	-	-	6,285
Profit before tax (PBT)	17,799	(328)	(283)	38	20	(18)	17,229
less: Provision for taxation	6,948	83	41	10	3	-	7,085
Profit after tax (PAT)	10,851	(411)	(324)	28	17	(18)	10,143
Segment loans & advances/investments	444,978	289	852	-	1,767	(2,126)	445,760
Segment assets	697,349	4,752	4,647	10,305	1,821	(9,315)	709,559
Segment Deposits & other accounts	514,204	607	234	0	0	(682)	514,363
Segment liabilities and shareholders' equity	697,349	4,752	4,647	10,305	1,821	(9,315)	709,559

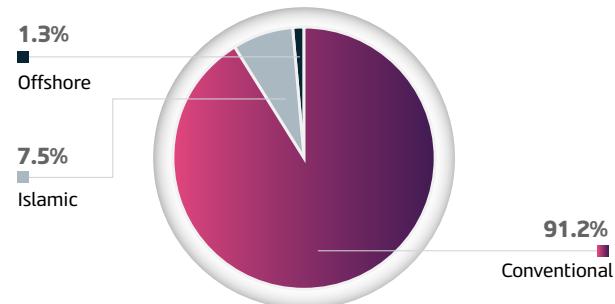


## Segment analysis of Revenue BDT

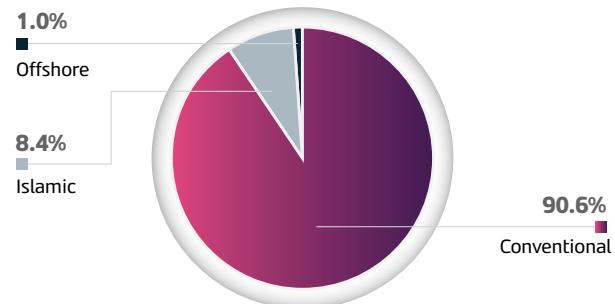
BDT mn

Particulars	2024				2023			
	Consumer & Commercial Banking		Offshore	Total	Consumer & Commercial Banking		Offshore	Total
	Conventional	Islamic			Conventional	Islamic		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Total operating profit (profit before unallocated expenses and tax)	36,057	2,958	521	39,536	25,016	2,307	284	27,606
Allocated expenses	16,180	297	6	16,483	14,025	83	-	14,108
Provision against loans and advances	5,049	80	125	5,254	2,751	170	(103)	2,817
Profit before tax	14,828	2,582	390	17,799	8,240	2,054	387	10,681
Provision for taxation				6,948				4,529
Net profit				10,851				6,151
Segment loans & advances/investments	356,339	45,704	42,934	444,978	330,859	35,791	29,428	396,078
<b>Segment assets</b>	<b>576,287</b>	<b>70,144</b>	<b>50,917</b>	<b>697,349</b>	<b>472,141</b>	<b>52,533</b>	<b>31,064</b>	<b>555,738</b>
Segment Deposits & other accounts	439,669	63,395	11,140	514,204	343,089	47,657	1,764	392,510
<b>Segment liabilities</b>	<b>576,287</b>	<b>70,144</b>	<b>50,917</b>	<b>697,349</b>	<b>472,141</b>	<b>52,533</b>	<b>31,064</b>	<b>555,738</b>

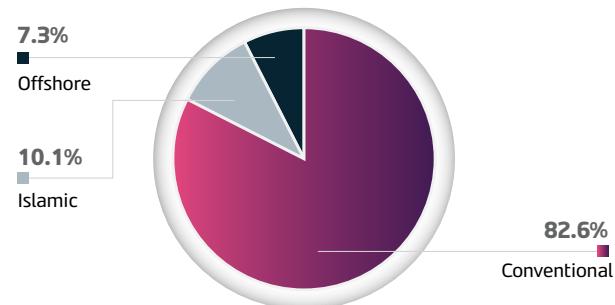
### Segment analysis of Revenue 2024



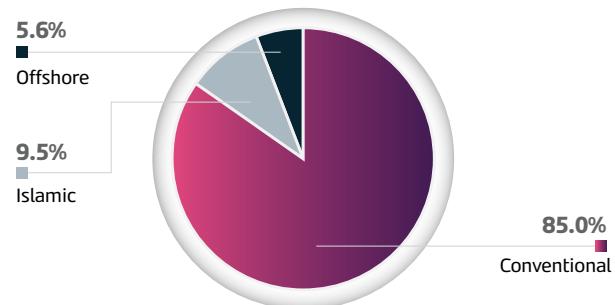
### Segment analysis of Revenue 2023



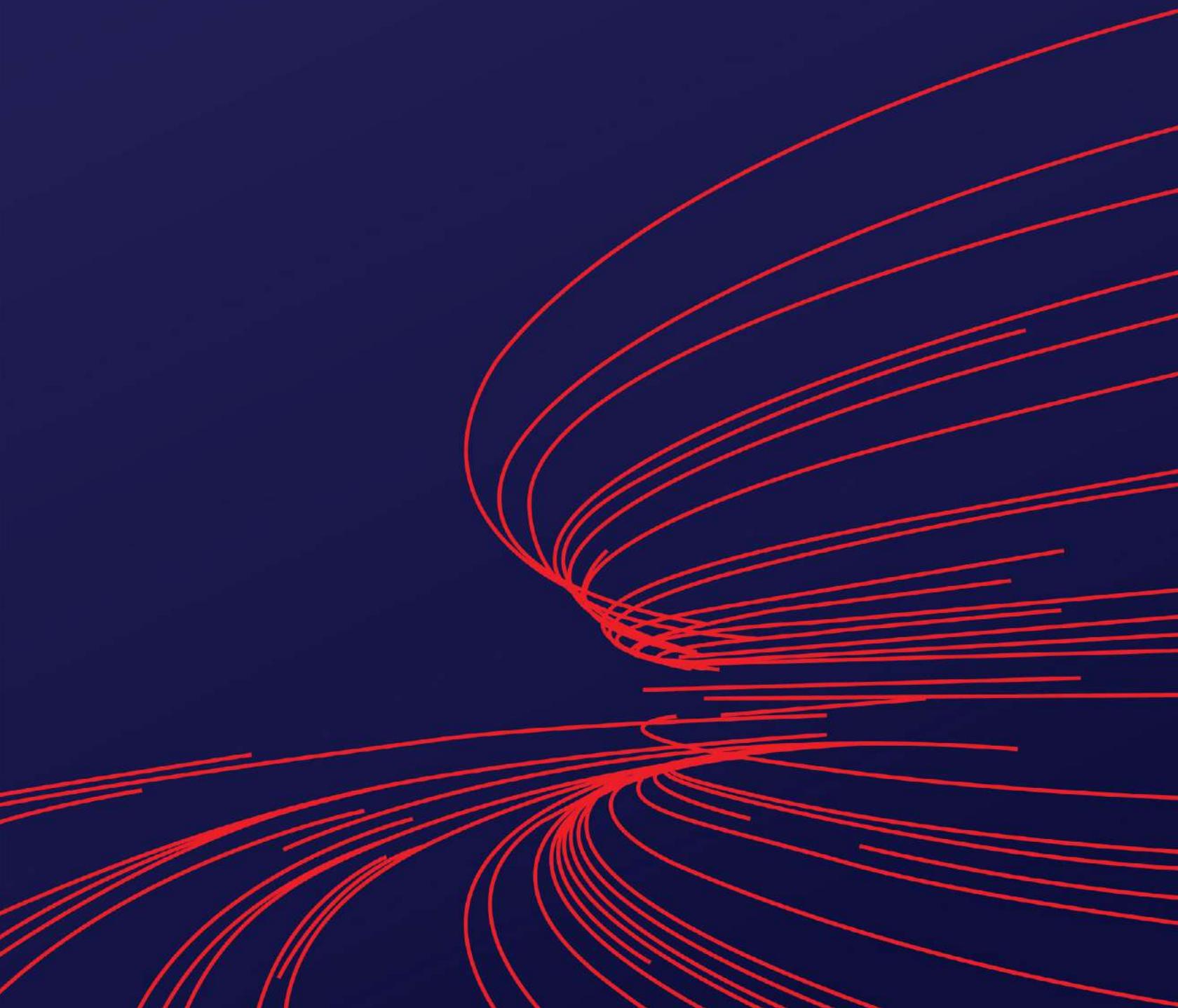
### Segment analysis of asset 2024



### Segment analysis of asset 2023



# GOVERNANCE AT CITY BANK





# MESSAGE FROM OUR CHAIRMAN

Building the bank as a co-partner of Bangladesh's development for sustainable progress and shared value creation



"City Bank's approach to governance is influenced and directed by various aspects, including the trust of our customers and clients, governance-related best practices and meeting regulatory expectations, as well as bank-specific requirements and the long-term sustainability of our business. The bank strengthens stakeholder trust by conducting business ethically and professionally. Therefore, ethical leadership is regarded as a priority and represents an integral part of the Board's approach to sound corporate governance practices. It influences and validates how the bank executes its corporate responsibilities, with the underlying objective to always act in the best long-term interests of our stakeholders."

- Aziz Al Kaiser, Chairman

**Dear Stakeholders,**

Corporate governance serves as the bedrock of our operations, underpinning our commitment to transparency, accountability and ethical conduct. The City Bank Board, comprises of distinguished individuals of society, exercises independent judgement on all issues reserved for review and approval and takes full responsibility for the bank's management, direction and performance.

As we present this past year's corporate governance report, I am reminded of the critical role robust corporate governance plays in shaping our journey. We can find solace in governance as a beacon that guides us through an operating environment characterised by significant geopolitical shifts, the challenges of inflationary pressures, the ethical imperative of ESG and sustainability, the urgency of climate action and the necessity underpinning rapid technological advancements.

Corporate governance forms the foundation of our organisation, drawing attention to our commitment to transparency, accountability and ethical conduct. It ensures that we remain true to our core values while upholding the trust and confidence our shareholders and stakeholders have placed in us. Our Board of Directors and dedicated committees of the Board ensure that our strategy and decisions are guided by prudence and foresight. Their oversight and dedication are instrumental in enabling us to navigate the complexities of our industry as we strive to create sustainable and shared value for all our stakeholders.

At the bank, we embrace governance as a competitive advantage. It sets us apart as a reliable and trusted bank for hundreds of thousands of our customers and clients who depend and rely on us. Our approach to financial management is both responsive and responsible and we actively pursue prudent approaches to optimise performance and maintain resilience, while ensuring

that sustainability is integral to our decision-making. We uphold our integrity and hold ourselves accountable for reducing our environmental impacts and promoting sustainable practices that align to the needs and expectations of our communities and the investment fraternity.

Our governance practices empower us to assess risks and devise agile and resilient strategies to adapt to changing geopolitical and socio-economic circumstances, securing the continuity of our operations and safeguarding stakeholder interests. This is especially relevant in a world that is witnessing a new era with the recent imposition of US Government's significant reciprocal trade tariffs on a host of nations and trading partners. While the impact is too early to gauge, it is sufficient to say that Bangladesh will have to rework its strategies to protect its export-oriented RMG sector that is a key pillar of the economy. City Bank's Board will be highly watchful and vigilant of the external developments as they unfold and will assess the situation for any targeted action.

As part of our business-as-usual focus, the Board exercises independent judgement on all issues reserved for review and approval and takes full responsibility and ownership for the management, direction and performance of the bank.

In closing this statement, I, on behalf of the Board, want to extend our sincere appreciation to all our shareholders, employees and stakeholders for their unwavering support. We will continue to stand as an example of promoting exemplary corporate governance and best practices in business.

Kind Regards,

**Aziz Al Kaiser**  
Chairman



# BOARD LEADERSHIP IN GOVERNANCE

City Bank's Board, assisted by its committees, sets and steers direction, approves policy and planning and monitors ethics, regulatory compliance and remuneration strategies to align employees with the bank's purpose and strategic intent. Through this, we aim to exceed stakeholder performance expectations and ensure compliance with all statutory laws and regulations. Board stewardship in governance thus positively impacts business performance together with superintendence of the organisation.

Thought leadership				
Technical competence				
Training and continuous professional development				
Monitoring standards and processes				
Auditing and professional recognition				
Nation-building initiatives				
Regulatory liaison				
Promoting ethical conduct and trust-based leadership				
Financial and human capital management				
Digital transformation				
Discussion and engagement on legislative and topical issues				

## Key:



FINANCIAL CAPITAL



HUMAN CAPITAL



INTELLECTUAL CAPITAL



MANUFACTURED CAPITAL

SOCIAL AND  
RELATIONSHIP CAPITAL

NATURAL CAPITAL

# DIRECTORS' RESPONSIBILITY STATEMENT

City Bank adheres to high standards of governance, ethics and integrity, which are essential for creating value and protecting the interests of all stakeholders. Good governance includes enhanced accountability, risk and performance management, transparency and, most importantly, effective leadership.

The bank implements advanced banking practices and strong institutional governance and risk frameworks to ensure secure and stable banking services to clients and customers. These practices and frameworks are reviewed regularly in light of economic and social changes, workplace cultural shifts, digital trends like artificial intelligence (AI), geopolitics, data safety and security needs, and climate change risks.

The bank recognises the necessity to adapt quickly to regulatory changes, which requires embedding good governance practices while maintaining flexibility to respond proactively to the evolving regulatory environment. Governance involves more than just legislative compliance and best-practice principles. In fact, it is vital to achieving City Bank's aspiration to create a better future for all stakeholders, to deliver value through excellence and execution and through its commitment to responsible stewardship.

The Board, through its committees, gives effect to the bank's sustainability framework, which guides the organisational approach to delivering on critical issues, while being sensitive to the needs and imperatives in the public. Our sustainability framework focuses on reducing our environmental footprint, achieving our goal of zero harm, having meaningful stakeholder engagements and engaged employees, and sustaining livelihoods through and beyond banking.

While the City Bank Board is responsible for enterprise risk management, aspects of risk management are prevalent throughout the organisation. Oversight of risk management systems and processes is the responsibility of the audit and risk committee, and each committee takes responsibility for the risks relevant to it.

The Board of Directors aims to optimize value by using financial expertise responsibly and ensuring relevance and sustainability through constant monitoring of the macro environment, capital inputs and stakeholder expectations. These factors inform the strategy of the bank and its subsidiaries.

The Board represents the shareholders, overseeing the strategic affairs and evaluating performance against targets. It is accountable to the shareholders, presenting a detailed report on the bank's performance and future strategies at the Annual General Meeting (AGM), where Directors also submit nominations for re-appointment of Directors to the Board.

The report of the bank's affairs and the Audited Financial Statements duly certified by a reputed auditor are placed before the AGM for discussion. In preparing the Annual Report, the Board ensures that:

- The financial statements of the bank present a true and fair view of the state of affairs of the business and the results of operations, cashflows and changes in equity
- Proper books of accounts have been maintained, as required by relevant laws and statutes
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable judgment
- International accounting standards, as applicable in Bangladesh, have been followed in preparation of the financial statements
- The internal control system is sound in design and effectively implemented and monitored
- There are no significant doubts upon the bank's ability to continue as a going concern
- Key operating and financial data of the preceding 5 years is included in the report - Please refer to 'Historical Performance' on [page 126 and 144](#)
- Proposed 12.5% cash and 12.5% stock dividend for the year 2024

Number of Board meetings held during the year and attendance by each Director – Please refer to the 'Corporate Governance' section on [page 322](#)

## Shareholding pattern of the bank:

- Parent/subsidiary/associate companies and other related parties – Not applicable
- Shares held by Directors, CEO, CFO, Company Secretary, Head of ICC and their spouses and minor children – Please refer to [page 323](#).

The Directors, to the best of their knowledge and belief, are satisfied on the related responsibilities of the Board, guided by the Companies Act, 1994; The Bank Company Act, 1991; and guidelines issued by Bangladesh Bank and Bangladesh Securities and Exchange Commission.



**Aziz Al Kaiser**  
Chairman  
On behalf of the Board of Directors



# BOARD OF DIRECTORS, CHAIRMAN AND CEO

City Bank's governance framework is anchored by a dedicated and proficient Board of Directors, led by the Chairman, and complemented by the Chief Executive Officer (CEO). This structure ensures strategic oversight, effective management, and adherence to regulatory requirements. This framework supports the bank's strategic objective of delivering value to customers, shareholders and the broader community.

**Board of Directors:** The Board comprises 11 members, including 10 Non-Executive Directors and the Managing Director (ex-officio). This diverse group brings a wealth of experience from various sectors, including business, finance and technology, fostering comprehensive decision-making. The Board convenes at least once a month to review and guide the bank's strategic direction, policies and performance.

**Chairman:** The Chairman, elected from among the Directors, leads the Board by setting meeting agendas, facilitating discussions and ensuring that decisions align with the bank's strategic objectives. The Chairman does not engage in the bank's day-to-day operations, maintaining a clear distinction between governance and management.

**Chief Executive Officer (CEO):** The CEO, serving as the Managing Director, is responsible for executing the Board's strategic plans and managing the bank's daily operations. This role includes overseeing business development, risk management and compliance with regulatory requirements. The CEO ensures that the bank's activities are conducted ethically and align with the interests of stakeholders.

**Separation of Roles:** City Bank maintains a clear separation between the roles of the Chairman and the CEO, adhering to regulatory guidelines. This distinction prevents conflict of interest and promotes a balanced governance structure, where the Board provides oversight and management handles operational execution.

**Commitment to Governance:** The Board, under the Chairman's leadership, is committed to upholding the highest standards of corporate governance. This commitment is demonstrated through transparent decision-making processes, regular evaluation of policies and continuous engagement with stakeholders to ensure the bank's long-term success and sustainability.

The profile of all Board members, comprising of their Qualification, experience are disclosed in [Page no 30](#) of this Integrated Annual report 2024.

## CORPORATE GOVERNANCE REPORT

At City Bank, corporate governance consists of principles, policies, procedures and defined responsibilities and accountability developed by the bank to ensure organisational stewardship, risk management and superintendence of conflict of interest. The goal of corporate governance is to facilitate effective and prudent management of the business to enable long-term value creation for all stakeholders. The role of corporate governance is hence characterized by:

- Elimination or mitigation of conflict of interest, particularly those between management and shareholders
- Assurance that the bank's assets are used efficiently and effectively and in the best interests of shareholders and stakeholders

From the view point of conflict of interest, two relationships are the primary focus of most systems of corporate governance:

- Between the management and shareholders
- Between the directors and shareholders

City Bank's Board represents a critical amalgam of the systemic checks and balances that underpin the core of corporate governance at the bank. Board members have a shared responsibility to make

decisions that are in the best long-term interests of shareholders. In order to do so effectively, Board members require a combination of the following:

- Independence
- Experience
- Resources

### Corporate governance practices at City Bank

City Bank is guided in its corporate governance practices by two regulatory bodies:

- Bangladesh Bank (central bank of Bangladesh)
- Bangladesh Securities and Exchange Commission (BSEC)

The bank's corporate governance philosophy encompasses not only regulatory and legal requirements, but also various internal rules, policies, procedures and practices anchored on global best practices. The bank has a simple and straightforward view on corporate governance, which is due diligence in observing responsibilities by the Board as well as the management to safeguard the interests of stakeholders, that is, depositors, shareholders, employees and the society as a whole.

At the bank, our four essential governance pillars backed by strong internal controls, compliance structures and MIS standards comprise:

### City Bank: Fostering Trust-Based Governance





## Board of Directors

City Bank's Board of Directors is constituted by 11 (eleven) Directors, among whom 10 (ten) are Non-Executive/Directors, including the Chairman, and the other Director is the Managing Director (ex-officio).

Board members include individuals of high caliber with strong academic and professional qualifications in the field of business, and other professionals with longstanding industry experience. This strengthens effective decision-making and discharge of duties and responsibilities by the Board.

The Board approves the bank's budget and business plans and also reviews those on a monthly basis so that supervisory guidance can be given as per changing economic and market environments. The Board also reviews the policies and manuals of various business segments of the bank in order to establish stronger operational capabilities. The Board and the Executive Committee also review the policies and guidelines issued by Bangladesh Bank regarding credit and other operations. The management 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.

**During the year 2024, 24 Board meetings were held and attendance recorded, as follows:**

Name	Position within the bank	No. of meetings held	No. of meetings attended
Mr. Aziz Al Kaiser	Chairman	24	20
Mr. Hossain Khaled	Vice-Chairman	24	17
Mr. Rubel Aziz	Director	24	5
Mr. Hossain Mehmood	Nominated Director	24	21
Mr. Rajibul Huq Chowdhury	Director	24	16
Mrs. Syeda Shaireen Aziz	Director	24	20
Mrs. Savera H. Mahmood	Nominated Director	24	20
Ms. Rebecca Brosnan	Nominated Director	24	21
* Dr. Salim Mahmud	Independent Director	24	11
Mr. Matiul Islam Nowshad	Independent Director	24	21
Mr. Mashrur Arefin	MD & CEO	24	20

\* Dr. Salim Mahmud, Independent Director and Chairman of the Board's Audit Committee, resigned for personal reasons on 21 August 2024. The Board of Directors unanimously accepted his resignation, effective 9 September 2024. Subsequently, the Board appointed Mr. Nazimuddin Chowdhury as an Independent Director, subject to approval of regulators and shareholders at the ensuing 42nd Annual General Meeting.

## Board Meeting Procedures and Frequency

The Board typically convenes twice a month, with the option to schedule additional meetings. Management provides detailed information, references and discussion papers on each agenda item to all Directors well before the Board meeting. The Directors are expected to come prepared for Board meetings and participate in Board discussions. A Director is expected to recuse himself/herself from participating in any meetings if an agenda item refers to a matter in which he/she has an interest. This is done to allow the Board to deliberate on the matter without undue influence.

The Company Secretary maintains minutes of all matters discussed at Board meetings. Board minutes are circulated to all Directors by the Company Secretary subsequent to the Board meeting, inviting Directors to share their comments or follow-ups regarding the minutes. Significant matters that warrant broader discussion are incorporated into the agenda for the next Board meeting.

The Company Secretary, as per instructions of the Chairman, takes the necessary steps to organise regular Board meetings throughout the year.

## Appointment of Directors

The members of the Board of City Bank are appointed according to the provisions of the Companies Act, 1994, Bank Company Act, 1991 (amended up to 2013), Corporate Governance Guidelines of BSEC, and Guidelines of Bangladesh Bank and Articles of Association of the bank.

The Board comprises experienced members with diverse professional expertise and knowledge in the realm of business, banking and finance, IT, accounting, marketing, administration and engineering, which makes the Board diverse, proficient and balanced in guiding the bank to achieve its desired objectives.

## Meetings of the Board

The Board of Directors hold meetings on a regular basis. At each meeting, the management provides information, references and detailed working papers for each agenda to all Directors for review, at least three days prior to the meeting. The Chairman of the Board allocates sufficient time for the Directors to consider each agenda in a prudent way, and allows them to freely discuss, inquire and express opinions on the topics of interest at the meeting in order to fulfil their duties and uphold their responsibilities to the best of their capabilities.



## Ownership Composition

As on 31 December 2024, Directors and Sponsors of City Bank held 30.63% of the total shares of the bank, as compared to 30.88% at year-end 2023. Percentage of shareholding as on 31 December, 2024 is given below:

Composition	2024		2023	
	No. of shares held	% of total shares	No. of shares held	% of total shares
General public	535,554,563	39.76%	451,957,374	36.91%
Directors and sponsors	412,617,909	30.63%	378,198,111	30.88%
Institutions	321,893,167	23.90%	334,831,554	27.34%
Foreign shareholders	77,015,125	5.72%	59,631,838	4.87%
Total	1,347,080,764	100.00%	1,224,618,877	100.00%

## Directors' shareholding status

As per BSEC Notification dated 21 May, 2009, each Director, other than Independent Director and depositor's director(s) of any listed company shall hold a minimum 2% (two percent) shares of the paid-up capital. Otherwise, there shall be a casual vacancy of director(s).

All sponsors, excluding Independent Directors of a company, listed with any stock exchange shall jointly hold minimum 30% (thirty percent) shares of the paid-up capital of the company. All eligible directors of the bank have acquired the necessary number of shares to comply with this notification.

Shareholding structure of the Directors of City Bank is as follows (as of 31 December, 2024)

Name	Position within the bank	Percentage of shareholding
Mr. Aziz Al Kaiser	Chairman	2.77%
Mr. Hossain Khaled	Vice-Chairman	2.20%
Mr. Rubel Aziz	Director	2.02%
Mr. Hossain Mehmood	Nominated Director	2.00%
Mr. Rajibul Huq Chowdhury	Director	2.01%
Mrs. Syeda Shaireen Aziz	Director	2.00%
Mrs. Saveria H. Mahmood	Nominated Director	2.00%
Ms. Rebecca Brosnan	Nominated Director	4.95%
* Dr. Salim Mahmud	Independent Director	Nil
Mr. Matiul Islam Nowshad	Independent Director	Nil
Mr. Mashrur Arefin	Managing Director & CEO	Nil

\* Dr. Salim Mahmud, Independent Director and Chairman of the Board's Audit Committee, resigned for personal reasons on 21 August 2024. The Board of Directors unanimously accepted his resignation, effective 9 September 2024. Subsequently, the Board appointed Mr. Nazimuddin Chowdhury as an Independent Director, subject to approval of regulators and shareholders at the ensuing 42nd Annual General Meeting."

Shareholding by the MD & CEO, CFO, Company Secretary, Head of ICC and their spouses

Name	Designation	No. of shares	Name of spouse	No. of shares
Mr. Mashrur Arefin	Managing Director & CEO	Nil	Mrs. Farhana Mashrur	Nil
Mr. Md. Mahbubur Rahman	AMD & Chief Financial Officer	Nil	Mrs. Sanjeda Afrin Ashraf	Nil
Mr. Md. Kafi Khan	Company Secretary	Nil	Mrs. Nargis Sultana	Nil
Mr. A.K.M Saif Ullah Kowchar	DMD & Head of ICC	Nil	Mrs. Farzana Mannan	Nil

Shareholding by top-5 Salaried Executives

Name	Designation	No. of Shares
Mohammad Mahbubur Rahman	Additional Managing Director & Chief Financial Officer	Nil
Kazi Azizur Rahman	Additional Managing Director & Chief Information Officer	Nil
Mahia Juned	Additional Managing Director, Chief Operating Officer & Chief Anti Money Laundering Compliance Officer	Nil
A.K.M Saif Ullah Kowchar	Deputy Managing Director & Head of Internal Control & Compliance	Nil
Md. Arup Haider	Deputy Managing Director & Head of Retail Banking	Nil



## Non-Executive Directors

There is no shareholder holding 10% or more voting interest in City Bank. The Managing Director is the only Executive Director on the Board of Directors of the bank. All other Directors, including the Chairman, are Non-Executive Directors.

## Independent Directors

In compliance with the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) and as per Section 15 of Bank Company (Amendment) Act, 2018 regarding appointment of new directors and guidelines of Bangladesh Bank in BRPD Circular No. 11 dated 27 October, 2013, the bank appointed 2 Independent Directors observing all required formalities.

### Independent Directors' Independence

As per existing rules and regulations, Independent Directors are required not to have any significant relationship, whether pecuniary or otherwise, with the bank, its top management or the Board. City Bank complies with this requirement and appoints Independent Directors who do not hold any shares in the bank and do not have any family or other relationship with its Board and executive management.

#### Separation of Chairman and Chief Executive Officer roles

In compliance with Bangladesh Bank BRPD Circular No. 06, 04 February, 2010 and Clause 1.4 of BSEC Corporate Governance Guidelines dated 7 August, 2012, it has been reported that the Chairman of the Board, Mr. Aziz Al Kaiser had been elected from among the Directors. There are clear and defined roles and responsibilities of the Chairman and the Chief Executive Officer.

The Chairman of the Board approves the agenda for the Board meetings, assisted by the Managing Director & CEO and the Company Secretary. Regular agenda items include approving credit beyond CEO's authority and aspects of the bank's corporate strategy, financial performance, core risks and credit policies, corporate governance, CSR and organizational structure, human resource policy, customer and service strategies, procurement policies, etc.

On the other hand, MD & CEO, being the head of the management, is accountable to the Board and its committee to run and manage the bank in accordance with the specified policies, principles and strategies, established by the Board as well as rules, regulations and guidelines from the central bank, BSEC and other regulatory authorities. The management's primary responsibilities are as follows:

- Manage the operations of the bank and safeguarding the interests of customers and other stakeholders in compliance with the highest standards of ethics and integrity
- Implement policies and strategic direction, as established by the Board
- Establish and maintain a strong system of internal control
- Ensure the bank's compliance with applicable legal and regulatory requirements

### Responsibilities of the Chairman of the Board

City Bank's Chairman fulfills a critical leadership role, with overall responsibilities encompassing:

- Acting as the bank's lead representative, explaining aims and policies to shareholders
- Ensuring no participation in or interference in the administrative or

operational and routine affairs of the bank

- Ensuring that the Board effectively sets and implements the bank's direction and strategy

### Specific Responsibilities:

Specific responsibilities of the Chairman, among others, are to:

- Provide overall leadership to the Board, leading from the front and working closely with the MD & CEO
- Take a leading role in the determination of composition and structure of the Board, which will involve regular assessment of the:

### Size of the Board

- Interaction, harmony and involvement of the Directors
- Set the Board's agenda and plan Board meetings
- Chair all Board meetings, directing debate towards consensus
- Ensure that the Board receives appropriate, accurate, timely and clear information
- Chair the AGM and other shareholders' meetings to foster effective dialogue with shareholders
- Ensure that the views of the shareholders are communicated to the Board
- Work with the Chairman of Board committees
- Conduct on-site inspection of any bank branch or financing activities under the purview of the oversight responsibilities of the Board

### Roles and Responsibilities of the CEO

The specific responsibilities and authorities of the Managing Director & CEO are enumerated below:

- Fiduciary Duty: The Chief Executive Officer must possess the proper knowledge and understanding of fiduciary duty to maintain the best interest of the depositors and the bank company. Such as i. He/she will adhere to all applicable laws, regulations, and policies, practices related to banking business. Furthermore, he/she will perform his/her duties with prudence and without any kind of negligence or carelessness so that there will be no financial or other losses to the bank company and depositors (duty of care). ii. He/she will conduct his/her duties with good faith, being devoted to the bank company and avoiding conflict of interest so that the interests of the bank company and depositors are protected in place of interest of his/her own or another person or group (duty of loyalty). iii. He/she will exercise the vested power on that task or purpose for which he/she was given power.
- Financial, Business, and Administrative Responsibilities, Duties, and Powers: i. The Chief Executive Officer will perform his/her own responsibilities and duties in accordance with the financial, business, and administrative powers vested by the bank's board of directors. ii. He/she will be responsible for/held accountable for implementing the bank's business plan and achieving business targets through proper administrative and financial management. iii. If any erroneous interpretation of the Bank Company Act, 1991, or any other Acts, laws, regulation, or directives of the Bangladesh Bank is made or an erroneous direction is given by the board members while discussing the memorandum presented by the bank management in the meetings of the board of directors or any its subcommittees, the Chief Executive Officer shall have to clarify the relevant



Acts/directives to the board of directors in writing. iv. If any violation of the Bank Company Act, 1991, or any other Act, law, directive, custom practice occurs in a meeting of the board of directors or any other subcommittee by its member(s), the Chief Executive Officer shall have to inform Bangladesh Bank in writing, or verbally as the case may be. v. The recruitment and promotion of all employees and staff, apart from the two-tier subordinate level below the Chief Executive Officer, shall be vested with the Chief Executive Officer. He/she will perform these duties in accordance with the service rules and human resource policy approved by the board. While performing his duties, he/she cannot be able to perform any task or take a decision under the influence of emotions or through favoritism. vi. The recruitment, transfer, promotion/disciplinary actions and punitive measures of all employees and staff apart from the two-tier subordinate level below the Chief Executive Officer shall be vested with the Chief Executive Officer, which he/she will perform in accordance with the service rules approved by the board of directors. Other than this, the Chief Executive Officer may nominate any employee for training, seminars, workshop, etc. under the human resources policy approved by the board. If there are any government restrictions on foreign training or employee nominations for training because of any other reason, the Chief Executive Officer will be obliged to comply with such restrictions

The detail information of CEO is given in [Page no 35](#) of this AR 2024.

### **The key roles and responsibilities of the Company Secretary with his background:**

The company secretary, a crucial component of the governance team, is in charge of making sure the Bank abides by all relevant laws, maintaining the accuracy of certain statutory registers, and routinely submitting the necessary paperwork to the registrar of companies.

Additionally, through the Chair, the Company Secretary answers directly to the Board on all issues pertaining to the Board's efficient operation. Direct communication between the Company Secretary and each director is possible. The company secretary's primary duties include creating and implementing procedures to promote sound corporate governance, giving all board members unbiased advice, acting diligently in the bank's best interests, and assisting the board and its committees in carrying out their duties and adhering to best practices.

The detail profile is mentioned in [Page No 38](#) of Integrated Annual report 2024.

### **Functions, Duties, and Responsibilities of the Company Secretary of City Bank PLC.**

#### **1. Corporate Governance and Compliance:**

Ensuring adherence to laws, regulations, and governance frameworks; advising on legal obligations and ethical standards; developing and implementing policies; and monitoring regulatory developments.

#### **2. Board and Committee Coordination:**

Providing strategic and administrative support to the Board and its committees, including meeting organization, agenda preparation,

minute-taking, and communication facilitation.

#### **3. Shareholder Relations and Communication:**

Serving as the primary liaison with shareholders, managing AGMs/EGMs, disseminating financial and corporate information, safeguarding shareholder rights, and addressing inquiries.

#### **4. Statutory and Regulatory Compliance:**

Overseeing compliance with statutory obligations, maintaining records and filings, and submitting required documents to regulatory authorities (RJSC, BSEC, DSE).

#### **5. Regulatory Liaison and Advocacy:**

Acting as the main point of contact with regulatory bodies, addressing compliance matters, advocating for the bank's interests, and coordinating the implementation of regulatory directives.

#### **6. Advisory and Strategic Support:**

Providing expert counsel on governance, risk management, and corporate accountability; collaborating with other departments; and promoting ethical conduct and transparency.

The Company Secretary plays a crucial role in fostering robust governance, regulatory compliance, and stakeholder confidence, contributing significantly to City Bank's operational excellence and strategic success.

### **Annual Appraisal of Board's Performance**

Shareholders elect Directors at the Annual General Meeting (AGM). Directors are accountable to shareholders. At the AGM, shareholders can speak freely about the performance of the bank and make critical observations to the Board. The Chairman replies to their queries during the meeting. Their constructive suggestions are noted and implemented for qualitative improvements. As per our existing policy, no formal annual appraisal of the Board takes place in the bank.

### **Annual Evaluation of the Managing Director & CEO by the Board**

In line with the bank's vision and mission, the Board defines the roles and responsibilities of the Managing Director & CEO. The Managing Director & CEO is evaluated by the Board on the basis of goals set for him at the beginning of each year. The annual financial budget and other objectives are discussed, reviewed and finalised by the Board at the start of the financial year. The Board considers both financial and non-financial goals during the appraisal.

#### **(i) Evaluation based on Financial Performance**

Evaluation based on financial performance is emphasized in the annual budget, i.e. revenue earning for the bank, reduction in the NPL ratio, etc. At the end of each quarter, the Managing Director & CEO is evaluated based on the financial targets. The evaluation is done based on:

- Achievement of targets against the budget
- Achievement of targets against those of the previous year



## (ii) Bank's Financial Goals and Performance (BDT mn)

Particulars	2024		2023	
	Goals	Achievement	Goals	Achievement
Loans and advances	431,704	444,978	397,394	396,078
Deposits	449,148	514,204	377,798	392,510
CRAR	15.2%	16.0%	13.5%	15.8%
% of NPL	4.3%	3.7%	3.8%	3.6%
Profit after tax	698	10,851	4,401	6,151
Cost-to-income	47.4%	41.7%	59.9%	51.1%
ROA	1.1%	1.7%	0.8%	1.2%
ROE	17.3%	26.1%	12.6%	17.6%

## (iii) Evaluation based on non-financial goals

The Managing Director & CEO is also evaluated based on non-financial goals on an ongoing basis. The non-financial criteria include, but are not confined to matters such as:

- Confidence of shareholders in the CEO, as reflected in the stock price of the company
- Relationship of the company with regulators
- Confidence of customers in the CEO, as reflected through continuous development of the bank's value propositions

In addition, at the end of each year, an annual assessment and evaluation of the achievements of pre-agreed targets is done. Board considers the improvement in the scores for CAMELS rating at the time of evaluation. During this evaluation, deviations from target, if any, and the reasons thereof are discussed and assessed. Moreover, MD & CEO's quality of leadership to accomplish better performance is always expected and is also a key point of consideration.

### Policy Training of Directors

Most of the Directors of the bank are on the Board for many years. They have acquired sufficient knowledge and acumen to lead the bank on the path of progress. The latest legislations on the financial sector and directives of regulatory bodies are made available to them for their access in order for them to discharge their responsibilities effectively. They also attend various seminars and symposiums on corporate governance organized by different professional bodies.

### Corporate Governance Training and Objectives

Corporate Governance comprises a set of transparent relationships among the institution's Management, Board, shareholders and other stakeholders. With this view, City Bank continuously organizes training on "Orientation on Banking Business under Good Governance", where all-round employee participation is expected.

The primary topics of training are:

- Overall banking business in line with good governance
- Corporate governance in banks - international best practices
- Banking Companies Act and stipulations on corporate governance
- Corporate governance regulations for banks in Bangladesh

### Benefits provided to Directors and Managing Director

- Directors are entitled to fees for attending the Board / Executive Committee meetings (please refer to the Notes to the Financial Statement No. 37)
- Managing Director is paid salary and allowances as per approval of the Board and Bangladesh Bank (please refer to the Notes to the Financial Statement No. 36)

City Bank has fully complied with Bangladesh Bank Circular and Guidelines.

### Appointment of External Auditors

The Board of Directors of the bank at its 41st Annual General Meeting held on 30 May, 2024 appointed M/s Howladar Yunus & Co., Chartered Accountants as the statutory auditor for the year 2024.

### Services not provided by external auditors

As per BSEC guidelines, City Bank had appointed M/s Howladar Yunus & Co., Chartered Accountants, involved in the statutory audit only and not for any of the following activities during the year 2024:

- Appraisal or valuation services or fairness opinions
- Designing and implementing financial information system
- Book-keeping or other related services
- Broker-dealer services
- Actuarial services
- Internal audit services
- Any other services of the audit committee

No partner or employee of M/s Howladar Yunus & Co., Chartered Accountants, possessed any share/s of the bank during the tenure of their audit assignment at City Bank.

### Central Bank Inspections

In 2024, Bangladesh Bank conducted a two-phase inspection of City Bank's 2023 financials. The first phase, a quick-summary inspection, was concluded during the Quadripartite Meeting held on March 11, 2024, which included Bangladesh Bank, external auditors, Audit Committee of the Board and the bank's management. The 2023 financial statements were subsequently approved on March 27,



2024. The second phase, a comprehensive inspection of the head office, commenced on May 16, 2024, and concluded in December 2024. Additionally, Bangladesh Bank conducted comprehensive inspections of various branches and all core risk areas, with the bank providing full cooperation, satisfactory explanations and evidence, ensuring successful closure of all inspection tasks.

### **Issue Closure of previous DBI Inspections**

During 2024, Bangladesh Bank issued 167 letters related to compliance and follow-ups on previous branch inspections. A total of 1,991 issues were raised, of which 1,909 have been successfully closed, reflecting a remarkable closure rate of 96%.

This achievement underscores City Bank's high standards of compliance and robust documentation practices. The remaining 82 issues are mainly routine updates related to loan recovery, legal matters and similar areas. Furthermore, the most recent comprehensive inspection of Bangladesh Bank on the head office identified 55 issues, for which City Bank's responses will be submitted within the regulatory timeline. These responses will also be presented to the Board during a special meeting involving Bangladesh Bank representatives and key management personnel of the bank.

### **Governance of Board of Directors of Subsidiary Company**

City Bank operates as a parent company with a well-defined

governance structure. This structure ensures the Board maintains awareness of material risks and issues impacting both City Bank and its subsidiaries.

#### **Effective Subsidiary Oversight**

City Bank's Board exercises appropriate control over its subsidiaries while respecting their independent legal and governance frameworks. This balanced approach safeguards the interests of the entire corporate group.

#### **City Bank Subsidiaries:**

- City Bank Capital Resources Limited: Providing investment banking services
- City Hong Kong Ltd.: Extending City Bank's reach and global presence
- City Brokerage: Providing comprehensive brokerage services to clients
- City Money Transfer: Facilitating efficient money transfer services

By maintaining a well-coordinated approach to governance, City Bank fosters a strong and sustainable corporate structure for itself and its subsidiaries.

# REPORT OF THE BOARD EXECUTIVE COMMITTEE

## Introduction

City Bank's Board of Directors, at its 656th meeting held on March 27, 2024, reconstituted the Board Executive Committee (EC) with 4 (Four) members from the Board, in compliance with Bangladesh Bank guidelines. The responsibility entrusted to the Board EC comprises review and final approval on credit proposals that are beyond the delegated authority of the Managing Director. Further, Board EC decisions, described through the full meeting minutes, are referred to in subsequent meetings of the Board for ratification.

## Committee structure

The Board's Executive Committee comprises the following Board members:

Name	Status within the Bank	Status in the Executive Committee
Mr. Rubel Aziz	Director	Chairman
Mr. Hossain Khaled	Vice-Chairman	Member
Mr. Rajibul Huq Chowdhury	Director	Member
Ms. Rebecca Brosnan	Nominated Director	Member

Company Secretary: Mr. Md. Kafi Khan

## Roles and responsibilities of the Board EC

- Establish and periodically review the bank's overall credit culture and practices, including credit policies and procedures
- Develop and implement uniform and minimum acceptable credit standards
- Approve all revisions, restructuring and amendments made to credit proposals initially approved by the committee

- Review and approve different credit proposals for renewal and enhancement of existing credit limits

## Acknowledgements

City Bank's Board EC wishes to express its heartfelt appreciation to the members of the Board and the management for their assistance in facilitating the committee to carry out its duties and obligations in 2024. The committee expects the support and cooperation from all quarters of the bank in 2025 and beyond too.

On behalf of the Executive Committee,



**Rubel Aziz**  
Chairman, Executive Committee

## Major areas of focus

- Review and approve credit proposals beyond the purview of the MD
- Ratify different management approvals on interest rate amendments, changes in collateral security and document deferral



# REPORT OF THE BOARD'S RISK MANAGEMENT COMMITTEE

## Overview

In an increasingly complex banking environment, the role of the Board's Risk Management Committee (BRMC) is pivotal in safeguarding the financial health of City Bank. By providing strategic oversight and ensuring a strong risk culture, BRMC contributes to maintaining public confidence in the banking system and promoting sustainable financial growth. As regulatory expectations evolve, the effectiveness of BRMC will continue to be a key factor in the resilience and success of the bank in the future.

Thus, BRMC of City Bank plays a critical role in the governance structure of the bank. In alignment with the guidelines set by the Bangladesh Bank, the country's central regulatory authority, the BRMC is responsible for overseeing the bank's risk management framework, ensuring that risks are properly identified, measured, monitored and managed. As banking institutions operate in a dynamic and often volatile environment, the BRMC ensures that City Bank maintains sound risk practices, which are vital for financial stability and long-term sustainability.

The BRMC is entrusted with the task of reviewing and recommending the risk management policies and strategies to the Board. This includes overseeing all major risk categories, such as credit risk, market risk, liquidity risk, operational risk and compliance risk. The committee ensures that the bank's internal control systems are

robust and effective in identifying and mitigating risk exposures.

City Bank's BRMC complies with the "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel III)" and other circulars issued by Bangladesh Bank. The bank is recognised for adopting international best practices in risk governance while tailoring them to the local context.

## Committee structure

The Board of Directors of City Bank established the BRMC at its 452nd meeting held on 25 January 2014, which was subsequently re-established in 2018, 2021 and 2023 in order to pursue meticulous and purposeful risk governance that ensures a robust layer of defense around the bank and its operations.

The BRMC is responsible for evaluating the bank's risk management systems and procedures, being investigative on its application and providing practical assistance with appropriate resolutions, while establishing policies deemed essential. In addition to the existing "Executive Committee" and "Audit Committee" of the Board, the formation of the BRMC satisfies the regulatory compliance requirements of Bangladesh Bank, as guided in BRPD Circular No. 02 dated 11 February 2024. The members of the BRMC were reconstituted by the Board of Directors during its 640th meeting, which took place on August 7, 2023.

## City Bank's BRMC is composed of the following Board members:

Name of Director	Status with the bank	Status with the Committee	No. of meetings held	No. of meetings attended
Mr. Hossain Mehmood	Director	Chairman	6	6
Mr. Hossain Khaled	Vice Chairman	Member	6	5
Mr. Rajibul Huq Choudhury	Director	Member	6	6
Ms. Rebecca Brosnan	Director (Nominated by IFC)	Member	6	6
Mr. Matiul Islam Nowshad	Independent Director	Member	6	5

The Company Secretary serves as the Member Secretary for all meetings. Other invited attendees included Chief Risk Officer (CRO), Chief Financial Officer (CFO), and head of business segments and risk divisions.

## Meetings of the BRMC

BRMC met six (6) times in 2024 to review and assess the bank's risk-prone exposures, risk supervision mechanisms and corrective measures. Dates of BRMC meetings held during the year are as follows:

BRMC meeting	Date of meeting
49th Meeting	February 29, 2024
50th Meeting	April 25, 2024
51st Meeting	June 20, 2024
52nd Meeting	July 02, 2024
53rd Meeting	October 03, 2024
54th Meeting	December 18, 2024

## Roles and responsibilities of the Board

The Board has delegated its oversight of the bank's risk management to the BRMC with the following mandate:

- Risk identification and development of a comprehensive control strategy
- Adoption of organizational structure, embedding risk governance across the bank
- Review and adoption of the risk management policy
- Risk reporting for archival and future referencing
- Implementation supervision of the overall risk management policy
- Miscellaneous responsibilities, including quarterly reporting of resolution and recommendations to the Board, ensuring compliance with regulatory directives and evaluation of reports by internal/external auditors
- Any other responsibility as assigned by the Board and Bangladesh Bank

## 2024 activities

In 2024, BRMC launched many efforts to fulfill its obligations as the bank's custodian of risk governance and stakeholder trust.

**Review of risk management policy and processes:** Prior to submission to the Board for approval, BRMC evaluated the risk management policy, risk mitigation methodology and risk reports and offered suggestions



based on its findings. It also ensured specific focus on material matters, such as any deviation and its justification, regulatory compliance, adherence to policy review methods, etc. In several cases, BRMC recommended more rigorous policies than required by regulation.

**Recommending risk appetite statements:** BRMC reviewed the bank's draft risk appetite statement for the year 2024, before placing it to the Board for approval.

**Asset quality monitoring:** BRMC reviewed the bank's non-performing loan (NPL) management strategy with granular detail across all business segments. The committee focused on SMAs (Special Mention Accounts) and recovery from delinquent assets, and reviewed implementation status of the strategies adopted in the meetings.

**Concentration risk:** The committee reviewed sector/industry/geographic loan concentration of the bank. It also reviewed large loan exposures against the bank's risk appetite on a quarterly basis.

**Review of key performance indicators (KPIs) for risk management:** At the beginning of 2024, a number of KPIs on risk management were set by the BRMC. The performance/achievement against KPIs was reviewed by the BRMC on a quarterly basis for effective risk management and control. KPIs were set for asset quality, portfolio under moratorium, concentration risk, capital management, liquidity, bank's credit rating, E&S risk, disposal of legal cases, IT risk, etc.

**Capital management:** BRMC reviewed the bank's overall capital management strategy and recommended the constitution of a long-term business plan, aligned to capital adequacy.

**Market and liquidity risk:** The committee reviewed portfolio risk areas covering net open position (NOP), FX VaR, capital market exposure, equity VaR, update on FX liquidity, CRR, SLR, ADR and LCR. It also reviewed projected forex inflow and outflow. It further assessed the "Proposed Revision in Counterparty Risk Assessment Process (Banks and NBFI)" and recommended to review a few parameters before placing it to the Board for approval.

**Operational risk:** The committee reviewed different operational risk issues. Occupational health, safety and environmental framework of the bank was also reviewed by the committee.

**Legal risk:** The committee reviewed the "Achievement against Disposal Target of Pending Legal Cases" during the year.

**Reviewing activities of Sustainable Finance Unit:** The committee reviewed the sustainable finance and green banking activities for the 2024 period.

**Reviewing activities of Executive Risk Management Committee (ERMC) and Credit Risk Management Committee (CRMC):** BRMC evaluated the activities of the bank's ERMC and CRMC for 2024.

**Risk management reports and outcomes:** BRMC reviewed the monthly risk management report (MRMR), half-yearly comprehensive risk management report (CRMR) and activities of ERMC.

**Risk management effectiveness report:** The "Review Report of Risk Management Policies and Effectiveness of Risk Management Functions for the Year of 2024" was placed to the BRMC for their observation, before placing it to the Board.

**Internal Capital Adequacy Assessment Process (ICAAP):** BRMC reviewed the bank's ICAAP and SRP (Supervisory Review Process) documents developed based on 2023.

**Stress-testing outcome:** The quarterly stress-testing results were reviewed by BRMC and various recommendations were made to improve the bank's risk resilience.

**Chief Risk Officer's statement:** Chief Risk Officer provided updates on different internal and external risk management matters in every BRMC meeting. Various areas covered through CRO's statement include DuPont analysis, residual income, economic and market value, government regime shift, liquidity situation, banking regulations, etc.

## Recommendations of the BRMC to the Board

The recommendations and decisions taken in the BRMC meetings were placed to the Board for their review.

BRMC Meeting	Placed in the Board Meeting
Recommendation from 49th meeting	656th Board Meeting held on March 27, 2024
Recommendation from 50th meeting	660th Board Meeting held on June 24, 2024
Recommendation from 51st meeting	664th Board Meeting held on September 09, 2024
Recommendation from 52nd meeting	666th Board Meeting held on October 07, 2024
Recommendation from 53rd meeting	674th Board Meeting held on January 14, 2025
Recommendation from 54th meeting	678th Board Meeting held on March 09, 2025

## Future roadmap

The outlook and strategic path forward for BRMC of City Bank is anchored on strengthening governance, enhancing strategic oversight and adapting to the rapidly evolving risk landscape. As financial institutions face growing complexity in risk dynamics—from digital transformation to climate change—the BRMC will adopt a more proactive and forward-looking approach. A key priority will be strengthening the bank's overall risk governance framework, including refining the risk appetite framework to align with the bank's growth ambitions and evolving economic dynamics. The committee will also work to promote a strong risk culture across the organization, ensuring that risk awareness is embedded in every level of decision-making.

Further, integration of enterprise risk management will be another focal point. Rather than managing risks in silos, BRMC will aim to adopt a more comprehensive view of risks, linking them to strategic planning and operational execution. Oversight of digital and cyber risks will become increasingly important, especially as the bank expands its digital services and partners with financial tech-centric platforms. BRMC will thus ensure robust cyber governance and third-party risk management systems are in place.

In response to global trends and regulatory expectations, BRMC will also incorporate climate, social and environmental risks into its oversight responsibilities. This includes guiding the implementation of green banking practices and ESG risk frameworks. Furthermore, the committee will leverage digital tools to enhance risk monitoring, adopting real-time information to make faster and more informed decisions. Continuous capacity-building of BRMC members and regular performance evaluations will further ensure the committee remains agile and effective. Overall, the roadmap envisions a BRMC that is resilient, tech-driven and closely aligned to City Bank's strategic vision and Bangladesh Bank's regulatory expectations.

## Acknowledgements

Risk Management Committee of City Bank's Board extends its heartfelt appreciation to the members of the Board, Management team and the Executive Risk Management Committee for their unwavering and constructive support. We look forward to continued cooperation and support for strengthening the bank's risk governance and control practices.

On behalf of the Board's Risk Management Committee,

Hossain Mehmood

Chairman, Board's Risk Management Committee



# MANAGEMENT COMMITTEES AND THEIR RESPONSIBILITIES

In an effective corporate governance structure, the bank management has a collective mandate under the leadership of the MD & CEO to carry out operations in the best interests of all stakeholders. The management team is headed by the Managing Director & CEO, Mr. Mashrur Arefin. Several Management Committees have been constituted to handle the banking operations and identify and manage risks. The committees include MANCOM, Extended MANCOM, ALCO, RMU, Investment Committee and Purchase Committee. The Managing Director leads the three most important committees: MANCOM, ALCO and Investment Committee.

## Management Committee (MANCOM)

MANCOM is considered the bank's highest decision and policy-making authority which consists of the MD & CEO and the heads of various large divisions. Regular tasks of the committee include:

- Monthly business and financial performance analysis
- Monthly business review and analysis of each business unit's performance

## Extended Management Committee (EMC)

The Executive Risk Management Committee (ERMC) is a senior management committee that guides the execution of policies, strategies and tactics, following the advice of the Board Risk Management Committee (BRMC). Its responsibilities include identifying, measuring and managing risks, ensuring compliance with decisions, submitting proposals, implementing decisions, assessing capital requirements, determining risk appetite, contributing to risk policy formulation and reviewing risks in new products.

## Asset Liability Committee (ALCO)

The duties of managing market risk, including liquidity, interest rate and foreign exchange risk lies with the Treasury Division under the supervision of ALCO. ALCO is comprised of the bank's senior executives who meet at least once a month. The committee evaluates the current position of the bank and provides direction to mitigate market risk exposures to a minimum level. During 2024, ALCO remained fully engaged with activities in setting strategies and revamping previous strategies to cope with the dynamic market conditions.

## Basel Unit

City Bank has established a management-level committee, 'Basel Unit', to implement Basel III standards in its banking operations. The committee, chaired by the MD & CEO, is responsible for implementing the Basel Accords' Action Plan, communicating issues to management, engaging in QIS and arranging customized training programs.

## Supervisory Review Process (SRP) team

Bangladesh Bank's revised process document mandates a bank to have an SRP team as the Managerial Layer of Supervisory Review Process. City Bank's SRP team, led by the MD & CEO, validates the

ICAAP report, represents the bank in dialogue with Bangladesh Bank's SREP team and determines capital requirements in line with regulatory statutes.

## Executive Risk Management Committee

The bank's Executive Risk Management Committee comprises of senior management, with the Chief Risk Officer in the chair to ensure comprehensive, proper and timely identification, management and mitigation of risks facing the bank.

## Credit Risk Management Committee

The objective of this committee is to identify possible risks assumed by the bank for different types of credit transactions and review the bank's strategy on lending, rescheduling, monitoring, recovering and keeping the asset quality at expected levels on a regular basis. This committee is headed by the Chief Risk Officer.

## Committee for Morale, Ethics and Integrity

In line with the implementation of the National Integrity Strategy (NIS) of Bangladesh, the bank has constituted a "Committee on Morale, Ethics and Integrity" to implement the NIS within the bank. The committee identifies ways to protect loan default and promote consciousness with a view to reduce frauds, forgeries, irregularities and other sources of corruption across the bank.

## Investment Committee

The five-member Investment Committee looks after investment in the capital market and meets whenever required. The committee oversees and monitors investment decisions so that they are carried out as per approved strategies and investment policies. The committee regularly monitors the bank's holdings of shares and capital market exposures and ensures keeping investment within prescribed limits (currently 25% of the prescribed capital), as set by the central bank.

## Sustainable Finance Committee

Sustainable Finance Committee (SFC) oversees and supervises all activities related to green finance and sustainability through the Sustainable Finance Unit (SFU). The committee is headed by the AMD & CBO. Operational Head of Sustainable Finance acts as Member Secretary and Senior Manager of Sustainable Finance acts as Focal Member of the SFC.

## Purchase Committee

The five-member Purchase Committee plays a key role in the procurement procedures of the bank.

## IT Steering Committee

The roles and responsibilities of the IT Steering Committee are to monitor the progress of achieving IT-related strategic goals and provide guidance related to risk, funding and sourcing. It



also ensures project priorities and assesses feasibility for ICT proposals, consults and advises on the selection of technology, while maintaining standards to ensure compliance with regulatory and statutory requirements.

### ICT Security Committee

The roles and responsibilities of the ICT Security Committee are to ensure the development and implementation of ICT security objectives, ICT security-related policies and procedures. It also provides ongoing management support to the information security processes to ensure continued compliance with business objectives and regulatory and legal requirements related to ICT security.

### ICT Risk Management Committee

The roles and responsibilities of the ICT Risk Management Committee are to support the formulation of an ICT risk management framework/process and establish acceptable ICT risk thresholds/ICT risk appetite and assurance requirements, while also governing the overall ICT risks and relevant mitigation measures and periodically conducting meetings with respective teams to assess the status of ICT security risks of the bank. The ICT Risk Management Committee is incorporated within the Operational Risk Management Framework.

### Central Compliance Committee

Banks must establish a Central Compliance Committee (CCC) under the Chief Anti-Money Laundering Compliance Officer (CAMLCO) to prevent money laundering and terrorist financing risks. The CCC advises on ML and TFPD's instructions to branches, implementing transaction monitoring systems, internal control systems, policies and techniques. It reports directly to the Managing Director & CEO. The CCC's responsibilities include determining organizational strategies, reviewing compliance status, submitting half-yearly reports, nominating the Anti-Money Laundering Compliance Officer and providing instructions to ML and TFPD.

### Cost Control Committee

The Cost Control Committee (CoCC) of the bank holds the important function of identification opportunities for cost optimisation. Towards this end, it focuses on either minimising or eliminating non-value adding activities to control costs, or it looks to enhance productivity through reallocation of resources, which also yields cost benefits. CoCC holds the position that cost control or downscaling adds to the bank's profitability, especially in an environment where this source is an important profitability driver.

# VISION, MISSION AND STRATEGY

## 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. We accomplished sound results on this front, making progress across most of the metrics and emerging as the preferred bank for both deposit-holders customers and borrowers. Further, we made strong progress on the financial front too, registering a robust financial performance during the year, which has further enhanced the bank's position in a sectoral environment defined by increasing consolidation.

## 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 and ensure respect for the community, good governance and compliance in everything we do

## Core values

Our values define the way we think, work and act. We believe that

we can realise our vision and mission when the expected behavior 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'

As a bank, our key strategic priorities include:

- **Financial inclusion:** We aim to integrate more and more of the population into formal banking, particularly in rural areas, to foster economic growth and reduce poverty.
- **Digital transformation:** Our Citytouch platform offers accessible digital banking solutions, enhancing customer convenience and minimizing the need for branch visits.
- **Product diversification:** We focus on expanding our range of deposit accounts, loans and exclusive American Express card offerings to remain competitive in the market.
- **Sustainable banking:** We incorporate ESG factors into our operations, committing to zero carbon emissions and promoting sustainable finance to support productive sectors.
- **Customer relationship management:** By enhancing our CRM capabilities, we build long-lasting relationships through personalized services and financial literacy programs.
- **Talent development:** We invest in employee training and development to enhance skills and retain key talent, ensuring high-quality service delivery to our customers and retention of our precious intellectual capital.

Overall, our strategic priorities reflect our commitment to innovation, customer-centricity and sustainability, positioning City Bank as a leader in the Bangladeshi banking industry.



# REPORT OF THE BOARD AUDIT COMMITTEE

## Introduction

At City Bank, achieving long-term growth is a key organisational objective, particularly in an environment of major challenges, compounded by the war in Europe and Asia that has triggered inflation and dollar crises in Bangladesh, similar to elsewhere in the world. Further, the regime change in August 2024 also created a period of business disruption with large-scale public protests hampering business.

As a bank with a proven track record, in order to accomplish our long-term aims and ambitions, we apply our sustainability framework with robust financial controls, factoring ESG components across our organisation for facilitating responsible business stewardship. As a result, we believe that strong financial management enhances the bank's efficiency and effectiveness in generating sustainable value across business and market cycles and industry trends. As a result, we go beyond management structures, policies and procedures to incorporate audits and assessments into our organizational culture to assure that the bank continues to adhere to the highest standards of compliance and governance, fostering success on a durable basis.

## Objectives and Actions

- To assist the Board in fulfilling its oversight responsibilities,

including the implementation of corporate objectives, strategies and overall business plans set by the Board

- To review the financial reporting process and the effectiveness of the internal control process
- To assess the effectiveness of overall processes and procedures for monitoring compliance with laws and regulations and the code of business conduct
- Review the compliance status of the inspection report from Bangladesh Bank

### Leading change through best practices on risk and governance

According to BRPD Circular No. 11 dated October 27, 2013, the Board adopts the bank's objectives, strategies and general business plans, and the Board Audit Committee supports the Board in carrying out its supervisory and surveillance obligations.

The Board established the Board Audit Committee to provide independent oversight of the bank's financial reporting, non-financial corporate disclosures, internal control systems and compliance with governing rules and regulations, in accordance with Bangladesh Bank guidelines and Bangladesh Securities and Exchange Commission (BSEC) notification on Corporate Governance.

### The Committee is also tasked with reviewing the following:



Financial reporting processes



System of internal control and superintendence of financial risks and processes



Audit processes



Processes for monitoring observance of laws, guidelines and regulations

## Board Audit Committee Structure

Name of Director	Status with the bank	Status with the Committee	Educational qualification	Meeting attendance
* Dr. Salim Mahmud	Independent Director	Chairman	PhD	04/08
Mr. Matiul Islam Nowshad	Independent Director	Member	MBA	08/08
Mrs. Syeda Shaireen Aziz	Director	Member	BBA	08/08
Mrs. Savera H. Mahmud	Director	Member	MSS	08/08

Company Secretary: Mr. Md. Kafi Khan

\* Dr. Salim Mahmud, Independent Director and Chairman of the Board's Audit Committee, resigned for personal reasons on 21 August 2024. The Board of Directors unanimously accepted his resignation, effective 9 September 2024. Subsequently, the Board appointed Mr. Nazimuddin Chowdhury as an Independent Director, subject to approval of regulators and shareholders at the ensuing 42nd Annual General Meeting.\*

## Roles and responsibilities of the committee

The Board Audit Committee is responsible for the following:

### (i) Internal control

- To evaluate whether the management sets the appropriate compliance culture and standards by communicating the

importance of internal control and the administration of risk, while also ensuring that all employees have clear understanding of their roles and responsibilities.

- To review the management's actions in technology advancement, especially in the realm of digital banking, and the bank's Management Information System (MIS).



- To consider whether internal control strategies, recommended by internal and external auditors, have been implemented by the management.
- To consider reports relating to fraud, forgery and deficiencies in internal control, or other similar issues detected by internal and external auditors and inspectors of the regulatory authority, and place it before the Board after reviewing whether necessary corrective action has been taken by the management.

#### (ii) Financial reporting

- To review, along with the management, whether the interim and annual financial statements reflect complete and true information, as well as to determine whether the statements are prepared in accordance with the existing rules, regulations and standards in-force in the country and as per the relevant accounting principles stipulated by Bangladesh Bank.
- To review the Management's Discussion and Analysis report before disclosing it in the Annual Report.
- To review the financial statements with the management and external auditors before its finalisation.
- To review the statement of related party transactions submitted by the management.

#### (iii) Audit Committee Internal Findings

- To monitor whether the internal audit works independently from the management.
- To review the activities of the internal audit and the organizational structure, and ensure that no unjustified restrictions or limitations hinder the internal audit process.
- To examine the efficiency and effectiveness of the internal audit function.
- To examine whether the findings and recommendations made by the internal auditors are duly considered by the management.

#### (iv) Audit Committee External Findings

- To review the performance of the external auditors and their audit reports.
- To examine whether the findings and recommendations made by the external auditors are duly considered by the management.
- To make recommendations to the Board regarding the appointment of external auditors.
- Make recommendations to the Board, to be put to shareholders for approval in the AGM, concerning the appointment, re-appointment and removal of the bank's external auditors. The committee also oversees the selection process of new auditors and investigate any issues that might have led auditors to resign.
- Oversee the relationship with the external auditors, including:
  - Recommendation of their remuneration, i.e., fees for audit or non-audit services.
  - Annual assessment of their independence and objectivity, taking into account relevant professional and regulatory requirements.

iii. Ensure that there are no relationships such as family, employment, investment, financial, or business between the auditor and the bank, except for circumstances arising in the ordinary course of business.

- Hold meetings with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption.
- Examine the findings and recommendations of the external auditors regarding irregularities; if any irregularity is detected, it is duly addressed by the management.

#### (v) Compliance with existing laws and regulations

- To review whether laws and regulations framed by the regulatory authorities (central bank and other governing bodies) and internal regulations approved by the Board are being complied with.

#### (vi) Other responsibilities

- To submit a compliance report to the Board on a quarterly basis on corrective action taken on omission, fraud and forgery cases and other irregularities detected by internal and external auditors and inspectors of regulatory authorities.
- To solicit assessment reports from external and internal auditors.
- To perform other oversight functions as desired by the Board and evaluate the committee's own performance on a regular basis.

#### (vii) Communication with the Board

The Audit Committee keeps the Board informed after each meeting and notifies them of any of the following events:

- Disclosure of any conflict of interest.
- Notification of suspected or potential fraud, irregularities, or significant issues with the bank's internal control system.
- Reporting of suspected violations of laws, including securities laws, rules and regulations.
- Communication of any other matters the ACB deems necessary.

#### Meetings of the Committee

The Audit Committee of the Board held 8 (eight) meetings during the year 2024 and engaged in detailed discussions and reviews with the Head of Audit & Inspection, Head of Internal Control & Compliance, internal auditors and external auditors regarding their findings, observations and remedial suggestions on issues of the bank's affairs that necessitated improvement. The Audit Committee instructed the management to follow the remedial suggestions and monitored them accordingly.

Audit Committee meetings	Date of meetings held
111st Audit Committee Meeting	11.03.2024
112nd Audit Committee Meeting	27.03.2024
113rd Audit Committee Meeting	21.04.2024
114th Audit Committee Meeting	08.05.2024
115th Audit Committee Meeting	08.08.2024
116th Audit Committee Meeting	17.09.2024
117th Audit Committee Meeting	29.10.2024
118th Audit Committee Meeting	30.12.2024



## Year 2023 Extended Audit Observations and Actions Taken

Following the external auditor's recommendations for FY2023, City Bank promptly developed and executed action plans to address key improvement areas. Below is a summary of significant audit observations and corresponding actions taken proactively, which reflects City Bank's commitment to addressing audit recommendations, improving operational efficiency and maintaining sound governance standards:

SL.	External Audit Recommendation	Action Plan Implemented
1	Low recovery from written-off loans and advances; Improve recovery rates.	Implemented recovery through asset liquidation, guarantor actions, and legal measures, addressing challenges like Mouza price hikes, digital Khazna and economic conditions. Targeting higher recovery in 2024.
2	Improve geographical diversification of loans and advances.	Portfolio diversification through RAS monitoring, expansion in rural areas, small businesses, retail banking and agent banking.
3	Nine branches reported losses in 2023; investigate and resolve causes.	Implemented cost-cutting measures, focused on low-cost deposits, explored new income streams, enhanced digital services and diversified portfolios.
4	Long-standing unrealized locker rents; ensure recovery and compliance.	Partial compliance achieved through active customer communication and legal measures. Besides, the bank is in the process of including magistrate involvement for unclaimed lockers.
5	Zero balance accounts; close after due diligence.	Partially complied; bank's Liability Service Center manages zero balance accounts centrally and is continuously monitoring the same.
6	Dormant and/or inoperative accounts; ensure operational activity.	Issue resolved through detailed analysis and corrective actions.
7	Long pending entries in Suspense accounts; adjust amounts with authorization.	Write-off memo submitted; awaiting closure upon getting management feedback.
8	Fixed asset tagging and tracking; ensure labeling for control.	Fully complied through proper tagging and tracking of fixed assets.
9	Undelivered VISA/ATM cards; deliver or destroy to avoid fraud risks.	Issue resolved by destroying undelivered cards to mitigate fraud risks.

## Major issues reviewed by the Audit Committee in 2024:

The Audit Committee of the Board (ACB) proactively demonstrates its vital role in upholding robust governance, fostering transparency and ensuring the bank's sustainable growth while maintaining stakeholder confidence. It collaboratively functions with the management, external auditors and regulators which underscores its dedication to establishing a resilient and compliant operational framework. In 2024, ACB held eight meetings, covering a broad spectrum of critical matters to ensure robust financial oversight, operational excellence and regulatory compliance. Key areas of review included:

- Finalization and approval of City Bank's 2023 financial statements after detailed discussions with Bangladesh Bank, external auditors and bank management.
- Comprehensive financial reviews of City Bank's subsidiaries for each quarter of 2024, ensuring transparency and accuracy in reporting.
- Reviewing and recommending appointment and re-appointment of external auditors, including those responsible for certifying compliance with BSEC's Corporate Governance Code.
- Regular review of Bangladesh Bank's inspection reports on both the head office and branches, ensuring prompt corrective action and compliance.
- Approval and monitoring of the bank's annual audit plans for

2024 and 2025, with a focus on core risk areas and internal control effectiveness.

- Detailed analysis of internal audit findings across various units, including IT/IS and Shari'ah audits and overseeing the implementation of corrective action plans.
- Quarterly assessments of loan documentation, compliance reports on fraud and forgeries and exceptions to credit risk policies.
- Discussed the finalization of willful defaulters.
- Oversight of the Nomination and Remuneration Committee (NRC) functions and salary restructuring for senior executives.

## Acknowledgements

The Board Audit Committee wishes to express its heartfelt gratitude to the Directors of the Board, the management and internal and external auditors for their exceptional support and assistance in carrying out the committee's obligations and duties.

On behalf of the Audit Committee,

**Matiul Islam Nowshad**  
Member, Audit Committee

# INTERNAL CONTROL & RISK MANAGEMENT

## Directors' Responsibility Statement to Establish Appropriate System of Internal Control

City Bank's Board has a crucial responsibility to establish and maintain an effective system of internal control. This responsibility stems from both regulatory expectations set by the Bangladesh Bank and the need to protect stakeholders' interests, ensure sound financial practices and maintain public confidence in the banking sector.

Notably, internal control systems are the foundation of the bank's risk management framework. Directors of the bank ensures that the internal control system is robust, comprehensive and tailored to the bank's scale and complexity. These systems help prevent fraud, ensure accuracy in financial reporting, safeguard assets and facilitate compliance with relevant laws and regulations. A well-established internal control system also aids in identifying and mitigating operational, financial and reputational risks of the bank.

As per the guidelines issued by Bangladesh Bank, the Board of Directors is ultimately responsible for overseeing the internal control environment of the bank. This includes approving policies, setting the "tone at the top" and ensuring that a culture of integrity, ethical conduct and accountability is upheld across the organization. The Board also ensures the independence and effectiveness of the bank's internal audit function, which regularly assesses whether internal controls are operating as intended.

One of the key responsibilities of the Board is to establish a risk-based internal audit plan and monitor its implementation. City Bank's

Board ensures that the audit findings are promptly addressed and that appropriate corrective actions are taken. They also regularly review the effectiveness of internal controls and safeguards through reports presented by management and auditors.

Additionally, the Board also ensures the development and periodic review of internal control policies and procedures, including those related to credit risk, liquidity risk, operational risk, IT governance and anti-money laundering. Compliance with Basel III guidelines and the Bank Company Act, 1991 (amended) also places additional governance responsibilities on the Board regarding internal control which it fulfills with due care.

Ultimately, a strong internal control system is not just a regulatory necessity but a strategic tool for long-term sustainability. Directors of City Bank play a pivotal role in fostering a risk-aware culture and ensuring that the bank can respond effectively to both internal and external challenges. Their active engagement, oversight and commitment to high standards of governance are key to maintaining financial stability and public trust in City Bank.

On behalf of the Board of Directors,



**Aziz Al Kaiser**  
Chairman

## Directors' Responsibility Statement on Adequacy of Internal Control System

The adequacy of internal controls at City Bank, one of the leading private commercial banks in Bangladesh, is essential for ensuring operational efficiency, regulatory compliance, risk mitigation and the protection of stakeholders' interests. Given the size, complexity and nature of its operations, the bank requires a well-structured and dynamic internal control framework that can effectively respond to both internal and external risks.

Internal controls at City Bank are designed to provide reasonable assurance regarding the achievement of objectives related to financial reporting, operational efficiency and compliance with applicable laws and regulations. These controls cover a wide range of functions, including credit management, treasury operations, IT systems, customer service and anti-money laundering (AML) compliance. The bank follows the internal control guidelines set by Bangladesh Bank, as well as international standards such as those outlined in the COSO framework, a widely recognized framework for internal control, enterprise risk management and fraud prevention.

One of the key indicators of adequacy is the presence of an independent internal audit department, which reports directly to the Board Audit Committee of the bank. This structure enhances transparency and ensures that control deficiencies are identified and addressed in a timely and prompt manner. Furthermore, periodic risk assessments and control testing allow City Bank to evaluate the effectiveness of its control environment and make necessary adjustments and alignments for continued strength.

The bank has also invested in automated control systems, particularly in its IT infrastructure, to detect irregular transactions, manage cybersecurity threats and maintain data integrity. These

technological controls are crucial for managing the large volume of digital transactions and customer data that flow through the bank on a daily basis.

In addition, the Board and ManCom at City Bank are actively involved in the governance of internal controls. They set clear policies and guidelines and promote a risk-aware culture across the organization. Regular training programs are also conducted to keep employees updated on compliance requirements and internal policies.

Maintaining adequacy however is an ongoing process. As the banking sector in Bangladesh evolves and faces new challenges such as digital transformation, cyber risks and regulatory updates, City Bank will continuously enhance and adapt its internal controls to the dynamic environment. Periodic reviews, audits and stress-testing are essential tools that will continue to ensure that the controls remain effective and responsive to the changing risk landscape.

Thus, City Bank's internal control system remains adequate given its scale and operations. Nonetheless, ongoing evaluation and improvement are necessary to uphold high standards of governance, ensure financial stability and maintain stakeholder confidence in an increasingly complex banking environment.

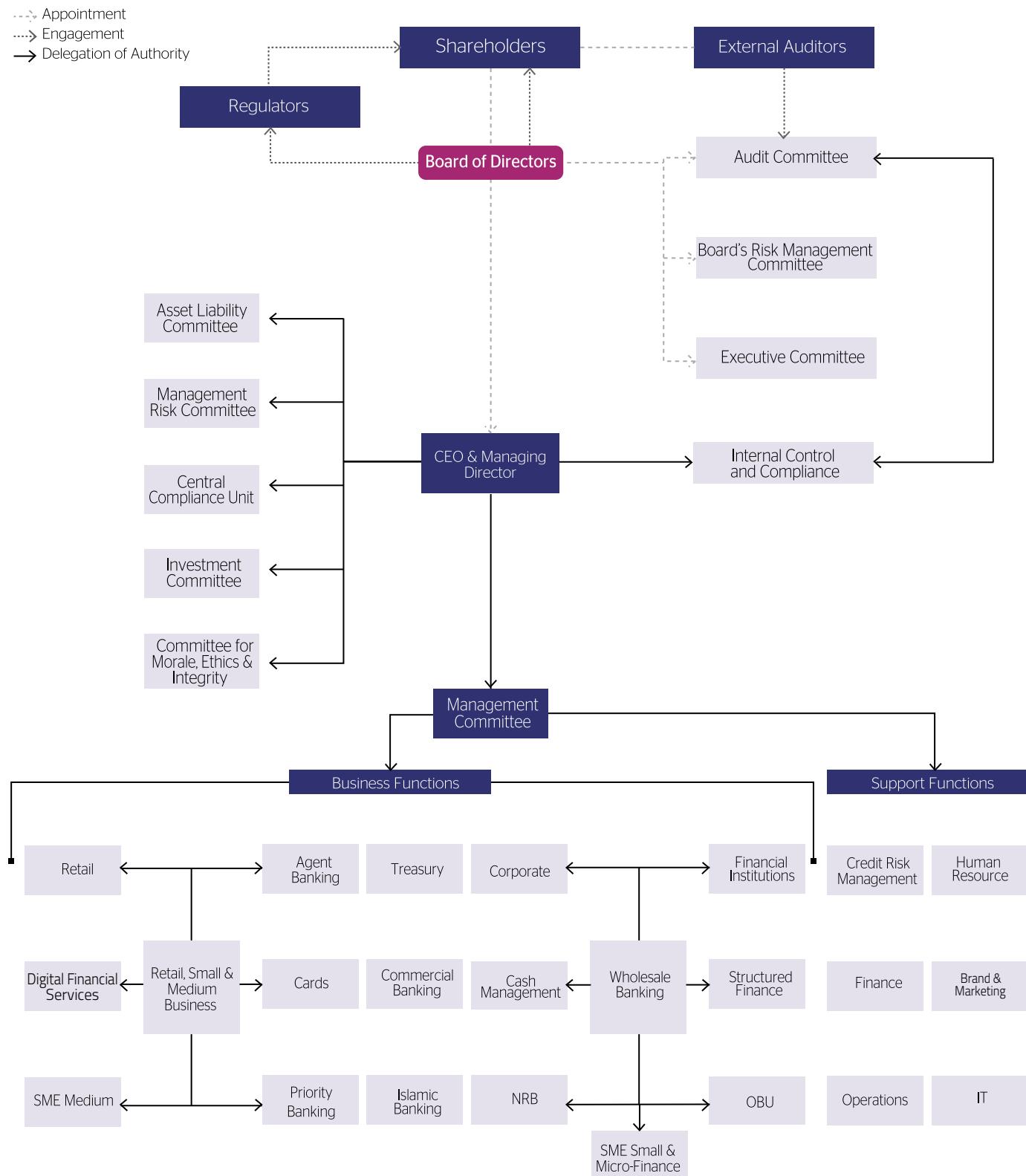
On behalf of the Board of Directors,



**Aziz Al Kaiser**  
Chairman



# OUR CORPORATE GOVERNANCE STRUCTURE





## Internal Systems and Controls

### Ensuring trust, transparency and responsibility

The bank's internal control system systematically identifies and analyses all significant risks that could compromise the bank's aims and objectives. It considers both internal and external factors in detail during risk assessment. External factors encompass macroeconomic conditions, foreign currency volatility, changes in industry regulations, socio-political developments, geopolitical challenges such as the wars in Europe and Asia, technological advancements, and variations in country rules and regulations.

The bank's Internal Control & Compliance Division (ICCD) evaluates and monitors all significant risks that could impede the achievement of the bank's goals. It emphasizes compliance with regulatory standards and social, ethical, environmental and governance risks that may impact the banking system in its risk assessment. It ensures the reliability of financial and managerial information that supports enhanced strategic decision-making. ICCD further complies with laws, regulations and guidelines issued by regulators and the bank's own policies and procedures. Robust internal controls allow the bank to safely pursue more profitable activities that would otherwise be deemed risk-prone for a bank without these controls. Therefore, ICCD boosts public confidence in the bank, ensuring operational integrity and reputation, while also enabling risk-based examination.

The bank's ICCD functions independently as a division and comprises four units (Audit & Inspection, Information Systems Audit, Shari'ah Audit and Compliance & Monitoring), which are responsible for determining risks and assessing the overall business, operations, credit portfolio, foreign exchange, treasury function, etc., of the bank. The primary objective of ICCD is to assist and guide all aspects of the bank by allocating adequate resources for identifying control deficiencies and adopting suitable measures to address them to ensure full compliance.

The audit function of the bank, as a part of ICCD, operates independently and reports to the Board Audit Committee. Likewise, the Shari'ah Audit function reports directly to the bank's Shari'ah Supervisory Committee (SSC). This framework is a vital component of the bank's three lines of defense model. Thus, ICCD acts as a bridge between the Board, SSC and the bank's management. A sound organizational structure has also been established by promoting a dependable internal control culture within the bank.

The following is a summary of our status in establishing robust internal controls across the bank, in alignment with regulatory requirements:

- The Board has adopted a modern, scientific and acceptable internal control and compliance process within the bank.
- The Board Audit Committee has developed an effective procedure for financial reporting disclosures, designing a suitable internal control system and ensuring coordination with both internal and external auditors to minimize the occurrence of business and operational risks.
- The Shari'ah Supervisory Committee ensures that the bank's Islamic banking business complies with Shari'ah laws, guidelines and principles, as well as general banking norms.
- The bank's Senior Management Team (SMT) and Management Committee (MANCOM), with the support of the Extended Management Committee (EMC), oversees the overall superintendence of the bank and determines the level of internal control system that is appropriate and adequate for the

bank.

- Organizational and procedural controls, supported by an effective MIS assist in the prudent management of the bank's exposure to risk.
- External auditors assess the internal control system while conducting their statutory audit.
- ICCD has been structured according to the mandated organizational structure of Bangladesh Bank's core risk management guideline on ICC.
- Control policies and procedures have been established and control tests are performed by ICCD to ensure that control measures are appropriate.
- Updated internal control policies and manuals are issued on a regular basis.
- An independent audit mechanism monitors the effectiveness of organizational and procedural controls.

Additionally, a robust Risk-Based Internal Audit (RBIA) function has been established. The internal control function conducts risk assessment that focuses on compliance with the bank's policies, as well as regulatory requirements and social, ethical and environmental risks, in order to ensure maximization of opportunity through minimization of risk and to sustain the growth outlook of the bank.

Branch risk and control matrix has been devised and is being updated regularly. Consequently, branches are now being audited on an off-site basis in the standardized approach via a robust IT platform with the support of all stakeholders, including branches, operations and the Board Audit Committee. Risk and control matrix for several Head Office functions have been devised and are being utilized for audit purposes. Risk and control matrix of the remaining divisions will be implemented in the current year (2025).

Upon completion of audit of the branches/divisions/units or subsidiaries, the audit teams identify and escalate high-risk issues to the leadership team along with relevant SMT/MANCOM/CEO level through discussion with an action plan for proper closure of the issues with the aim of strengthening their risk and control environment. These teams also collaborate with the branches/divisions/units and subsidiaries through a comprehensive review of their policies, processes and SOPs in order to identify any possible control gaps for process improvement.

Importantly, all regulatory requirements (including all instructions, circulars and guidelines issued by Bangladesh Bank) have been duly implemented and compliance is routinely monitored by ICCD and RMD to test and determine effectiveness. Moreover, every year, ICCD prepares a detailed annual integrated report on the health of the bank and submits it to the Board to assess strengths/development areas of the bank on the basis of certain key metrics. This helps foster a culture of governance and compliance across the bank.

#### a. Internal Control and Compliance

City Bank's Board has established an internal control system to manage key risks facing the bank, while pursuing business and operational excellence. The system is adaptable to assessing risks, ensuring they are effectively managed within reasonable limits.

##### Strategic intent

The strategic intent of Internal Control & Compliance Division (ICCD)



of City Bank is to ensure the soundness, integrity and transparency of the bank's operations to protect stakeholder interests and expectations.

## Review

A bank must manage public money with care and keep the system liquid and fair. A bank must also sustain its structure and prevent any contagion effects. It must further balance risk and reward and oversee any untoward risk formations. City Bank is well-aware of its role in Bangladesh's financial sector. The bank's Board has devised the necessary frameworks and strategies to effectively identify, analyze and govern risk with sound internal controls and standards. The Board monitors risk governance and provides assurance that the bank's systems are sound and fit to manage and mitigate any risks. The Board also ensures disclosure and reporting as per Bangladesh and international accounting standards.

The bank adapts to the changing times and updates its policies and guidelines that enable effective control and compliance. Macroeconomic uncertainties in Bangladesh have been driven by the major political upheaval, climate-induced disasters and excessive dependence on a few sectors of the economy. This has affected GDP growth, elevated inflation and impacted the exchange rate, fiscal deficit and external debt position of the country.

As a major player of Bangladesh's economy, City Bank monitors and manages macroeconomic risks and their potential impact on asset quality, liquidity and profitability. The Board also employs a risk-based audit approach, helmed by its ICCD. The bank complies with all policies and rules and respects all regulatory norms and standards.

## Key trends in the operating environment

At City Bank, we are committed to achieving long-term growth even in a complex and uncertain environment. We operate in a country that faces various challenges that affect our business and investment climate, such as political uncertainty, foreign exchange scarcity, global conflicts affecting stability of the world economy and climate change and sustainability issues. We have strived to overcome the challenges by adhering to ethical and legal standards, diversifying our funding sources and ensuring robust risk management, improving our security and contingency plans and reducing our environmental impacts while enhancing our social contribution. To achieve our long-term objectives, we have adopted a sustainability framework that integrates financial, environmental and social aspects of the organization and ensures compliance and governance through ongoing audits and evaluations.

## The following are some of the other key facets of ICCD's responsibility and the way impact is created

- **Branches:** A branch risk and control matrix has been developed, which is updated on an ongoing basis. This matrix enables us to effectively engage in branch audits using a standardized approach via a robust IT platform with the support of all stakeholders, including branches, operations and different bank divisions. Our team works with the branches to fortify their risk and control environment by escalating high-risk issues to the relevant ManCom members for effective resolution.
- **Head Office Divisions:** The HO & FX audit teams utilize risk and control matrices to audit various divisions and subsidiaries. They report and resolve risk-prone issues with the leadership team, including relevant ManCom members/CEO. They also review and improve policies, processes and SOPs to identify any possible

control gap/s for process improvements of the audited entities.

- **Coordination of Central Bank Inspections:** ICCD's compliance team is the key link between City Bank and Bangladesh Bank. It handles all rules and regulations with proper care. It follows recommendations and advisories and closes issues in a time-bound manner. It further ensures the bank remains compliant at all times.
- **Monitoring of Regulatory Correspondences and Impact Analysis of New Regulations:** ICCD enhances the bank's risk and control environment by monitoring all regulatory correspondence from regulators through independent assessment and compliance assurance to new regulations and approval conditions on various issues. The Monitoring Unit uses the advanced tool, 'Regulatory Report Tracking System (RRTS)' to ensure timely response to all regulatory correspondence. It also oversees periodic regulatory reporting by different departments/divisions, as per regulatory requirements.
- **Employee awareness:** ICCD provides regular training and conducts workshops for participants to enhance ICC audit awareness, especially on AML & CFT issues. This training is especially offered to branch employees who, as frontline staff, are key to our operational excellence and risk mitigation initiatives.

## How Our Internal Control & Compliance Framework works

City Bank has an unwavering focus on risk identification and mitigation, which is an essential part of our business activities. We foster a risk-aware environment, where everyone contributes to managing risk in a way that benefits the bank and has a positive impact on it. We have a sound risk governance framework that weaves our internal risk assessment standards into our daily operations and management processes. We monitor and control our risk exposures and maintain a healthy risk profile.

ICCD ensures effectiveness of the bank's risk management processes. It supports the organization's strategic objective of achieving sustainable growth through prudent risk-taking. It reviews and aligns internal controls and policies with the bank's vision and assures compliance with all relevant laws and regulations.

## Responsibilities of Management and those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the bank and the group and also separate financial statements of the bank in accordance with IFRS as explained in **Note 2** and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud or forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the group's and the bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to



liquidate the group and the bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the group's and the bank's financial reporting process.

## b. Risk Management Framework

### Risk Management Overview

On the one hand, the financial services industry's risk environment is changing dramatically. On the other, risk management is still at the core of banking and this is the one constant.

Notwithstanding the difficult risk environment, City Bank's risk management strategy exhibited a great deal of adaptability. There is a need for more integration of risks and risk management because risks are becoming more interrelated and because emerging risk are affecting and cutting across many risk categories, including classic banking risks like capital, credit and liquidity concerns. We are dedicated to generating long-term value by controlling the material risk factors to which the bank is exposed to and optimizing possibilities for value addition that can be taken with caution regarding potential negative consequences.

### Bank's Risk Management Policy

City Bank demonstrates a proactive and adaptive attitude in crafting its risk management policy, aligning with key principles that go beyond regulatory minimums. The bank emphasizes a forward-looking approach to identify and assess risks within its portfolio, employing comprehensive risk assessments, stress-testing and scenario analysis. Recognizing the dynamic nature of the risk environment, City Bank ensures that its risk management policy remains flexible to respond effectively to emerging market conditions, economic trends and regulatory changes.

City Bank distinguishes itself by implementing stringent risk mitigation measures that surpass regulatory requirements. These measures include setting internal risk limits, utilizing risk assessment techniques and enforcing robust controls to minimize exposure across various risk categories. The bank aims to adopt an integrated risk management framework, considering the interconnectedness of credit, market, operational and liquidity risks to implement comprehensive risk management strategies.

Continuous monitoring and reporting form a cornerstone of City Bank's risk management approach, with regular reviews of risk metrics, performance indicators and key risk markers. This ongoing evaluation allows the bank to remain informed about the effectiveness of its risk management policies and make timely adjustments as needed. City Bank places strong emphasis on the long-term sustainability of its operations, aligning risk-taking activities with overarching strategic goals to ensure continuous

resilience. While exceeding minimum regulatory requirements, the bank maintains a steadfast commitment to compliance, operating within the legal framework to mitigate regulatory and legal risks.

### Disclosure of Strategies Adopted to Manage and Mitigate Risks

City Bank is committed to maintaining a robust risk management framework in accordance with Basel III guidelines, ensuring financial stability and resilience. Key strategies include:

- a. **Credit Risk Management:** Implementing stringent credit appraisal processes, continuous monitoring of loan portfolios and maintaining diversified asset allocations to minimize default risks.
- b. **Market Risk Management:** Utilizing advanced analytical tools to monitor market variables, setting prudent exposure limits and employing hedging strategies to protect against adverse market movements.
- c. **Operational Risk Management:** Establishing comprehensive internal controls, conducting regular audits and providing employee training to prevent and address operational failures or fraud.
- d. **Liquidity Risk Management:** Maintaining adequate liquid assets, performing regular stress-testing and ensuring access to diverse funding sources to meet short-term obligations.
- e. **Capital Adequacy Monitoring:** Maintaining a Capital to Risk-Weighted Asset Ratio (CRAR) that exceeds regulatory requirements, focusing on strengthening Common Equity Tier 1 (CET1) capital to absorb potential losses.
- f. **Leverage Ratio Oversight:** Regularly assessing the leverage ratio to maintain it within acceptable limits, preventing excessive on- and off-balance sheet leverage that could pose risks to the bank's stability.
- g. **Remuneration Practices:** Aligning remuneration policies with prudent risk-taking, ensuring that compensation structures do not incentivize excessive risk behaviors and are in compliance with regulatory guidelines.

These strategies are continuously reviewed and refined to adapt to the evolving regulatory environment and market conditions, ensuring that City Bank remains well-positioned to manage risks effectively and sustain its growth trajectory. For detailed information, please refer to [pages 250-267](#) on Basel III Pillars.

However, details of the risk management strategies are described in [page no. 233-235](#) of this Annual Integrated Report 2024.



# ETHICS AND COMPLIANCE

## Ethics and Compliance at City Bank

City Bank's success hinges on trust. Clear ethical guidelines and a code of conduct forms the bedrock of this trust. The bank guides employees in every interaction, ensuring fairness and integrity. This not only safeguards the bank but fosters a culture of trust and honesty. The code sets expectations, empowering employees and creating a level playing field. Ultimately, these frameworks showcase City Bank's commitment to ethical practices, solidifying its reputation as a trustworthy institution.

## Code of Conduct and Ethical Guidelines

For City Bank, code of conduct and ethical guidelines serve as a principled guide, fostering trust, integrity and accountability in our operations and across our wider organization. It helps us uphold high standards of behaviour, ensuring fair treatment to customers, compliance with regulations and ethical decision-making. By adhering to our code of conduct, we are able to assuage risks, protect our reputation and maintain stakeholder confidence, ultimately contributing to the long-term sustainability and success of the financial services sector. Detailed code of conduct is mentioned in [page No 14](#).

## Dissemination of the statement of ethics, business practices and code of conduct

To ensure everyone at City Bank is on the same page regarding ethical behaviour, the bank has a comprehensive statement outlining its ethics, business practices and code of conduct. This document isn't cosmetic; in fact, all employees are required to sign a declaration form acknowledging their understanding of its contents. The bank's Human Resource Division makes sure every employee understands and agrees to the Code of Conduct, fostering a culture of ethical responsibility throughout the bank.

## Leading by Example: The Board's Commitment to Ethics

City Bank's Board takes a proactive stance in fostering a culture of ethics and compliance throughout the bank. Their commitment is clear: to uphold the highest standards of ethical conduct among all employees. The Board actively encourages management to prioritize ethics at all levels and provides ongoing guidance on the bank's integrity policies. This leadership sets a strong example and ensures that ethical behaviour remains a core value at City Bank.

## Insider Trading

City Bank takes a firm stance against insider trading. To safeguard fairness and ethical conduct, Board members are prohibited from buying or selling of the bank's stock while possessing confidential, unpublished information about City Bank. This information could include upcoming mergers, acquisitions, or financial results. Sharing this information with others who might trade on it is also strictly forbidden. Insider trading is an illegal practice because it grants Board members an unfair advantage, prioritizes personal gain over fiduciary responsibility and potentially manipulates the stock's value. By upholding these high standards, City Bank protects investors and fosters a trustworthy market environment.

## Fraud Management

City Bank recognizes that a robust anti-fraud stance is essential in today's financial landscape. Organizations lacking strong defences are significantly more susceptible to fraud attempts. To combat this threat proactively, the bank has established a dedicated Fraud Risk Management Division under the leadership of the Chief Risk Officer. This division takes a comprehensive approach, proactively identifying and mitigating potential risks.

## Ensuring Confidentiality of Information

City Bank prioritizes privacy and confidentiality of all information it gathers during its operations. This encompasses both customer data and the bank's own confidential financial and business information. The bank only discloses such information when legally required. Furthermore, City Bank upholds the highest ethical standards. This includes a strict policy against using any insider information, such as customer details or internal documents, for personal gain or unauthorized benefit. This commitment to confidentiality and ethical conduct builds trust and loyalty with City Bank's valued stakeholders.

## Diversity

City Bank respects employees as unique individuals with fundamental human rights, irrespective of background, gender, religion, ethnicity, national origin, age, marital status, physical condition, personal appearance, status, race, gender, etc. It believes that creating a work environment that enables it to attract, retain and fully engage diverse talents leads to innovation and creativity in the services of the bank.

## Work environment

It is expected that employees shall conduct themselves with the highest standards of integrity and professionalism in the workplace, or any other location while on business, and shall ensure that none of his/her actions cause nuisance, disturbance or debase the image, goodwill or reputation of others or of the bank. Employees shall treat all customers, suppliers, colleagues and others with dignity and respect.

## Ethical responsibility

City Bank's goal is to do business ethically and prevent improper business conduct. Hence, the bank gives due importance to ethical validation and appropriate authorization of all decisions and actions of its employees before they are initiated.

## Harassment, discrimination and inappropriate behavior

City Bank is committed to the principles of meritocracy, diversity, equity, inclusion and belonging in its employment practices and fosters a work environment that respects individual differences. It does not tolerate any discrimination, intimidation, harassment, bias or retaliation, whether direct or indirect, by its employees towards anyone based on their background, gender, religion, race, colour, ethnicity, national origin, age, marital status, physical condition, personal appearance or status.



## Human Capital Driving our Governance Standards

City Bank's robust corporate governance standards are practiced, stewarded and enhanced by our human capital comprising our people at all levels of the organization. This translates to a skilled and strategically aligned workforce, committed to business undertaking in a responsible, ethical and upright manner. By attracting, retaining and developing top talents that are aligned to our culture, City Bank ensures its employees possess the mindset, behaviours and expertise necessary to achieve performance while adhering to all rules and regulations through prioritization of ethical conduct. Furthermore, the bank's human capital management practices ensure employee objectives are aligned with the bank's long-term

vision. Some of the keys ways by which we ensure our people uphold and practice the bank's governance standards include:

- Promoting best practices in employment
- Fostering a safe and inclusive work environment
- Upholding a fair, competitive and equitable occupation
- Ensuring harmonious and cooperative working conditions

As a part of our focus on enabling our employees and teams located across our offices in Bangladesh to stay competitive while upholding our code of conduct in their dealings with customers, etc., we have formulated a number of policies that support their performance, productivity and output. These are mentioned hereunder:

Policy	Policy description	Update, 2024
Grievance Policy	Through the Grievance Policy, management encourages employees to raise their concerns and ensures a fearless, focused and performance-oriented organisation. At the same time, employees are required to be respectful and compassionate while interacting with colleagues and stakeholders.	The bank's Grievance Committee ensured due confidentiality of the complaint and the complainant for the purpose of conducting proper investigation and resolution of the complaint and for taking necessary action. Grievance Committee also takes necessary steps to ensure protection of the complainant from any reprisal. In 2024, 24 grievances were raised, dealt with and resolved.
Speak Up Policy	This program ensures prevention of harassment at the workplace. Through this, we have initiated a bank-wide awareness program, especially for branch managers, department heads, unit heads and all female employees. Our ongoing initiative of engaging female leaders in various committees to discuss work-related issues and provide ongoing support has fostered a sense of inclusion and belongingness among our women employees.	In 2024, 27 Speak Up programs were held, covering 1,200+ employees. We also expanded the base of Speak Up trainers by including a couple of senior female leaders.
Remuneration Policy	The compensation and benefit policy of City Bank expresses fair and equal treatment to all employees. The bank believes in a performance-based pay and meritocratic culture. 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.	We continued to maintain sound remuneration and compensation standards during the year 2024. Additionally, we also offered a number of benefit plans to our employees, including Provident Fund, Gratuity Fund, leave encashment, etc. We also offered a number of fringe benefits, such as life insurance, health insurance, emergency financial support, car loan, house building loan, maternity leave benefits, day-care facilities, etc.

**Whistle Blower Policy:** City Bank has established a whistleblower policy to encourage employees to report instances of fraud or suspected fraud. Under this policy, each bank employee is required to report any fraudulent, dishonest, corrupt, unlawful, unethical, improper, or unsafe activity that could result in monetary or non-monetary loss or negatively affect the bank's interests and reputation. Employees should report any fraud or suspected fraud based on reasonable suspicions or reliable information. This policy allows employees to act as whistleblowers, enabling the bank to effectively detect and prevent fraudulent activities.

Because of the sensitive nature, whistleblowers are shielded from retaliation, loss of promotion, harassment, discrimination, or other forms of victimization by City Bank's governance structures. All employees who act as whistleblowers are covered by this protection, which makes it possible for them to disclose fraud cases without worrying about facing reprisals. These actions demonstrate the bank's dedication to sound governance and contribute to the development of a secure work environment where staff members can report possible fraudulent activity.

## City Bank Whistle-Blower Policy





**Payment to vendors:** City Bank upholds a transparent approach to vendor payments, strictly adhering to approved policies and guidelines. Upon completion of three-way matching, regulatory and other compliance checks, vendor invoices are processed for settlement on the due date. Payment proposals are generated twice a week, with due invoices systematically identified and processed in accordance with the respective payment terms, ensuring accuracy and timeliness. Additionally, an approved process for early settlement through invoice discounting enables expedited payments when necessary. This approach enhances operational efficiency, strengthens vendor relationships and reinforces the bank's commitment to financial integrity and transparency.

**Business Continuity Plan** - City Bank is dedicated to protecting its staff and ensuring continuity of critical business operations to safeguard its customers and revenue, while maintaining financial stability and customer confidence. The bank's Business Continuity Management (BCM) group is integral to planning, testing and managing crisis recovery efforts. The approved Business Continuity Plan (BCP) addresses internal and external threats, ensuring data backup, systems resilience, operational assessments and contingency communication channels. It also outlines regulatory compliance, employee contact details and alternative work locations, and outside business hour continuity plan to minimize disruption and uphold business integrity.

### Anti-Money Laundering and Combating the Financing of Terrorism

The bank's AML & CFT efforts are aimed at preventing and detecting activities related to money laundering and terrorist financing. This involves implementing policies, procedures and controls to identify and mitigate any risk associated with illicit financial activities. Further measures include customer due diligence, transaction monitoring, reporting suspicious activities and ongoing training and awareness programs for the bank's staff. By effectively managing AML & CFT obligations, we not only comply with regulatory requirements but also safeguard the bank's reputation, mitigate financial crime risks and contribute to national efforts to combat illicit finance.

**Board Policy on IT Governance-** According to Bangladesh Bank's Guideline on ICT Security For Banks and Non-Bank Financial Institutions on May 2015, the bank has prepared an IT Security Policy which deals operational risk, physical security control, potential for wide area disaster, data centre disaster, recovery plan an' backup/restore plan.

Board's policy on IT governance of City Bank plays a critical role in ensuring that the institution's information technology resources are effectively managed, secure and aligned with its strategic business objectives. In today's increasingly digital banking environment, robust IT governance is essential for maintaining operational continuity, safeguarding customer data and meeting regulatory obligations. The Board is ultimately responsible for providing oversight and ensuring that IT initiatives support the long-term goals of the bank. This includes approving the overall IT strategy, budget and risk appetite, while also monitoring the performance of IT-related investments and systems.

The policy establishes a clear governance framework that defines the roles and responsibilities of key personnel. It outlines procedures for managing IT risks, including cybersecurity threats, data breaches and third-party vendor vulnerabilities. The policy also mandates the implementation of robust information security measures, in line with Bangladesh Bank's ICT Security Guidelines, to protect sensitive customer and operational data. Moreover, the Board policy ensures compliance with all applicable laws, standards and best practices and facilitates regular IT audits and assessments.

A crucial component of the policy is the establishment and testing of business continuity and disaster recovery plans to ensure the bank can continue operations in the event of any IT disruptions or even cyber incidents. In addition, the policy promotes continuous monitoring of IT systems through performance indicators and regular reporting to the Board. Fostering a culture of cybersecurity awareness through staff training is essential. By implementing a comprehensive IT governance policy, the Board ensures that technology not only supports current operations but also drives innovation and resilience in a rapidly evolving digital landscape.

The Board's IT governance policy further ensures:

- Compliance with corporate governance
- Monitoring the ICT environment by putting international norms into practice
- Adherence to legal mandates
- Prudent distribution of resources to address present and future ICT requirements
- Making sure procurement processes are clear and transparent

### Summary of Policies & Practices:

City Bank complies strictly with all applicable laws and rules that control how it conducts business as a financial institution. It has created a strong structure of internal policies and procedures with painstaking attention to detail with the goal of encouraging steadfast compliance and advancing good governance practices. City Bank adheres to a wide range of regulatory requirements, corporate guidelines and industry best practices, including but not limited to the following:

Internal Policy & Practices	Regulatory Policy & Practices
Risk Management Guidelines of City Bank	Companies Act, 1994 (with subsequent amendments)
Investment Policy	Bank Company Act 1991 (with subsequent amendments)
Market and Liquidity Risk Management Framework	Bangladesh Bank Order, 1972
Counterparty Risk Assessment Methodology	Securities and Exchange Ordinance, 1969
Procurement Policy & Procedure of City Bank	Securities and Exchange Rules, 2020
CBL Money Laundering & Terrorist Financing Risk Management Policy	Securities and Exchange Commission Act, 1993
Money Laundering and Terrorist Financing Risk Assessment Policy	Corporate Governance Code, 2018 (with subsequent amendments) of BSEC
Guideline for Prevention of Trade-Based Money Laundering	Dhaka Stock Exchange (Listing) Regulation, 2015
Cyber Security Policy	CDBL Bylaws



Internal Policy & Practices	Regulatory Policy & Practices
Cyber Risk Management Framework	Prudential Regulations for Banks : Selected Issues (Issued by Bangladesh Bank)
ICT Security Policy	Bangladesh Secretarial Standards (BSS) issued by ICSB
Fraud Prevention & Detection Policy	Money laundering Prevention Rules 2019
Whistle blower Protection Policy	Anti-Terrorism Act, 2009
Audit Guideline on Bank's Exposure on Customer	Anti-Terrorism Rules, 2013
Audit Guideline on Treasury, Treasury Operation and Trade Support Division	VAT and SD Act 2012
Sariah Audit Policy for the Bank	Financial Reporting Act 2015
Recruitment Policy and Process	First Schedule (section 38) of the Bank Company Act, 1991
Leave Policy & Process	Negotiable Instruments Act, 1881
City Bank Employees' Emergency Support Fund Policy	The Customs Act, 1969
Grievance Management Policy	Income Tax Act 2023
Career Development and Succession Planning	
Reward and Recognition Policy & Process	
Sexual Harassment Policy	
Policy on City Bank Transport Management	
Fixed Asset Policy	
Policy and Guidelines on General Ledger	
Policy on Delegation of Income Debit Authority	
Policy on Head Office Allocation in Business Division	
Guidelines on Fund Transfer Pricing	
Dividend Policy	
Payment Guideline	
Process Guidelines for execution of sub-delegation of Financial Authority	
CPM (Credit Policy Manual)	
Mortgage & Redemption Process	
Operational Process Guideline of CAD	
Foreign Exchange Risk Management Guideline	
Asset Liability Management Policy	
Customer Segmentation Policy	

## Declaration of Non-Compliance with Regulatory Statutes and Mandatory Requirements

After thoroughly reviewing our operations for the year 2024, we are pleased to inform our valued shareholders that City Bank has encountered no instances of non-compliance with the applicable regulatory laws and statutes. Consequently, our ability to generate value for our investors remains unaffected and intact.

City Bank is dedicated to maintaining compliance at all times, particularly considering our market goodwill and the evolving nature of the financial services industry's regulatory framework. Our commitment to upholding ethical standards and legal obligations is evident through our continuous investment in robust internal controls and safeguards. Our Internal Control & Compliance Department (ICCD) diligently monitors legislative changes to benefit our shareholders and other stakeholders.

**Md. Kafi Khan**  
Company Secretary



# REPORT OF THE MANAGING DIRECTOR AND CEO AND THE CHIEF FINANCIAL OFFICER

Date : April 29, 2025

## The Board of Directors

City Bank PLC

SE (D)- 3,28, Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh

## Subject: Declaration by CEO & CFO on Financial Statements for the year ended on 31 December, 2024

Dear Sir(s),

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No: BSEC / CMRRCD / 2006-158 / 207 / Admin / 80, Dated 10 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of City Bank PLC for the year ended on 31 December, 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December, 2024 and that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

**Mashrur Arefin**  
Managing Director &  
Chief Executive Officer

**Md. Mahbubur Rahman**  
Additional Managing Director &  
Chief Financial Officer



# REMUNERATION AND NOMINATION

## Charter of the Nomination and Remuneration Committee

Bank must form three committees in addition to the Board of Directors: The Executive Committee, The Audit Committee, and The Risk Management Committee, per Bangladesh Bank BRPD Circular No. 02, which was published on February 11, 2024. Beyond these three, the circular expressly forbids the creation of any more permanent, temporary, or subcommittees.

Through BRPD Letter No. 21, dated May 12, 2024, Bangladesh Bank assigned the Board's Audit Committee the additional responsibility of carrying out the responsibilities of the Nomination and Remuneration Committee. Since then, City Bank PLC Audit Committee has handled all Nomination and Remuneration Committee responsibilities. For this enlarged role, the Board has approved the Terms of Reference, and the Audit Committee has assumed the Remuneration Committee responsibilities's obligations in line with them.

The Board of Directors directly supervises employee hiring and compensation in order to maintain governance in the selection, assessment and remuneration of key management personnel (KMP). This is accomplished by routinely reviewing important policies, including those pertaining to human resources, hiring and advancement and compensation packages. This strategy maintains supervision over important HR decisions while guaranteeing adherence to legal requirements.

## Composition of the Nomination and Remuneration Committee

A specialized management group within City Bank's governance structure is in charge of managing issues related to pay and remuneration. The Managing Director and Chief Financial Officer work with the Bank's Human Resource Division to draft compensation proposals, which are subsequently presented to the Board for approval.

The Board decides on compensation after carefully reviewing it to make sure it aligns with the bank's strategic goals and objectives. In addition to including retirement benefits and other incentives, the accountable staff makes sure that compensation packages are fair, performance-based and competitive with industry norms. This methodical approach encourages openness and equity in compensation policies, which are periodically examined and revised to preserve the financial industry's competitiveness.

## Key Policies with Regard to the Remuneration of Directors, Senior Management and Employees

City Bank makes sure that the compensation of Directors, senior management and employees stays competitive while adhering to regulatory requirements, in line with the bank's corporate governance policies and industry standards. In accordance with the bank's regulations, Directors are compensated for attending Board and committee meetings.

Given the crucial duties of the position, the Board recommends the Managing Director & CEO's compensation, which Bangladesh Bank must approve. Pay packages for senior management

and other staff members are designed in accordance with the bank's HR policies, guaranteeing equity, congruence with business goals and conformity to industry standards.

## Number of meetings of the Remuneration Committee and work performed

City Bank does not have a specific "Remuneration Committee" because of regulatory restrictions. However, at Board meetings, decisions regarding employee benefits and compensation are considered in detail. The Board discussed few of the important facets of employee compensation in 2024, such as benefit modifications, performance bonuses, pay raises and promotions.

The Board is dedicated to ensuring that employees receive just compensation for their contribution, even in the absence of a dedicated committee. This dedication is demonstrated by the frequent evaluation and approval of compensation policies which guarantees alignment with the bank's strategic goals.

## Remuneration of Directors, Chairman, Chief Executive and Senior Executives

City Bank follows a methodical and open compensation policy that complies with legal and industry norms. The goal of the pay structure is to draw in, keep and inspire skilled workers.

Compensation packages for the CEO, Chairman and Board of Directors are based on their individual roles and responsibilities. Furthermore, competitive compensation based on market benchmarks is provided to senior executives, assuring the bank's long-term viability and success.

## Remuneration of the Chairman & Directors

The guidelines set forth in BRPD Circular Letter No. 11, dated October 4, 2015, govern the compensation of City Bank's Chairman and Directors. The total compensation for Directors in the fiscal year 2024 was Tk. 3.4 mn.

Comprehensive information about the fees and costs associated with the Board of Directors is transparently disclosed in the financial statements under the relevant notes in order to ensure adherence to regulatory requirements.

## Remuneration of Chief Executive Officer

The Board of Directors sets the compensation for City Bank's CEO, who must be appointed with Bangladesh Bank's consent. The CEO received BDT 29.31 mn in total compensation in 2024, which included festival bonuses, base pay and other benefits.

**Note 36** of the financial statements contains comprehensive information on the CEO's compensation for complete transparency.

## Remuneration of Senior Executives

At City Bank, senior executives receive competitive, market-driven compensation that is intended to draw in, inspire and retain talented and capable workers. **Note 28a** of the Annual Report's financial statements contains information about salaries and other benefits.



# HUMAN CAPITAL

## Energizing our Human Capital

The Human Resources (HR) Department of City Bank plays a pivotal role in supporting the bank's corporate governance framework by aligning people practices with organizational values, regulatory requirements and strategic goals. As part of the Corporate Governance Report, City Bank outlines the policies and practices adopted by its HR Department that ensure fairness, transparency and accountability in managing its human capital across all levels of the organization. These HR practices are designed to attract, retain and develop a talented, diverse and motivated workforce, while upholding ethical standards and contributing to a high-performance culture.

**Recruitment and retention:** City Bank's HR policies are rooted in principles of meritocracy, equity and inclusivity. Recruitment is conducted through a structured and transparent process where merit remains the primary criterion. Job openings are advertised through multiple channels and a rigorous selection process is followed, involving written tests, interviews and background checks to ensure the best talent is onboarded. The bank is committed to hiring individuals not only based on academic credentials and experience but also in alignment with the bank's core values, long-term potential and cultural fit. City Bank's recruitment policy also emphasizes diversity and non-discrimination, actively promoting the inclusion of candidates regardless of gender, religion, ethnicity, disability or socio-economic background.

**Succession planning:** A key focus area of the HR function of City Bank is succession planning and creating a robust bench strength. The bank recognizes the importance of leadership continuity and has put in place a structured approach to identify, groom, nurture and prepare high-potential employees for future leadership roles. This involves regular talent reviews, individual development plans and focused leadership development programs. The succession planning process ensures that critical roles are backed by a pool of capable successors, reducing dependency on external hiring and strengthening internal capacity.

**Performance management:** Performance management at City Bank is conducted through a robust and transparent appraisal system. The system is aligned with Key Performance Indicators (KPIs) linked to the bank's strategic objectives. Employees are evaluated annually based on quantitative and qualitative metrics, ensuring a balanced assessment of their contribution. Performance discussions are structured and feedback is given constructively to support employee growth. The outcomes of the appraisal process are used not only for salary revisions and bonuses but also for identifying training needs and career progression opportunities and pathways. Employees who demonstrate exceptional performance are considered for accelerated career development through fast-track programs.

**Promotions:** Promotion and career advancement within City Bank are based on a combination of performance, potential, experience and demonstrated leadership capabilities. The promotion process is transparent and inclusive, with clear eligibility criteria and performance benchmarks. This approach ensures that high-performing employees are recognized and provided with opportunities to grow within the organization. Alongside promotions, the bank maintains a structured reward and recognition (R&R) program that includes both monetary and non-monetary incentives.

Monthly and annual awards, certificates of appreciation and spot recognitions are regularly used to motivate staff and reinforce positive behaviors.

**L&D initiatives:** Training and development are integral to City Bank's HR strategy. The bank invests significantly in building the capabilities of its workforce through in-house programs, external workshops, certifications and even e-learning platforms. The Learning & Development (L&D) team within the HRD designs customized training modules based on role-specific requirements and evolving business needs. Topics include banking operations, regulatory compliance, risk management, customer service, leadership skills and digital transformation. The bank also runs a management trainee program that provides structured learning and cross-functional exposure to fresh graduates. Continuous learning is embedded into the bank's culture, ensuring employees stay up-to-date with industry trends and develop the skills needed for future roles and towards career advancement.

**DEI principles:** City Bank is deeply committed to fostering a culture of diversity, equity and inclusion (DEI). The bank is also committed to foster a sense of belongingness among employees. The bank promotes a workplace where employees from diverse backgrounds feel respected, valued and empowered to contribute to shared goals and objectives of the bank. Specific policies are in place to support gender equality, including maternity and paternity leave, flexible work arrangements and equal pay practices. The bank actively encourages the participation of women in leadership roles and within the management cadre and has established mentorship initiatives to support their growth. Furthermore, City Bank is a pioneer in promoting employment opportunities for persons with disabilities (PWDs). Through targeted recruitment, infrastructure accessibility, assistive technologies and specialized training, the bank ensures that differently-abled individuals can thrive and contribute meaningfully to the organization.

**Talent preservation:** Retention of talent is another key priority for the HR department of City Bank. To reduce turnover and enhance employee satisfaction, the bank has developed comprehensive retention strategies that include competitive compensation, career development opportunities, work-life balance initiatives and employee engagement programs. Regular employee satisfaction surveys are conducted to gather feedback and insights are used to improve workplace practices. The bank also prioritizes health and well-being, offering medical benefits, wellness programs and mental health support, among others.

**Grievance and counselling:** A distinct feature of City Bank's HR function is its commitment to grievance management and employee counselling. The bank has established a formal grievance redressal mechanism that allows employees to voice concerns in a safe and confidential manner. A dedicated grievance committee is responsible for reviewing complaints and ensuring fair resolution in accordance with HR policies and legal standards. In addition to this, the HR department of the bank also offers counselling services to support employees facing personal or professional challenges. Trained counsellors and employee assistance programs are available as needed to assist staff manage stress, improve work-life balance and enhance overall well-being.

City Bank's policy on recruitment, training and retention reflects its dedication to building a skilled and engaged workforce. The bank continuously reviews its HR practices to align with best



practices and local regulatory guidelines issued by Bangladesh Bank. By prioritizing people development and maintaining ethical employment standards, City Bank upholds strong corporate governance and positions itself as an employer of choice in the banking industry.

The HR policies and practices at City Bank are designed to create a fair, inclusive and performance-driven workplace. Through structured recruitment, merit-based promotions, comprehensive

training, succession planning and a strong focus on employee well-being, the bank ensures that its people strategy is aligned with its governance principles and long-term business success. By empowering all employees, including those from underrepresented groups, and fostering a culture of continuous improvement, City Bank demonstrates its commitment to ethical leadership, accountability and sustainable human capital development. Detailed information of human capital are given in [Page: 85](#).

# COMMUNICATION TO SHAREHOLDERS & STAKEHOLDERS

City Bank recognizes the importance of effective communication with its shareholders and stakeholders. Transparent and timely disclosure of information fosters trust and confidence in the bank's operations while ensuring alignment with the interests of its diverse stakeholders. This chapter outlines the bank's communication strategies, channels and policies designed to keep stakeholders informed and engaged.

City Bank is committed to maintaining high standards of governance, where clear and open communication is a cornerstone of its stakeholder relationship management. From regular updates to structured interactions, the bank ensures that all shareholders and stakeholders are consistently informed about the bank's performance, strategies and initiatives. By doing so, City Bank strengthens its relationships and reinforces its accountability to its stakeholder community.

## City Bank: Shareholder Communication Channels

- **Centralized Support:** The Share Department, overseen by the Company Secretary, serves as the primary point of contact for shareholders and stakeholders. This department addresses inquiries and concerns during business hours.
- **Website Resources:** Up-to-date information relevant to shareholders and stakeholders is readily accessible on the City Bank website.
- **Dissemination of key updates:**
  - Price-Sensitive Information (PSI): City Bank prioritises timely dissemination of PSI through various channels:
    - National newspapers
    - Online news portals
    - Dedicated sections on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) website
    - City Bank website
- **Press Releases:** Significant events and announcements are communicated via press releases distributed to newspapers.
- **Meeting Notifications:** Shareholders receive timely notices for:
  - Annual General Meetings (AGMs)
  - Extraordinary General Meetings (EGMs) held, when necessary
- **Annual Reports:** Delivered to all shareholders each year
- **Financial Statements:** Published in newspapers for broader public access

- **Interactive Engagement:** General meetings of shareholders provide a platform for direct interaction between the bank's management and shareholders

## Policy on Ensuring Participation of Shareholders at AGM

City Bank actively encourages shareholder participation in Annual General Meetings (AGMs) through a comprehensive approach. This involves dispatching notices well in advance (at least 21 days prior) to allow ample time for review and confirmation of attendance. Additionally, Annual Reports are circulated in accordance with relevant regulations, ensuring transparency and providing shareholders the opportunity to analyze information and prepare questions or suggestions.

Finally, City Bank fosters open communication during the AGM by allowing shareholders to freely voice their opinions and valuable insights, which are then documented for future consideration by the bank's management. This combined effort fosters an environment where shareholders feel informed, engaged and able to contribute meaningfully to the bank's direction. Shareholders

## Investor/Shareholder's Grievance Policy

City Bank is committed to addressing any shareholder concerns regarding share-related matters. This includes issues raised during Annual General Meetings (AGMs) or throughout the year, such as difficulties with share transfer or transmission, delays in receiving annual reports or dividends and other share-related problems. The bank prioritises timely and lawful resolution of these concerns. City Bank entrusts the Company Secretary with the responsibility of handling such matters, ensuring efficient and compliant solutions for shareholders. Detailed grievance redress at City Bank mentioned in [Page No 124](#).

## Shareholders' Satisfaction and Confidence in the Bank

City Bank's AGM serves as a platform for shareholder evaluation and engagement. Shareholders actively voice their opinions and concerns regarding the bank's performance throughout the preceding year. This feedback, documented by the Board secretariat, holds significant weight and influences future company decisions. Notably, the AGM also functions as the venue for electing the Board of Directors, directly reflecting shareholder trust and approval. Furthermore, a rising share price signifies shareholder satisfaction and confidence in the bank's overall direction. This interconnectedness between shareholder participation and the bank's success underscores City Bank's commitment to transparency and accountability.



## Reminders to Shareholders for Encashment of Dividends

City Bank ensures efficient distribution of dividends to its shareholders through a multi-pronged approach. Bank transfers and the BEFTN network are the primary methods, with mailed dividend warrants reaching those unreachable electronically. Non-resident shareholders receive cash dividends via a security custodian.

Notably, bonus shares are credited directly to Beneficiary Ownership (BO) accounts within 30 days of approval, following exchange and regulatory clearances.

Furthermore, the bank prioritises complete distribution by actively reminding shareholders to encash dividends, monitoring unclaimed payouts and informing them of their right to claim any outstanding amounts.

# DIVIDEND POLICY

## Preamble

The dividend policy balances the dual objectives of appropriately rewarding shareholders through dividends and retaining capital in order to maintain a healthy Capital Adequacy Ratio (CAR) to support future growth. This policy help the bank to conserve capital and ensure meeting the growth objectives of the bank to generate future profitability.

The bank has a consistent track record of moderate dividend declarations over its history. The bank needs to adopt a formal dividend policy governing the payment of dividend. Distribution of dividend of City Bank will be as set forth in this policy along with the applicable rules and regulations prevailing at the time of distribution or declaration of dividend.

There are a number of ways to determine the distributable profit or dividend.

## Mode of Dividend Payment

City Bank may declare both cash dividend and stock dividend based on availability of funds and after fulfillment of certain regulatory conditions.

## Utilization of Fund for Dividend

The Bank would utilize the following funds in distribution of the dividend as mentioned below:

- Current year's profit
- Previous year's retained profit
- General reserve, if any
- Dividend equalization fund, if any
- Share premium
- Any other reserve fund which is created out of profit

## Restriction on Dividend Payout

### No dividend shall be paid if:

- All preliminary expenses, including the commission on sale of shares and brokerage have been written-off completely
- The bank has failed to maintain sufficient capital as per Bangladesh Bank requirements
- The bank has not provided sufficient provision for loans, investment and other assets

Dividend cannot be distributed out of unrealized profit or gain like deferred tax assets (net of deferred tax liability), unrealized gain on shares or government bond etc.

Cash dividend can be declared/distributed up to 20% without creating any Dividend Equalization Fund (as per BRPD Circular 18, dated 20 October 2002). For cash dividend declared/distributed in excess of 20% the bank shall have to maintain a Dividend Equalization Fund equivalent to the Cash Dividend declared in excess of 20%.

## General Clause

- Dividend shall be declared and paid in proportion to the amount paid on shares.
- Bank may from time to time pay to shareholders' such interim dividend as appear to the directors to be justified by the profit of the company.
- The bank in the general meeting may declare dividends, but no such dividend shall exceed the amount recommended by the directors.
- No dividend shall bear any interest thereon.
- Dividend declared shall be paid or distributed as per directives set out in the regulations of Bangladesh Securities & Exchange Commission, Bangladesh-Bank and any other authority as enforceable to the Bank.

This policy reviewed in every three years' interval.



## Dividend Distribution Compliance Report

As per BSEC Directive No. BSEC/CMRRCD/2021-386/03-dated 14, January 2021 and Dhaka Stock Exchange (Listing) Regulations, 2015 of Clause No.29, please, find herewith Dividend Compliance Report 2023

As per BSEC Directive No. BSEC/CMRRCD/2021-386/03-dated 14, January 2021 and Dhaka Stock Exchange (Listing) Regulations, 2015 of Clause No.29, please, find herewith Dividend Compliance Report 2023

### Dividend Distribution Compliance Report

Under Clause (6) of the Directive No. BSEC/CMRRCD/2021-386/03, dated: 14/01/2021

1	Name of the Issuer /securities/mutual Fund	City Bank PLC		
2	Particulars of Issuer DP	155		
3	Type of Dividend (Annual / Interim)  (Put tick mark (a) on the recommended option)	a) Annual <input checked="" type="checkbox"/> b) Interim <input type="checkbox"/>		
4	Whether audited or not for Interim Dividend  (Put tick mark (a) on the recommended option)	a) Audited <input type="checkbox"/> b) Unaudited <input checked="" type="checkbox"/>		
5	Date of recommendation Dividend by the Board of Directors/Trustee (Enclose copy of PSI)	27.03.2024		
6	Whether Dividend recommended other than directors or sponsors or any other classes  (Put tick mark (a) on the recommended option)	a) Yes <input type="checkbox"/> b) No <input checked="" type="checkbox"/>		
7	Record date for entitlement	23.04.2024 (Tuesday)		
8	Rate of Dividend recommendation by the Board of Directors/Trustee	Cash Dividend:12.5% Stock Dividend:12.5%		
9	Dividend recommended-Type  (Put tick mark (a) on the recommended option)	a) Cash <input checked="" type="checkbox"/> b) Stock <input checked="" type="checkbox"/>		
10	Securities/Mutual fund traded under which categories  (Put tick mark (a) on the recommended option)	<input type="checkbox"/> a) A <input checked="" type="checkbox"/> b) B <input type="checkbox"/> c) G <input type="checkbox"/> d) N <input type="checkbox"/> e) Z <input type="checkbox"/>		
11	Date of transfer to a separate bank account (Pls. mention bank details) or provisional credit of shares/Units by CDBL	Date:24.06.2024 Bank Account No.1403586251003 Principal Office, City Bank PLC		
12	Date of approval of Dividend at AGM	30.05.2024		
13	Rate of Dividend approved at AGM-details at annexure, If any change)	Cash Dividend:12.5% Stock Dividend:12.5%		
14	Date of commencement of disbursement of Cash and Stock Dividend	Date:19.06.2024 Stock Dividend Date:24.06.2024 Cash Dividend		
15	Mode of disbursement of Cash Dividend  (Put tick mark (a) on the recommended option)	a) BEFTN <input checked="" type="checkbox"/> b) Bank transfer <input checked="" type="checkbox"/> c) MFS <input type="checkbox"/> d) Dividend Warrant <input checked="" type="checkbox"/> e) Any other mode <input type="checkbox"/>		
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclose bank statements and Corporate Action Processing Report (DP 70)]	Date:25.06.2024 Cash Dividend Date:19.06.2024 Stock Dividend		
17	Paid-up capital of the issuer- before corporate action/entitlement	BDT:12246188770		
18	Numbers of securities/Shares outstanding- before corporate action/entitlement:	1224618877		
19	Total cash in taka or stock (nos. shares) dividend as per corporate action	1,836,928,315.50 (Gross Dividend)) 1,615,938,144.36 (Net Dividend)	122461887 (Stock)	
20	Distribution/Disbursement details of Cash & Stock Dividend:  A. Mode of Dividend payment/credit for the concerned year:	Cash (Tk.)	Stock (nos)	Anx
	a) through BEFTN or directly credited to respective BO	901,805,042.36	121319041	
	b) through Bank Transfer other than entitled BO-Margin loan			
	c) through Bank Transfer	71,124,709		
	d) through Mobile Financial Service (MFS)			
	e) through any other mode as approved by Bangladesh Bank			
	f) through transfer to Suspense Account for dematerialized Shares (BO wise detailed with reason should be maintained and submitted)		1142846	
	g) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities	643,008,392.06		
21	Total Dividend paid/credited for the concerned year	1,290,509,365.53	122461887	
22	Total unpaid/undistributed Dividend/accrued during the period 23-24	325,428,778.83		



23	Total unpaid/undistributed Dividend/accrued as on 1st day of Accounting year (as per Audited Accounts)	153,586,092.46	8030569
24	Transfer to Suspense Account for Demat Shares or any other reasons during the concerned year		1142063
	A. Mode of Dividend Receipts/payment/credit for the previous years:		
	a) through BEFTN or directly credited to respective BO	617,483,094.87	23783459
	b) through Bank Transfer	24,601,576.71	
	c) through Mobile Financial Service (MFS)		
	d) through any other mode as approved by Bangladesh Bank		
	e) through transfer to/from Suspense Accounts for Demat Shares or any other reasons		
	f) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities/shares/units	417,041,374.54	228675
	g) transfer of cash or stock to the Fund as prescribed or directed by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities	Nil	
25	Total dividend paid/credited for previous years:	1,043,970,497.33	24012134
26	Total unpaid/undistributed Dividend for previous years (23+24-25) Taka/Nos	130,291,242.61	
27	Grand total of unpaid/undistributed Dividend (22+26)	455,720,021.44	
	Aging of grand total of unpaid/undistributed Dividend for previous years:		
	More than 3 years; balance	21,300,371.48	473388
	More than 4 years; balance	18,534,906.89	
	More than 5 years; & above balance	58,898,235.71	4360552
28	Total of unpaid/undistributed Dividend for previous years: (Supporting bank statements and balances of securities with the depository)	98,733,514.08	4833940

Note: Issuer shall maintain BO wise detailed information for all transfers/credit to Suspended Accounts

With reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable fields.

### Note-1 :

City Bank PLC has been directed by Bangladesh Supreme Court, High Court Division to preserve and maintain the provision for allotment of rights shares and stock dividends, so far as it related to respondent no.2-5 till disposal of the company matter no.112 of 2005, total 12,926,398 shares have been kept in provision which will be issued later on after disposal of the company matter no.112/2005.

### Particulars of Sub-judice Shares (Kept in Provision):

Sl. No.	Particulars	Sub-judice	Percentage
1	Right Share-2010	3927780	100%
2	Bonus Share-2010	1178340	30%
3	Bonus Share-2011	1276530	25%
4	Bonus Share-2012	638265	10%
5	Bonus Share-2013	1404183	20%
6	Bonus Share-2014	421255	5%
7	Bonus Share-2017	442317	5%
8	Bonus Share-2018	464434	5%
9	Bonus Share-2020	487655	5%
10	Bonus Share-2021	1280095	12.50%
11	Bonus Share-2022	230417	2%
12	Bonus Share-2023	1175127	10%
	Total	12926398	



# GOVERNANCE DISCLOSURE ON THE PROCESS OF HOLDING THE LAST ANNUAL GENERAL MEETING (AGM)

The 41st Annual General Meeting (AGM) of City Bank was held in compliance with the guidelines, guaranteeing that all members were able to participate in the voting process. The company's members accepted the financial accounts during the meeting, along with the declaration of dividend by the Board, appointed directors, statutory auditors and compliance auditors. They also decided compensation and approved special resolutions.

City Bank held its Annual General Meeting (AGM) in accordance with all applicable rules, regulations and processes.

Calling a Board meeting to prepare for the AGM	Complied
Completing and verifying the Financial Statements	Complied
Setting the date for the record	Complied
Dividend announcement	Complied
Getting NOCs about stock dividends from the exchanges	Complied
Price-sensitive information (PSI) dissemination	Complied
Yearly Report Preparation	Complied
Notifying shareholders by email of the annual general meeting	Complied
Sending the annual report via email to the shareholders	Complied
Using print media to communicate with shareholders and other stakeholders	Complied
Designating the Examiner for the AGM	Complied
Voting on the agenda begins when the shareholders' voting line opens.	Complied
Announcement of agenda-wise voting outcome	Complied
A shareholders' question and answer session	Complied
The Managing Director, the Chairman, and other attendees' speech	Complied
Thank-you vote	Complied
Gathering and sending the scrutinizer's report to the Commission.	Complied
Providing audiovisual materials to the commission and exchanges	Complied
Timely submission of the attendance log and minutes to the commission and exchange	Complied
The selection of auditors	Complied
Annual Return, Form XV submission to the RJSC 3. Dividend computation and distribution to shareholders	Complied
Sending the commission and exchanges the Dividends Compliance Report	Complied
Distribution of dividend announcements	Complied



# ENVIRONMENTAL AND SOCIAL OBLIGATIONS

## Policy of Sustainability Reporting and CSR

Our goal of being a purpose-led bank is in line with our ambition to be the change in all we do, which cuts across our policies and practices. Our strategy's development lays the groundwork for accelerating implementation and promoting excellence. We want to promote quantifiable, tangible change in our communities in a way that embodies our vision and ambition, sets us apart, builds our business and illustrates the influence of collective change in society. This will help us as an organization stay rooted in our goals. We invest in our sustainability emphasis areas—climate, diversity and inclusion, and financial inclusion—in order to achieve this.

The bank has identified key focus areas that are, considering stakeholders' importance, business impact and institutional strengths. It published a net-zero statement, focusing on financed emissions and climate support. The bank continues its sustainability strategy with initiatives undertaken across the bank.

## Disclosure of CSR activities

In 2024, the bank made significant progress in executing its CSR initiatives despite a volatile macroeconomic backdrop. The bank prioritizes community needs and integrates social responsibility into its operations, recognizing its vital contribution to Bangladesh's development. CSR initiatives are built on community support, empowering individuals, strengthening resilience and creating opportunities for a more equal and equitable future.

### Environmental Initiatives

**a. Climate action and ecological restoration:** Climate change mitigation and adaptation are crucial worldwide. Bangladesh, with a vulnerable topography, has been significantly impacted by climate change. City Bank, in collaboration with organizations like ActionAid International Bangladesh, Bangladesh Red Crescent Society and TMSS, has partnered to support community rehabilitation during the August 2024 flash floods, focusing on food provisions, improved sanitation facilities and shelter.

**b. Management of disasters:** In addition to long-term solutions to ensure their rehabilitation, our goal is to provide disaster victims with immediate relief, shelter and healthcare.

### Environment:

Particulars	2024	Achievements
Green Finance Disbursement	BDT 33,354 million	34% of total term loan disbursement, whereas BB target was 5%
Sustainable Finance Disbursement	BDT 402,340 million	88% of total disbursement, whereas BB target was 20%

#### Green Savings Account

City Bank opened 20,001 green savings accounts with deposit mobilization of BDT 612.70 million and planted 3,500 trees against it

#### Set emission reduction target for 5 key sectors as part of the net zero commitment

- RMG
- textiles
- power

City Bank provided flood much-needed relief to communities through Prothom Alo Trust and Bangladesh Red Crescent Society, contributing BDT 30 million and donating 75,000+ blankets through the Chief Adviser Relief Fund and other remote organizations.

### Social initiatives

**a. Sports & Culture:** In order to promote inclusive athletic excellence, we are dedicated to empowering female athletes and elevating the playing field for athletes from underprivileged communities.

City Bank has promoted athletic ability as a way to support mental and physical health. In order to help promising sportspeople with their athletic careers, the bank has worked with a number of institutions, including the Bogra Golf Club and the Jangaon Women Football Academy, in addition to supporting individual athletes.

**b. Education:** In order to provide equal learning opportunities for everyone, we want to concentrate on the education of the underprivileged and underserved.

City Bank's CSR strategy focuses on providing education to underprivileged communities in Bangladesh. The bank supports underprivileged children through stipends and donates to schools and madrasas for ensuring quality education and infrastructure development. It also supports vocational training for underprivileged youth and women, providing free training to assist them in securing jobs. The bank has launched a financial literacy drive too, conducting workshops in all 64 districts of the country with a special focus on marginalized communities like low-income groups and underprivileged women.

### Activities towards sustainable environment:

Sustainability is more than just a duty at City Bank; it is a fundamental commitment to improving our stakeholders, community and the environment. We have incorporated Environmental, Social and Governance (ESG) principles into our operations to promote sustainable change because we understand how important financial institutions are to promoting sustainable progress.

- steel
- pharmaceuticals

#### Financing renewable energy projects

BDT 2,133 million was disbursed to renewable energy-based projects; supported 132 MW solar power projects and 68 MW wind projects

#### Energy and resource efficiency

BDT 8,750 million was disbursed in energy and resource-efficient projects



## Green building and industry development

BDT 6,130 million allocated, with 37 LEED-certified clients in the portfolio

## Waste management for a cleaner future

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

## Carbon emission measurement, reduction target settings and disclosure of City Bank's portfolio

City Bank has become a member of the Net-Zero Banking Alliance (NZBA) of the United Nations Environment Programme (UNEP FI), thus emerging as the first bank in Bangladesh with this membership. The bank has assessed greenhouse gas (GHG) emissions and disclosed its emission reduction targets, approved by the bank's Board. City Bank has also developed sector-specific emission factors through direct data collection, verification and standardization, thereby enabling calculations of financed emissions.

## Training to borrowers on carbon accounting and emission reduction

At the heart of the bank's carbon emission reduction efforts are manufacturers who are typically clients of banks and NBFIIs. Recognising their pivotal role, we organised training sessions for those who have relatively high carbon emission intensity to emphasize the significance of reduction and trained them on methods of emission calculation. These sessions were conducted by the esteemed consultant, Deloitte. Additionally, we shared key insights with our clients, guiding them on practical measures to effectively minimise their carbon footprint.

## Organisational response towards climate change

City Bank has included strong monitoring procedures to guarantee the ESRM policy's efficacy. These consist of frequent evaluations of the policy's effects, regular training courses for staff to enhance their knowledge of social and environmental hazards and stakeholder engagement initiatives to ensure consistency with the bank's sustainability objectives. Additionally, the policy's smooth and effective integration into daily operations is ensured by the automation of ESRM/ESDD processes, which promote ongoing progress in the management of social and environmental risks. In order to promote sustainability throughout the organisation, City Bank remains dedicated to following both national laws and global best practices.

As a result of this strategic approach to sustainability, environmental and social risks have been evaluated for 68% of the bank's financed portfolio.

## Green Financing

We have launched a green financing platform to support environmentally-sustainable projects and businesses. This includes offering favourable T&Cs for loans directed to renewable energy, energy efficiency and eco-friendly projects and initiatives. Our commitment to green financing exhibits our focus on safeguarding the environment and broader ecology. City Bank PLC has disbursed BDT 12,374 Million Agriculture loan against 108,088 farmers in the year 2024 through Banks own channel and MFI linkage.

Disbursement linkage	Disbursement	No of Farmers
Banks own channel	4,748.51	2,259
Through MFI linkage	7,625.00	105,829
Total	12,373.51	108,088

## ESG & Sustainability Initiatives

- **City Bank's Environment Week 2024 :** City Bank prioritizes environmental sustainability, partnering with a civil society organization to host events like quizzes, movie screenings and tree plantation for Environment Week and World Environment Day.
- **City Bank's Sustainability Champion Awards:** The bank introduced the "Sustainability Champion Awards" this past year to recognize relationship managers' exceptional contribution to sustainable finance, enhancing its position as a leading sustainable bank.
- **Representing Bangladesh at largest Global Climate Summit (COP29) of UNFCCC:** City Bank was Bangladesh's sole representative at COP29 held in Baku, Azerbaijan and delivered a keynote on climate finance initiatives while also hosting a panel discussion on private sector investment mobilization for climate action.
- **City Bank's Green Savings Account:** City Bank launched Bangladesh's first Green Savings Account in February 2024, aiming to fund eco-friendly projects. By February 2025, 26,518 accounts had been opened with deposits amounting to BDT 712.7 million. City Bank has planted 3,500 trees against these account openings.

## Social

Empowering communities, enabling change

### Sustainable agriculture

BDT 1,238 million was disbursed in fostering resilient agricultural practices.

### Women empowerment & gender equality

BDT 5,667 million was committed for financial inclusion and economic upliftment of women.

### Green CMSME (cottage industry)

BDT 57 million was disbursed to promoting sustainable small businesses.

### Information & Communications Technology

BDT 248 million was invested in advancing digital infrastructure and accessibility.

### Workplace safety

BDT 1,073 million was disbursed for workplace safety and environmental improvements.

Partnered with local NGOs to drive environmental awareness and sustainability campaigns.

### Corporate Social Responsibility (CSR) Contributions

- BDT 20.43 million contributed to the healthcare sector where the number of beneficiaries were 26
- BDT 14 million was contributed to the education sector where the number of beneficiaries were 963
- BDT 10.08 million was contributed to environment, climate adaptation and mitigation projects where the number of beneficiaries stood at 3,000

General description of Bank's policies and practices relating to social and environment responsibilities of City Bank PLC are described in [Page No 280](#).



# SHARI'AH SUPERVISORY COMMITTEE MEMBER LIST OF CITY BANK PLC

SL	Names	Position
01	Dr. Maulana Md. Anwar Hosain Molla, CSAA	Chairman
02	Principal Md. Zainul Abedin	Member
03	Dr. ANM Rafiqur Rahman Madani	Member
04	Maulana Shah Mohammad Wali Ullah, CSAA	Member
05	Mufti Shahed Rahmani	Member
06	Dr. Muhammad Yousuf Ibn Hossain	Member
07	Dr. Muhammad Obaidullah	Member
08	Dr. Mufti Yousuf Sultan, CSAA	Member



# REPORT OF THE SHARI'AH SUPERVISORY COMMITTEE

For the year ended on 31st December 2024

In the name of Allah (SWT), the Most Gracious, the Most Merciful.

All praise is due to Allah (SWT), the Lord of the Worlds, who has guided us to the path of righteousness. May peace and blessings be upon our beloved Prophet Muhammad, his family, his companions, and all those who follow his guidance until the Day of Judgment.

**Honorable Shareholders, Board of Directors, and Stakeholders,**

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh

In compliance with the terms of reference of the Bye Laws of the Shari'ah Supervisory Committee, we submit the following Report on the Islamic Banking operations of City Bank PLC for the year ended on 31st December 2024. This report provides an overview of the Shari'ah compliance status of the bank's Islamic banking operations, in alignment with the regulatory framework of Bangladesh Bank and the terms of reference outlined in the Committee's Bye-Laws.

## Responsibilities of the Shari'ah Supervisory Committee:

In accordance with the terms of reference outlined in the Bye-Laws, the Shari'ah Supervisory Committee (SSC) of City Bank Plc. is responsible for:

- Ensuring that all products and operations of City Islamic, the Islamic Banking wing of City Bank Plc. comply with Shari'ah principles.
- Reviewing and approving the structure of Islamic financial products and contracts.
- Examining audit reports presented by the Internal Shari'ah Audit Team and assessing compliance status.
- Supervising the purification process of any Shari'ah non-compliant income.
- Advising on risk mitigation strategies related to Shari'ah non-compliance.
- Providing guidance on charity distribution and ethical banking practices.

To fulfill its responsibilities, the Committee convened five (5) times during the reporting period, while the Sub-Committee of the Shari'ah Supervisory Committee held seven (7) meetings and carried out the following activities.

## Review and Approval of Islamic Banking Guidelines, Products, and Policies:

During the reporting period, the Committee reviewed and approved the Guidelines for Islamic Banking Operations of the Bank, along with various products, documents, and contracts. This ensured that all Islamic banking products, policies, and agreements conformed to Shari'ah principles.

## Review and Supervision Activities:

The review and supervision activities included examining, on a sample basis, the documentation and procedures adopted by City Islamic for various transactions. Necessary information was collected

to provide sufficient evidence and reasonable assurance that City Islamic adhered to Shari'ah rules and principles. It was confirmed that all financing agreements were structured in accordance with Shari'ah principles, ensuring the avoidance of Riba (interest), Gharar (uncertainty), and Maysir (gambling).

## Shari'ah Compliance Audit & Internal Review:

The Committee conducted a review of the quarterly Shari'ah audit and compliance reports presented by the respective Shari'ah team. Key areas of review included:

- Profit calculation methodologies for Islamic deposit products to ensure fair profit distribution as per approved guidelines.
- Review of Islamic investment and financing transactions to ensure reasonable compliance with Shari'ah principles.

## In our opinion:

- The financial transactions and operations of City Islamic, the Islamic Banking Wing of City Bank PLC, were compliant with Shari'ah principles during the review period;
- Profit distribution to the Mudaraba Depositors conforms to the basis that had been approved by us in accordance with Shari'ah rules and principles;
- Any instances of Shari'ah non-compliance identified during audits & inspections conducted by the internal Shari'ah Audit team were promptly addressed through corrective actions, including Shari'ah purification measures;
- All earnings that have been realized from doubtful and Shari'ah non-compliant processes have been kept separate for distribution to charitable purposes;
- City Islamic does not pay Zakah on behalf of its shareholders or depositors. Hence, individual shareholders and depositors are advised to calculate their own Zakah and distribute accordingly to the right beneficiaries.

During the year under report, the Shari'ah Supervisory Committee has advised the Bank on the following:

- To take effective steps aiming at creating awareness among the employees and the customers about Shari'ah compliance;
- To introduce prudential measures in order to mitigate and eliminate all operational Shari'ah violations;
- To continue organizing regular training & workshops on Islamic Banking for the officials of the Bank and orientation program on Islamic Banking for the customers of the Bank.

The Committee appreciates the Board of Directors, management, and staff of City Bank PLC for their dedication to Shari'ah compliance. We seek help from Allah the almighty to grant us Tawfeeq for Shari'ah compliance in all our activities, and to grant us all the success in this world and the world hereafter.

Wassalamu Alaikum wa Rahmatullahi wa Barakatuh.  
Signed on behalf of the Shari'ah Supervisory Committee:

**Dr. Maulana Md. Anwar Hosain Molla**  
Chairman, Shari'ah Supervisory Committee  
City Bank PLC

Dhaka, the 18th March 2025.



# CITY BANK PLC. CORPORATE GOVERNANCE COMPLIANCE CHECKLIST 2024

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's (BSEC) through Notification No. BSEC/CMRRC/2006-158/207/Admin/80, dated 03 June 2018 and its subsequent amendments, issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
1. <b>Board of Directors</b>				
1.1 <b>Board size</b>	The number of Board Directors should not be less than 5 (five) and more than 20 (twenty).	✓		
1.2 <b>Independent Directors</b>				
(a)	At least 02 (two) directors or one fifth (1/5) of the total number of Directors in the Company's board, whichever is higher, shall be independent directors. Provided that the Board shall appoint at-least 01 (One) female independent Director in the Board of Directors of the company.			Currently, we have one Independent Director in the Board against the requirement of 2 independent directors. Dr. Salim Mahmud, who was an Independent Director of City Bank, resigned for personal reason. Now, the Bank's Board has appointed Mr. Nazimuddin Chowdhury as Independent Director and will be placed in the ensuing 42nd AGM for the approval by the shareholders.
(b)	Without contravention of any provision of any other laws, for the purpose of this clause an "independent director" means a director-	✓		Moreover, appointment of female independent director is under process.
(b)(i)	Who either does not hold any share or holds less than 1% shares to the total paid-up shares of the Company;	✓		
(b)(ii)	Who is not a sponsor of the Company and is not connected with the companies any sponsor or director or shareholder who holds one percent (1%) or more share of the total paid-up shares of the company on the basis of family relationship. Provided that spouse, son, daughter, father, mother, brother, sister son-in-law and daughter-in-law shall be considered as family members;	✓		
(b)(iii)	who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓		
(b)(iv)	Who does not have any other relationship whether pecuniary or otherwise, with the Company or its subsidiary/ associated companies or its subsidiary /associated companies;	✓		
(b)(iv)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
(b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
(b) (viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
(b) (ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institutions	✓		
(b) (x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM). Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after the consideration of recommendation of the Nomination and Remuneration Commission (NRC) of the company	✓		
(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓		
(e)	The tenure of office of an independent director shall be for a period of 03 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures	✓		
<b>1.3 Qualification of Independent Director (ID)</b>				
(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
(b)	Independent Director shall have following qualifications:			
(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;			Not applicable.
(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company;			Not applicable.
(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor's degree in economics or commerce or business or Law; Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service.or	✓		
(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		

Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
	(b) (v) Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	✓		
	(c) The independent director shall have at least 10 (ten) years of experiences in any field Mentioned in clause (b).	✓		
	(d) In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not applicable
<b>1.4</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
	(a) The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
	(b) The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company.	✓		
	(c) The Chairperson of the Board shall be elected from among the non-executive directors of the company.	✓		
	(d) The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer.	✓		
	(e) In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
<b>1.5</b>	<b>The Directors' Report to Shareholders</b>			
	(i) Industry outlook and possible future development in the industry.	✓		
	(ii) Segment-wise or product-wise performance.	✓		
	(iii) Risks and concerns.	✓		
	(iv) A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
	(v) Discussion on continuity of any Extra-Ordinary gain or loss.			Not applicable
	(vi) A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions.	✓		
	(vii) A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments			Not applicable as no such events has occurred during 2024
	(viii) An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.			Not applicable as no such events has occurred during 2024
	(ix) An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements			Not applicable as no significant variance exists between quarterly financial performance and annual financial statements
	(x) A statement of remuneration paid to the directors including independent directors	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	✓		
(xii)	A statement that proper books of account of the issuer company have been maintained	✓		
(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		
(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	✓		
(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.	✓		
(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed	✓		
(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	✓		
(xix)	A statement where key operating and financial data of at least preceding 05 (five) years shall be summarized.	✓		
(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			Not applicable
(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.			Not applicable
(xxii)	The total number of Board meetings held during the year and attendance by each director	✓		
(xxiii)	Pattern of shareholding and name wise details (disclosing aggregate number of shares):			
(xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	✓		
(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	✓		
(xxiii) (c)	Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit).	✓		
(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	✓		
(xxiv)	In case of the appointment or re-appointment of a director, a disclosure on the following information to the shareholders			
(xxiv) (a)	a brief resume of the director	✓		
(xxiv) (b)	nature of his or her expertise in specific functional areas	✓		
(xxiv) (c)	names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on accounting policies and estimation for preparation of financial statements.	✓		
(xxv) (a)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes.	✓		
(xxv) (b)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof.	✓		
(xxv) (c)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario.	✓		
(xxv) (d)	briefly explain the financial and economic scenario of the country and the globe.	✓		
(xxv) (e)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		
(xxv) (f)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.	✓		
(xxv) (g)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
(xxvi)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
(xxvii)	The directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		
<b>1.6</b>	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	✓		
<b>1.7</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company.	✓		
(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior ; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company.	✓		
(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	✓		
(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
	(d) The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓		
	(e) The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
<b>3.1</b>	<b>Appointment</b>			
	(a) The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC).	✓		
	(b) The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals.	✓		
	(c) The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time. Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the commission. Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately	✓		
	(d) The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	✓		
	(e) The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
<b>3.2</b>	<b>Requirement to attend Board of Directors' Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters	✓		
<b>3.3</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
	(a) The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
	(a)(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	✓		
	(a)(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	✓		
	(b) The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members.	✓		
	(c) The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
<b>4</b>	<b>Board of Directors' Committee</b>			
	(i) Audit Committee	✓		
	(ii) Nomination and Remuneration Committee	✓		
<b>5</b>	<b>Audit Committee</b>			



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
5.1	Responsibility to the Board of Directors			
(a)	The company shall have an Audit Committee as a subcommittee of the Board.	✓		
(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5.2	<b>Constitution of the Audit Committee</b>			
(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director.	✓		
(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience.	✓		
(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (Sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.			Not applicable
(e)	The company secretary shall act as the secretary of the Committee.	✓		
(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5.3	<b>Chairperson of the Audit Committee</b>			
(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	✓		
(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓		
(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
5.4	<b>Meeting of the Audit Committee</b>			
(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	✓		
(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓		
5.5	<b>Role of Audit Committee</b>			
(a)	Oversee the financial reporting process	✓		
(b)	monitor choice of accounting policies and principles	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	✓		
(d)	oversee hiring and performance of external auditors	✓		
(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	✓		
(f)	review along with the management, the annual financial statements before submission to the Board for approval	✓		
(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	✓		
(h)	review the adequacy of internal audit function	✓		
(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report	✓		
(j)	review statement of all related party transactions submitted by the management	✓		
(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors	✓		
(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.			Not applicable as no such events occurred
<b>5.6</b>	<b>Reporting of the Audit Committee</b>			
(a)	Reporting to the Board of Directors			
(a)(i)	The Audit Committee shall report on its activities to the Board	✓		
(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
(a)(ii) (a)	report on conflicts of interests			Not applicable as no such events occurred yet
(a)(ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements			Not applicable as no such events occurred yet
(a)(ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations			Not applicable as no such events occurred yet
(a)(ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			Not applicable as no such events occurred yet
(b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier			Not applicable as no such events occurred yet
<b>5.7</b>	<b>Reporting to the Shareholders and General Investors</b>			



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			Not applicable as no such events occurred yet
6	<b>Nomination and Remuneration Committee (NRC)</b>			
6.1	<b>Responsibility to the Board of Directors</b>			
(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		
(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive	✓		
(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6.2	<b>Constitution of the NRC</b>			
(a)	The Committee shall comprise of at least three members including an independent director	✓		
(b)	At least 02 (two) members of the Committee shall be non-executive directors	✓		
(c)	Members of the Committee shall be nominated and appointed by the Board	✓		
(d)	The Board shall have authority to remove and appoint any member of the Committee	✓		
(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.	✓		
(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee	✓		
(g)	The company secretary shall act as the secretary of the Committee	✓		
(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director	✓		
(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	✓		
6.3	<b>Chairperson of the NRC</b>			
(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	✓		
(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	✓		
(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
6.4	<b>Meeting of the NRC</b>			
(a)	The NRC shall conduct at least one meeting in a financial year	✓		
(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	✓		
(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h)	✓		
(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC	✓		
6.5	<b>Role of the NRC</b>			
(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	✓		
(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board	✓		
(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following	✓		
(b)(i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	✓		
(b)(i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks	✓		
(b)(i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	✓		
(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	✓		
(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board7	✓		
(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board	✓		
(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	✓		
(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies	✓		
7	<b>External or Statutory Auditors</b>			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company			
(i)	appraisal or valuation services or fairness opinions	✓		
(ii)	financial information systems design and implementation	✓		
(iii)	book-keeping or other services related to the accounting records or financial statements	✓		
(iv)	broker-dealer services	✓		
(v)	actuarial services	✓		



Condition No.	Title	Compliance status (Put ✓ in the appropriate column)		Required Relevant Documents Received/ Remarks
		Complied	Not complied	
(vi)	internal audit services or special audit services	✓		
(vii)	any service that the Audit Committee determines	✓		
(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1)	✓		
(ix)	any other service that creates conflict of interest	✓		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members	✓		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	✓		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8.1	The company shall have an official website linked with the website of the stock exchange.	✓		
8.2	The company shall keep the website functional from the date of listing.	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance</b>			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not	✓		



ESS & Partners Private Ltd.

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**Report to the Shareholders of**

**City Bank PLC**

**On**

**Compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by City Bank PLC ("the Company") for the year ended 31 December 2024. This Code relates to the notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission and its subsequent amendments as on the reporting date.

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

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

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

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except the compliance with the following conditions-

- i) The post of one of the Independent Directors remains vacant for more than 90 (ninety) days;
- ii) As on the reporting date the company could not appoint any female Independent Directors;
- iii) Although as per Bangladesh Bank's directive No. BRPD Circular Letter No. 21, dated May 12, 2024, the Audit Committee has held the role of Nomination and Remuneration Committee (NRC), the function of NRC could not be started fully in 2024 and could not hold any meeting in this regard;

(b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) Except the above stated in clause (a), the Governance of the Company is satisfactory.

For ESS & Partners Private Ltd.

  
Mohammad Jobair Rahman Khan FCA  
Director

Dhaka, 13 April 2025





# BANGLADESH BANK CORPORATE GOVERNANCE GUIDELINES

## PART-I

Formation & Responsibilities of Board of Directors of a Bank Company

(BRPD Circular No. 02 Dated 11 February 2024)

Reference		Provision	Compliance Status
3	(a)	<b>Formation of Board of Directors:</b> The Board of Directors of a bank-company shall consist of shareholder directors, nominated directors on behalf of shareholder institutions, and independent directors. Where it is applicable, alternate directors may also be members of the Board.	Complied
	(b)	The maximum number of directors on the Board shall be 20 (twenty). Out of these 20, the number of independent directors shall not be less than 03 (three) and incase of number of directors on the Board less than 20 (twenty), the minimum number of independent directors shall be 02 (two).	Complied
	(c)	Not more than 03 (three) members of the same family can hold the position of director in any bank-company at the same time.	Complied
	(d)	Apart from these 03(three) directors of the same family, a nominated director can be appointed on behalf of a maximum 02 (two) institutions or companies closely related or controlled by the said family.	Complied
	(e)	Not more than 1 (one) individual can be appointed as a nominated director on behalf of a shareholder institution or company	Complied
	(f)	An individual cannot be appointed as a nominated director in the Board on behalf of another individual shareholder (with a distinct natural personality)	Complied
	(g)	Pursuant to Section 15KaKa of the Banking Companies Act, 1991, from January 28, 2018 no individual can hold the position of a director in any bank-company for more than 12 (twelve) consecutive years. They will not be eligible for reappointment unless expiration of 03 years time after the completion of their tenure as director.	Complied
	(h)	All directors will retire at the first annual general meeting of a bank-company. Subsequently, one-third of the directors, based on seniority, will retire at each annual general meeting. In this case, the provisions described in Article 80 of schedule 1 of the Companies Act, 1994, must be followed. Retiring directors will be eligible to be re-elected for reappointment as directors.	Complied
4	(a)	<b>Qualifications and Eligibility of a Director:</b> The relevant individual must have at least 10 (ten) years of management or business or professional experience; The experience of an individual; gained before the age of 18 (eighteen), shall not be taken into consideration;	Complied
	(b)	The minimum age of the relevant individual shall be 30 (thirty) years;	Complied
	(c)	He/she has not been convicted of any criminal offense, neither involved in any fraud, financial crime, or any other illegal activities at present nor in the past;	Complied
	(d)	There are no adverse observations/comments regarding him/her in any of the verdict published by criminal or civil court;	Complied
	(e)	He/she has not been convicted for violation of any rules, regulations, policies, or laws of any regulatory authority related to the financial sector;	Complied
	(f)	He/she was not associated with any company/entity whose registration/license has been revoked or the entity has been liquidated;	Complied
	(g)	He/she is not a loan defaulter for any loan taken from any bank/financial institutions in his/her name or in the name of any entities related to him/her;	Complied
	(h)	He/she does not hold the position of director or advisor/consultant or any other beneficial position in any other bank-company, financial institution, insurance company, or subsidiary company of those companies;	Complied
	(i)	He/she does not hold the position of external auditor, legal advisor, advisor, consultant, or in any other beneficial position of the same bank-company;	Complied
	(j)	He/she has not been declared insolvent by a court at any time;	Complied



Reference	Provision	Compliance Status
	(k) He/she is not a tax defaulter personally or for his sole proprietorship or partnership firm;	Complied
	(l) In case of being employed in any position in the relevant bank company, a tenure of 5 (five) years must be passed after his/her resigning from the post;	Complied
	(m) If he/she was listed as a willful defaulter by any bank or financial institution established under the Finance Company Act, 2023, he/she shall not be eligible to become director of any bank until the expiration of 5 (five) years tenure of being removed from that list.	No such case Occurred
5	<b>Appointment/ Re-appointment of Directors:</b> In accordance with Sub-section (04) of Section 15 of the Bank Company Act, 1991, prior approval from Bangladesh Bank is a must for all bank-companies (except specialized banks) to appoint/reappoint directors, who have been nominated in the board meeting or elected/re-elected in the annual general meeting of the board. The date of appointment/ re-appointment shall be effective from the date of approval by Bangladesh Bank. For obtaining such prior approval, an application furnished with the prescribed documents/ papers/information must be submitted to Bangladesh Bank and signed by the chief executive/ managing director of the bank within 07 (seven) working days from the date of the relevant board meeting/annual general meeting.	Complied
8	<b>(a) Vacancy of Office of Director:</b> The office of director shall be vacated according to the provision specified in Section 108(1) of the Companies Act, 1994. Moreover, if any director fails to repay the advance or loan obtained from any bank or financial institution within two months of receiving notice from the Bangladesh Bank under Section 17 of the Bank Company Act, 1991, or provides false declarations/information to Bangladesh Bank at the time of appointment as a director, or if his eligibility is found to be deficient, the office of the director can be vacated or his appointment can be cancelled.  <b>(b)</b> If the office of a director is vacated under Section 17 of the Bank Company Act, 1991, the individual will not be eligible to become a director of that bank company/any other bank company/financial institution within one year from the date of full repayment of the total amount due to the respective bank/financial institution. It is noteworthy that the dues have to be adjusted for the shares held by the director of that bank company. When a director receives notice under Section 17 of the Bank Company Act, 1991, he/she can't transfer his/her shares of that bank until all the debt owed to him/her by the relevant bank or financial institution is repaid. If a director, who has received notice, resigns from his office while the action of the notice is still in effect, the resignation will not be effective.  <b>(c)</b> Besides, if any director of a bank company is listed as a willful defaulter, Bangladesh Bank can declare the office of director vacant in accordance with the provisions described in Section 27Kha of the Bank Company Act, 1991.	No such case Occurred
9	<b>Removal and Appointment of a Director in Special Purposes:</b>  <b>(a)</b> According to Sub-section (4) of Section 15 of the Bank Company Act, 1991, prior approval from the Bangladesh Bank must be taken for removal of any director of a bank (other than specialized bank) from his office. Such removal will be effective from the date of approval granted by Bangladesh Bank  <b>(b)</b> If any director or chairman of a bank company is involved in malpractices detrimental to the interests of depositors or misuses bank's funds through related party transaction/ money laundering or is involved in terrorist financing/acts against public interest, Bangladesh Bank may remove him/her under Section 46 of the Bank Company Act, 1991, or dissolve the board of under Section 47 of the Bank Company Act, 1991.  <b>(c)</b> Bangladesh Bank may appoint any person as a director of any bank company considering his/her qualification and eligibility for appointment as director or construct a new board/reconstruct a board in accordance with the power conferred in Section 45 of the Bank Company Act, 1991, for the protection of the interests of the bank company or depositors, for specific/special reasons, or for the public interest.	No such case Occurred
12	<b>Conduct of Meetings of Board and Sub-Committees:</b>  <b>12.1</b> (a) The Board of Directors of the bank shall convene meeting once in each month or more than once if necessary;  (b) The quorum for the meetings of the bank's Board of Directors shall be determined according to the bank's articles of association or memorandum of association.  (c) For active participation and contribution of members in the Board meeting, delivery of the detailed memorandum (to be presented in the meeting) to each member at least 02 (two) days prior to the meeting must be ensured.  (d) Any issue; not incorporated in the agenda, must not be considered by the board.  (e) Note of dissent on any matter issued in the meeting, must be recorded in the meeting minutes.	Complied



Reference	Provision	Compliance Status
	(f) Apart from the Board of Directors, managing director and the company secretary of the bank can be present at the board meeting.	Complied
	(g) In special circumstances, upon invitation from the board or its sub-committees, any bank employee may be present at the meeting only while issues relevant to him/her are being presented (not for the entire duration).	Complied
	(h) No external person, under any circumstances, can attend meetings of the board or its sub-committees.	Complied
	(i) Meetings of the Board of Directors, executive committees, audit committees, and risk management committees of the bank have to be held in the head office/ in the city of the headquarter. However, if there is a special need to conduct a meeting outside the head office city/Dhaka, the application must be submitted to the Bangladesh Bank at least seven working days before the meeting for prior approval, mentioning the reasons behind it, the number/list of participants and the estimated expense. Any excessive expense other than the necessary expense for holding meetings outside the head office city/Dhaka must be avoided.	Complied
<b>12.2</b>	<b>Directors' Honorarium and Benefits:</b>	
	(a) The maximum amount of honorarium for the directors attending the Board meeting/sub-Committee meeting shall be 10,000 (ten thousand) taka.	Complied
	(b) Independent directors shall receive a fixed honorarium of 50,000 (fifty thousand) taka (subject to applicable tax deductions) per month, in addition to the honorarium described above.	Complied
	(c) The number of meetings of the board and other committees of the Bank Company shall be kept limited. However, regardless of the number of meetings of the Board and other committees of Bank Company held in any month, directors shall be entitled to such honorarium for attending a maximum of 06 (two) meetings of the Board of Directors and meetings of the Executive Committee, 01 (one) meeting of the Audit Committee, and 01 (one) meeting of the Risk Management Committee.	Complied
	(d) The related instruction and guidelines of NBR should be followed and complied for tax deduction on the honorarium of directors for attending meeting and other committees' meetings of the bank.	Complied
	(e) Directors shall be eligible for hotel accommodation expenses for a maximum 02 (two) days and travel expenses while coming to the head office from any other location within the country to attend meetings of the board/sub-Committee.	Complied
	(f) Where foreign nationals hold directorship positions (other than non-resident Bangladeshis or dual citizens), they shall be eligible for hotel accommodation bills for a maximum 03 (three) days and two way airfare as traveling expense	Complied
	(g) Non-resident Bangladeshi directors are allowed to attend maximum of 04 (four) meetings of the Board of Directors per year. They will be eligible for hotel accommodation bills for a maximum of 03 (three) days and two way airfare as traveling expenses.	Complied
<b>10.1</b>	<b>Responsibilities, Authorities and Duties of the Board of Directors:</b>	
a.	<b>Work-planning and Strategic Management:</b>	
	• The board will determine the objectives and goals of the bank and adopt strategies and work-plans on an annual basis to achieve these goals. It shall review the progress of the implementation of the work-plans on a quarterly basis.	Complied
	The board shall have its analytical review incorporated in the Annual Report on the success/failure in achieving predetermined business and other targets as set out in its annual work-plan and shall apprise the shareholders about its recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & officers in the immediate two tiers below the CEO, and have it evaluated from time to time.	Complied
b.	<b>Credit and Risk Management:</b>	
	The policies, strategies, etc. with respect to the appraisal of loan/investment proposals, sanction, disbursement, recovery, reschedule, and write-off thereof shall be formulated with the board's approval under the purview of the existing laws, rules, and regulations. The board shall specifically delegate the authority of loan/investment approval to the CEO and his subordinate executives as much as possible.	Complied
	The board shall frame policies for risk management. It will inspect on a quarterly basis whether these policies are properly implemented; review the concerned report of the risk management committee, and ensure compilation in the minutes of the board meeting. The board shall monitor whether the key risk management guidelines of Bangladesh Bank are being properly complied with.	Complied
c.	<b>Internal Control Management:</b>	



Reference	Provision	Compliance Status
	The board will establish such an internal control system so that the internal audit process can be conducted independently of management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance with recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.	Complied
d.	<b>Human Resource Management and Development:</b>  Policies related to recruitment, promotion, transfer, disciplinary and punitive measures, incentives, human resources development, etc. and service rules shall be formulated and approved by the board. No member of the board of directors shall be included in the selection committees for recruitment and promotion at different levels. Recruitment, promotion, transfer, disciplinary, and punitive measures of the officers immediate two tiers below the CEO of the banks (except state-owned banks) shall rest upon the board. In case of state-owned bank these will be governed by the prevailing approved policies of the Financial Institutions Division of the Ministry of Finance periodically.	Complied
	The board shall put its special attention on training, adoption of modern electronic & information technologies and the introduction of effective Management Information System (MIS) for skill development of bank employees/staff and shall incorporate these programs into its annual work plan.	Complied
	The board will establish a Policy of integrity, ethics and code of conduct for officials and employees at all levels, which all employees will adhere to properly	Complied
e.	<b>Financial Management:</b>  The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall quarterly review the positions in respect of the bank's income, expenditure, liquidity position, overdue/non-performing loans, capital base and adequacy, maintenance of loan loss provision, and steps taken for recovery of defaulted loans, including legal measures	Complied
	The board shall frame the policies for bank's purchase and procurement activities adhering to the laws and regulations prevalent in the country and shall accordingly approve the distribution of power for making such expenditures.	Complied
	The board will periodically review the whether an Asset-Liability Committee (ALCO) has been formed and whether it is working as per Bangladesh Bank guidelines.	Complied
f.	<b>Appointment of Managing Director/CEO:</b>  The Board of Directors will appoint a suitable CEO/Managing Director with the prior approval of Bangladesh Bank in line with prevailing instructions time to time.	Complied
g.	<b>Other Duties and Responsibilities of the Board:</b>  The board should follow and comply with all other duties and responsibilities assigned by BB.	Complied
10.2	<b>Responsibilities of the Chairman and Directors:</b>	
	(a) The chairman will be elected from the members of the board for a period of 2 (two) years. Considering his tenure as director, he will be eligible for re-election as chairman.	Complied
	(b) As the chairman of the board of directors or chairman of any committee formed by the board or any director does not individually or personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere in the administrative or operational and routine affairs of the bank.	Complied
	(c) The chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country, and a vehicle in the business-interest of the bank, subject to the approval of the board.	Complied
11	<b>Board Committees:</b>  Each bank company's board of directors can form 1 (one) executive committee, 1 (one) audit committee and 1 (one) risk management committee with its members. Apart from these three committees, no permanent or temporary committee or sub-committee can be formed by the board.	Complied
	a) <b>Executive committee:</b> Executive committee should be formed with the members of the board for the purpose of continuing the urgent and daily/routine works in between the intervals of board meetings.	Complied
	<b>Organizational Structure:</b>	
i	The members of the committee will be nominated by the board of directors from themselves;	Complied
ii	The executive committee will consist of a maximum 07 (seven) members	Complied

Reference	Provision	Compliance Status
iii	One chairman/president of the committee shall be elected from the members for a period of 3 (three) years.	Complied
iv	Members may be appointed for a period of 3 (three) years.	Complied
v	Chairman of the Board of Directors may also serve as the chairman/president of executive committee;	Complied
vi	Not more than one member of the same family can be included in the executive committee.	Complied
vii	Company secretary of the bank will be the secretary of the executive committee.	Complied
	<b>Qualifications of the Members:</b>	
i	Integrity, dedication, and the opportunity to spend time for the functioning of the committee must be considered while nominating a director to the committee	Complied
ii	Committee members must have a thorough understanding of the Bank Company Act, 1991, other Acts and regulations related to banking operations, banking business, management of banks, various risk factors, and the duties & responsibilities of members of the committee. In case of digital bank, at least one person with expertise in ICT matters must be included as a committee member.	Complied
	<b>Roles and Responsibilities of the Executive Committee:</b>	
i	As instructed by the Board of directors, the executive committee can decide or can act in those cases that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations.	Complied
ii	The executive committee can take all necessary decisions or approve cases within the power delegated by the board of directors	Complied
iii	All decisions taken by the executive committee should be ratified at the next board meeting.	Complied
	<b>Meetings of the Executive Committee:</b>	
i	The committee may invite the Chief Executive Officer, Head of Internal Audit, or any other Officer to its meetings, if it deems necessary.	Complied
ii	To ensure active participation and contribution by the members at every meeting, a detailed memorandum should be distributed to committee members at least 2 (two) days prior to each meeting.	Complied
iii	All recommendations/observations of the committee should be incorporated in the minutes.	Complied
iv	If any note of dissent is issued on any matter, it must be recorded in the minutes of the meeting.	Complied
b)	<b>Audit Committee:</b>	
	The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will inspect/review the inspection process of financial reporting, internal control system, the audit process and the bank's operations being conducted within the existing Acts and laws & regulations imposed by the regulatory authorities and its own code of business conduct.	Complied
	<b>Organizational Structure:</b>	
i	The audit committee will comprise of a maximum 05 (five) members, among whom at least 2 (two) independent directors will be included	Complied
ii	One chairman/president of the audit committee will be elected from the independent directors	Complied
iii	The tenure of the chairman/president of the audit committee will be 3 (three) years. An independent director cannot serve consecutively for two terms as the chairman/president of the audit committee.	Complied
iv	No member of the executive committee can be included as a member of the audit committee.	Complied
v	Members may be appointed for a period of 03 (three) years;	Complied
vi	Company secretary of the bank will be the secretary of the audit committee.	Complied
	<b>Qualifications of the Members:</b>	
i	Individuals who are capable of contributing effectively and efficiently to the Committee's functions should be appointed as members.	Complied
ii	Committee members must have a thorough understanding of the Bank Company Act, 1991, relevant other Acts and regulations related to banking operations, auditing, banking business, management of banks, various risk factors, and the duties & responsibilities of members of the committee.	Complied



Reference	Provision	Compliance Status
iii	Individuals with practical experience in the field of banking operations, especially those with educational qualifications in Accounting, Cost Accounting, Finance, Banking, Management, and Economics, should be given priority in forming the committee. In the case of a digital bank, at least one person with expertise in ICT matters must be nominated as a committee member.	Complied
	<b>Roles and Responsibilities of the Audit Committee:</b>	
	<b>Internal Control:</b>	
i	The Audit Committee will evaluate whether management has been able to set the appropriate compliance culture, whether clear directives have been given to the bank's officials/employees regarding their roles and responsibilities and whether there is full compliance and control over their work;	Complied
ii	The Audit Committee will review whether the recommendations made periodically by internal and external auditors on internal control strategies/framework, have been implemented by the management and provide necessary guidance;	Complied
iii	The Audit Committee will regularly update the board about irregularity, fraud, forgery, and weaknesses in internal control detected by internal and external auditors and inspecting team of the regulatory authority or the corrective actions taken regarding similar issues detected by them.	Complied
	<b>Financial Reporting:</b>	
i	The audit committee will check whether the financial statements reflect the comprehensive and concrete information and determine whether the country's prevailing rules & regulations and accounting standards, as well as the relevant accounting standards prescribed by the Bangladesh Bank in this regard, have been followed in preparing the financial statements.	Complied
ii	The audit committee will discuss with the inspection team of the Bangladesh Bank, the external auditors and management to review the financial statements before its finalization.	Complied
	<b>Internal Audit:</b>	
i	The audit committee will ensure whether internal audit working independently from the management.	Complied
ii	The audit committee will review the activities of the internal audit and the organizational structure.	Complied
iii	The Audit Committee will assess the efficiency and effectiveness of internal audit function and recommend necessary measures accordingly;	Complied
iv	The Audit Committee will also verify whether the findings/recommendations made by the internal auditors regarding regularizing irregularities detected by them, management of the bank's operations etc. are being properly addressed by the bank management and provide necessary guidance.	Complied
	<b>External Audit:</b>	
i	The Audit Committee will review audit activities conducted by the external auditors and their audit reports;	Complied
ii	The Audit Committee will also verify whether the findings/recommendations of the external auditors on regularizing irregularities, fraud and forgeries detected by them and the management of the bank's operations are being properly considered by the management authorities or not.	Complied
iii	The Audit committee will recommend regarding the appointment of the external auditors from the list of external auditors announced by the Bangladesh Bank from time to time.	Complied
	<b>Compliance with existing laws and Regulations:</b>	
	The Audit Committee will review whether banking laws, rules & regulations, policies and guidelines issued by regulatory authorities (Central Bank and other institutions), and internal policies approved by the Board are being properly complied with.	Complied
	<b>Other Responsibilities:</b>	
i	The Audit Committee will submit compliance report to the board on quarterly basis on regularization of the irregularity, fraud and forgeries detected by the internal and external auditors and inspection team of the Bangladesh Bank and directions described in any observation;	Complied
ii	External and internal auditors will submit their related assessment report, if the committee solicit;	Complied
iii	The committee will evaluate any matter as desired lawfully by the Board of Directors and submit a report/recommendation on it.	Complied
	<b>Meetings of the Audit Committee:</b>	
i	The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems necessary;	Complied



Reference	Provision	Compliance Status
	ii The committee may invite the Chief Executive Officer of the bank, the officer in charge of internal audit, or any other official to its meetings, if it deems necessary;	Complied
	iii To ensure active participation and contribution by the members at every meeting, a detailed memorandum should be distributed to committee members at least 2 (two) days prior to each meeting.	Complied
c)	<b>Risk Management Committee:</b>	
	A risk management committee will be formed to play an effective role in mitigating impending risks arising out from strategies and work plans formulated by the Board of Directors of the bank company and to carry out the related roles and responsibilities effectively/efficiently. The Risk Management Committee will scrutinize whether risk management measures are taken and applied against the identified and assessed risk factors, whether adequate capital and accurate provision are maintained against them and therefore, will provide necessary directions for risk reduction.	Complied
	<b>Organizational Structure:</b>	
i	The members of the committee will be nominated by the board of directors from themselves;	Complied
ii	The risk management committee will comprise of maximum 05 (five) members.	Complied
iii	Chairman/president of the committee will be elected from the members for period of 03 (three) year	Complied
iv	Members may be appointed for a period of 03 (three) years;	Complied
v	Company secretary of the bank will be the secretary of the risk management committee.	Complied
	<b>Qualifications of the Members:</b>	
i	Integrity, competence, dedication, and opportunity to spare time for the functionality of the committee must be considered while nominating a director of the committee;	Complied
ii	Individuals who are capable of contributing effectively and efficiently to the committee's functions should be appointed as members.	Complied
iii	Committee members must have a thorough understanding of Bank Company Act, 1991, other Acts, rules and regulations relevant to the banking operations, banking business, management of banks, various risk factors, and the duties & responsibilities as member of the committee. In case of digital bank, at least one person with expertise in ICT matters must be nominated as a committee member.	Complied
	<b>Roles and Responsibilities of the Risk Management Committee:</b>	
	<b>Risk Identification &amp; Control Mechanisms:</b>	
i	The responsibility of the Risk Management Committee is to ensure adoption and implementation of appropriate mechanisms for identification of risks associated with the bank's operations and its control. The Risk Management Committee will review and revise the bank's risk management policy and procedures if necessary.	Complied
	<b>Preparation of Organizational Structure:</b>	
ii	The responsibility of the Risk Management Committee is to ensure an adequate organizational structure for controlling risk within the bank.	Complied
	<b>Review and Approval of Risk Management Policy:</b>	
iii	The Risk Management Committee will review the bank's risk management policies and guidelines at least once a year; it will propose amendments if necessary and present them to the Board of Directors for final approval.	Complied
	<b>Storage of Data &amp; Reporting System:</b>	
iv	The Risk Management Committee will approve the data storage and reporting system developed by the bank management by scrutinizing them, and will ensure that these systems are being properly implemented.	Complied
	<b>Monitoring the Implementation of Comprehensive Risk Management Policy:</b>	
v	The Risk Management Committee will monitor whether the Comprehensive Risk Management Policy of the bank is being properly implemented. It will ascertain whether necessary steps have been taken to mitigate various risks, including credit risk, market risk, and operational risk.	Complied
	<b>Other Responsibilities:</b>	
vi	The decisions and recommendations of the committee shall be presented to the Board of Directors in summarized form on quarterly basis.	Complied



Reference	Provision	Compliance Status
vii	The Risk Management Committee shall comply with instructions issued from time to time by the controlling authority regarding various risk-related matters in banking operations;	Complied
	<b>Meetings of the Risk Management Committee:</b>	
i	The committee shall convene meetings at least 4 (four) times a year and may arrange meetings at any time as necessary.	Complied
ii	The committee may invite the Chief Executive Officer, Chief Risk Officer or any other Officer to its meetings if it deems necessary	Complied
iii	To ensure active participation and contribution by the members at every meeting, a detailed memorandum should be distributed to committee members at least 2 (two) days prior to each meeting	Complied
iv	All recommendations/observations of the committee should be noted in the minutes.	Complied
	<b>Alternative Director:</b>	
v	If any director of a bank company remains abroad for consecutive 3 (three) months, an alternative director may be appointed in compliance with Section 101 of the Companies Act, 1994, for once in a year for the tenure of maximum 3 (three) months. The provisions regarding the qualification and eligibility for the appointment of directors will be applicable for the appointment of an alternative director too. Any loan defaulter or any person who is not eligible to become a director under the Bank Company Act, the Company Act or any other law or regulation or rules will not be appointed as an alternate director. Since, an alternate director is appointed for a temporary period; he/she cannot be included in any sub-committee constituted of the Board. During his tenure of alternate directorship, he/she or his/her affiliated organization will not get any kind of loan facilities or enhancement of limit or extension of time period or any kind of exemption of interest calculation or interest waiver of previous loan from his bank.	No such case Occurred

## PART-II

Appointment and Responsibilities of Managing Director/Chief Executive Officer of a Bank-Company

(BRPD Circular No 05 Dated 27 February 2024)

Reference	Provision	Compliance Status
02	<b>Eligibility Criteria for Appointment/ Re-appointment of MD/CEO:</b>	
a.	<b>Characteristics and Moral integrity:</b>	
i	The individual is not convicted by any criminal court, neither involved in any fraud, financial crime and other illegal activities at present nor in the past;	Complied
ii	There are no adverse observations/comments regarding him/her in any of the verdict published by criminal or civil court;	Complied
iii	He/she has not been convicted for any violation of rules, regulations, or laws of any regulatory authority;	Complied
iv	He/she was not associated with the ownership of any company or entity whose registration or license has been revoked or the company or entity has been liquidated;	Complied
v	He/she was not involved in any company or financial institution as an employee whose registration or license has been cancelled or revoked due to his/her direct or indirect criminal offenses	Complied
vi	He/she has not been removed or dismissed/terminated or downgraded or relieved from his/her own position as chairman/director /employee /staff of any company or institution due to financial embezzlement, corruption, fraud forgeries, or ethical violations.	Complied
vii	He/she has not been removed or dismissed/terminated/ downgraded /relieved from while serving as a chief executive /chairman/ director/ employee /any other position of any bank company or any other financial institution.	Complied
viii	There is no adverse observation raised against him/her in any on-site or off-site inspection of the Bangladesh Bank.	Complied
b.	<b>Financial Integrity:</b>	
i	He/she is not a defaulter for loans taken from any bank/financial institution.	Complied
ii	He/she has not ceased payment to any creditor or has not been exempted from payment of dues through compromise with the creditor.	Complied



Reference	Provision	Compliance Status
	iii He/she is not a tax defaulter.	Complied
	iv He/she has not been declared bankrupt by a court at any time;	Complied
	v He/she has not been involved in any illegal activities or during his/her tenure in a bank or financial institution in his/her professional capacity.	Complied
c.	<b>Educational Qualifications, Suitability, and Experience:</b>	
	i He/she must at least have a post-graduate degree from any recognized university. Higher academic or professional education in the fields of Economics, Accounting, Finance, Banking, Management or Business Administration will be treated as additional qualifications for the concerned person. Greater importance has to be given to higher education on information technology for the appointment of Chief Executive Officers of digital banks.	Complied
	ii He/she must not have a third division or class at any stage of his/her academic life. In the case of published results under the grading system, if the GPA is less than 3.00 for SSC or equivalent and HSC or equivalent, and if it is less than 2.50 on a 4.00-point scale or less than 3.00 on a 5.00-point scale as CGPA provided by any recognized university, it will not be acceptable. In the case of degrees obtained from abroad, result (class/division/GPA) must be approved and equivalent by competent authority.	Complied
	iii He/she cannot serve as a director in any bank company, financial institution established under the Finance Company Act, 2023, insurance company, or any controlled entity of such companies, or be appointed to any profitable position in such entities.	Complied
	iv He/she cannot be engaged in any other business or profession.	Complied
	v He/she cannot have any business interests in the relevant bank.	Complied
	vi He/she cannot have any association with an entity that is owned by or a related party to or a controlled entity of the bank director.	Complied
	vii No member of his/her family can be included on the bank's board of directors.	Complied
	viii For the appointment as chief executive officer, the concerned person must have 20 (twenty) years of experience in the banking profession as an active officer, including at least 02 (two) years of experience in a post immediately below that of the chief executive officer of a bank.	Complied
03	<b>Age Limit:</b>	
	The minimum age of the concerned person will be 45 (forty-five) years, and any individual exceeding the age of 65 (sixty-five) years cannot hold the position of Chief Executive Officer of any bank-company	Complied
04	<b>Designation:</b>	
	In order to bring parity/conformity to the top executive position in the banking sector of the country, the designation of the top executive officer of bank-companies shall be referred to as "Managing director or Chief Executive Officer". However, the designation of the local top executive officer of foreign bank-companies in Bangladesh may be determined in accordance with the directives of the respective bank's head office. In such cases, outmost efforts must be given to maintain consistency with the designation of top executive officers of domestic banks.	Complied
05	<b>Tenure of Appointment:</b>	
	The tenure of appointment of the Chief Executive Officer shall generally be 3 (three) years, but he/she shall be eligible for reappointment on condition that he has more than 3 years left for becoming 65 years old. However, the bank will appoint the candidate for the period for which he/she will be recommended based on examination of his/her suitability through the interview conducted by the Bangladesh Bank, regardless of the bank's proposed tenure.	Complied
06	<b>Performance Indicators for Appointment/Reappointment:</b>	
	At the time of appointment/reappointment of the CEO, specific targets for reduction of non-performing loans of the bank and recovery of written-off loans must be set, and progress have to be reviewed periodically. Additionally, specific financial and managerial improvement provisions, as well as other performance indicators must be included to evaluate the performance of the appointed individual. Moreover, any special responsibilities or targets determined by Bangladesh Bank from time to time in the interest of depositors, the bank, or the public have to be included as performance indicators in the appointment/reappointment process.	Complied
07	<b>Determination of Salary, Allowances and Other Benefits:</b>	
	i Financial condition, scope of operation, business-volume and general trend of earning capacity of the bank;	Complied
	ii Number of branches, sub-branches, agent banking, and regional offices of the bank;	Complied
	iii Qualifications, age, experience and past achievement of the candidate;	Complied



Reference	Provision	Compliance Status
iv	Salary and allowances paid to other officers of the bank-company or CEO of other peer bank-companies;	Complied
v	Direct salary and allowances will include "basic salary" and "house rent" and by adding other allowances (if any) with it, total salary and allowances will be determined.	Complied
vi	Other allowances such as utility bills, medical expenses and insurance premiums must have specific amount/limit. Besides, others provided benefits (e.g., car, fuel, driver, etc.) must be monetized to the utmost and thus will determine the monthly total salary	Complied
vii	Festival bonus shall be a maximum of two, and each one will not be more than one month's basic salary;	Complied
viii	Leave-fare assistance shall not exceed one month's basic salary;	Complied
ix	The term must be imposed so that no condition regarding salary and allowances stated in the appointment letter of the chief executive can be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary and allowances considering the job performance of the incumbent chief executive.	Complied
x	The chief executive officer shall not receive any other indirect benefits such as dividends against the bank's profit, commissions, club fees/expenses, foreign medical expenses or annual medical check-ups expenses, foreign medical expenses for family members, travelling allowances for himself or family members in case of personal purposes. However, in the case of receiving medical treatment abroad for his/her own (in any Asian country), based on the certification of a specialist physician that the treatment in the country's medical facilities is not sufficient, he/she may avail medical treatment abroad;	Complied
xi	The chief executive officer will not be eligible for annual salary increase or increment, provident fund, gratuity, New Year bonus, leave encashment, superannuation fund, benevolent fund benefit as it's a contractual appointment.	Complied
xii	The bank shall not pay any income tax against the salary and allowances of the chief executive officer, meaning the appointed individual must have to pay income tax from his/her own source;	Complied
xiii	In the proposal for appointment, the amount of annual leave (including types of leave) to be availed by the chief executive officer must be clearly mentioned;	Complied
xiv	The chief executive officer shall not be eligible for any other direct or indirect benefits other than the salary and allowances mentioned above.	Complied
<b>08</b>	<b>Incentive Bonus:</b>	
	If incentive bonus is provided to the general employees/staffs of the bank, the chief executive officer of the bank will be eligible for incentive bonus. However, the amount of the incentive bonus provided to the chief executive officer shall not be more than 15 (fifteen) lac taka in a year. Furthermore, it is also provided that no other employee of the bank shall receive an incentive bonus exceeding the limit specified for the chief executive officer.	Complied
<b>09</b>	<b>Honorarium for Attending Board Meetings:</b>	
	As the chief executive officer is a salaried employee of the bank, the CEO will not be eligible to receive any honorarium for attending meetings of the board or committees formed by the board.	Complied
<b>10</b>	<b>Approval of Bangladesh Bank for Appointment of MD/CEO:</b>	
i	In accordance with Sub-sections (4) and (5) of Section 15 of the Bank Company Act, 1991, prior written approval from the Bangladesh Bank must be obtained for the appointment/reappointment of the Managing director or Chief Executive Officer of bank-companies. The prescribed documents and information must be attached along with the proposal for the appointment or reappointment of the managing director.	Complied
<b>11</b>	<b>Evaluation Report:</b>	
	In case of reappointment of the Chief Executive Officer, evaluation report must be submitted to Bangladesh Bank by the chairman and approved by the Board of Directors. In this case, the following matters must be considered: i. Achievement of pre-determined targets for recovery of defaulted and written-off loans; ii. Progress report on achieving assigned tasks/targets set by Bangladesh Bank during his/her tenure of appointment; iii. Description of the achievement of specific financial, business, and management growth provisions and the growth in the bank's main financial indicators such as CAMELS.	Complied



Reference	Provision	Compliance Status
12	<b>Ex-Bangladesh Travel:</b>  The Chief Executive Officer of the bank shall avoid staying outside of Bangladesh for a long period of time as much as possible. If ex-Bangladesh travel is necessary, an application must be submitted before 10 (ten) working days of the departure to obtain prior approval from Bangladesh Bank. The prescribed information and documents (certified by the company secretary) must be submitted along with the proposal to obtain prior approval from Bangladesh Bank for ex-Bangladesh travel. If the application for proposed ex-Bangladesh travel is approved by Bangladesh Bank, the name, designation, official phone number, cell phone number, and email address of the person who will be on charge in the absence of the Chief Executive Officer must be informed in writing to the Banking Regulation and Policy Department (Division-2) before the station leave of the Chief Executive Officer.	Complied
13	<b>Termination/dismissal/removal of CEO and fulfillment of the vacant post:</b>  i If a Chief Executive Officer has not performed his duties with gross aberration, he cannot be terminated before the expiry of the contract or the contract cannot be cancelled.  ii If the Board of Directors of the bank wishes to cancel the contract of the Chief Executive Officer or terminate him/her before the expiry of the employment contract, a proposal mentioning the specific reasons must be sent to Bangladesh Bank for approval. If Bangladesh Bank approves the proposal, it shall become effective one month after approval. However, if Bangladesh Bank rejects such a proposal, the concerned Chief Executive Officer shall continue in his/her position until the remaining period of his/her contract.  iii If the Chief Executive Officer applies for resignation due to personal or any other reason before the expiration of the contract, such an application, along with recommendations from the Board of Directors, must be sent to Bangladesh Bank. The decision given by Bangladesh Bank based on the recommendation provided by the committee of Bangladesh Bank formed for the appointment of Chief Executive Officer after his/her personal hearing will be considered conclusive.  iv In accordance with Sections 45 or 46 of the Bank Company Act, 1991, Bangladesh Bank may terminate/dismiss/remove a Chief Executive Officer of any bank at any time mentioning specific reason.  v If the Chief Executive Officer voluntarily resigns, or if the position becomes vacant after expiry of the term or for any other reason, in accordance with Section 15Ka(1) of the Bank Company Act, 1991, the board will appoint a qualified officer (in case of multiple officers, the relative senior officer) from immediately below of the CEO as an acting Chief Executive Officer for a maximum period of 3 (three) months, and he/she will perform the overall responsibilities of the Chief Executive Officer of the bank.  vi The position of Chief Executive Officer cannot remain vacant for more than 3 (three) months at a time, and if the Chief Executive Officer position is not filled within the mentioned period, Bangladesh Bank may appoint an administrator to the bank according to Section 15Ka(3) of the Bank Company Act, 1991.	No such case Occurred No such case Occurred No such case Occurred No such case Occurred No such case Occurred
	<b>Responsibilities, Duties, and Powers of the CEO:</b>	
a.	<b>Fiduciary Duty:</b>  i He/she will adhere to all applicable laws, regulations, and policies, practices related to banking business. Furthermore, he/she will perform his/her duties with prudence and without any kind of negligence or carelessness so that there will be no financial or other losses to the bank company and depositors (duty of care).  ii He/she will conduct his/her duties with good faith, being devoted to the bank company and avoiding conflict of interest so that the interests of the bank company and depositors are protected in place of interest of his/her own or another person or group (duty of loyalty).  iii He/she will exercise the vested power on that task or purpose for which he/she was given power	Complied Complied Complied
b.	<b>Financial, Business, and Administrative Responsibilities, Duties, and Powers:</b>  i The Chief Executive Officer will perform his/her own responsibilities and duties in accordance with the financial, business, and administrative powers vested by the bank's board of directors.  ii He/she will be responsible for/held accountable for implementing the bank's business plan and achieving business targets through proper administrative and financial management.  iii If any erroneous interpretation of the Bank Company Act, 1991, or any other Acts, laws, regulation, or directives of the Bangladesh Bank is made or an erroneous direction is given by the board members while discussing the memorandum presented by the bank management in the meetings of the board of directors or any its sub-committees, the Chief Executive Officer shall have to clarify the relevant Acts/directives to the board of directors in writing.  iv If any violation of the Bank Company Act, 1991, or any other Act, law, directive, custom practice occurs in a meeting of the board of directors or any other sub-committee by its member(s), the Chief Executive Officer shall have to inform Bangladesh Bank in writing, or verbally as the case may be.	Complied Complied Complied Complied



Reference	Provision	Compliance Status
v	The recruitment and promotion of all employees and staff, apart from the two-tier subordinate level below the Chief Executive Officer, shall be vested with the Chief Executive Officer. He/she will perform these duties in accordance with the service rules and human resource policy approved by the board. While performing his duties, he/she cannot be able to perform any task or take a decision under the influence of emotions or through favoritism	Complied
vi	The recruitment, transfer, promotion/disciplinary actions and punitive measures of all employees and staff apart from the two-tier subordinate level below the Chief Executive Officer shall be vested with the Chief Executive Officer, which he/she will perform in accordance with the service rules approved by the board of directors. Other than this, the Chief Executive Officer may nominate any employee for training, seminars, workshop, etc. under the human resources policy approved by the board. If there are any government restrictions on foreign training or employee nominations for training because of any other reason, the Chief Executive Officer will be obliged to comply with such restrictions.	Complied

### PART-III

Contractual appointment of Advisor and Consultant in a Bank-Company.

(BRPD Circular Letter No. 27 Dated 12 May 2021)

Reference	Provision	Compliance Status
A)	<b>Appointment of Advisor:</b> <b>1. Experience and Suitability:</b> a) Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities; b) Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person; c) Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Official of any company; d) A person who is working in any bank or financial institution or who has business interest in that bank will not be considered eligible for appointment to the post of advisor; e) Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated an insolvent by the court. f) Though a person age of 65 cannot be employed or appointed in any position at the bank on a contractual basis, the bank may retain or hire an individual over the age of 65 as a consultant or advisor in special circumstances.	N/A
	<b>2. Responsibilities</b> The responsibilities or terms of reference of advisor should be specified. The Advisor can advise the Board of Directors or the Chief Executive only on those matters that are specified in the appointment letter. Routine works or general works will not be included in his term of reference. He can't exercise any kind of power or can't participate in the decision making process of financial, administrative, operational or any other activities of the bank.	N/A
	<b>3. Prior approval from Bangladesh Bank</b> Prior approval from Bangladesh Bank is mandatory before appointing advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The nominated person has to make a declaration as prescribed. This declaration must be also submitted to Bangladesh Bank.	N/A
	<b>4. Remuneration and other facilities</b> The post of advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with terms of reference of the advisor will not be considered as acceptable by Bangladesh Bank.	N/A
	<b>5. Tenure</b> The tenure of the advisor shall be maximum 1(one) year, which is renewable. An evaluation report (by the chairman that is approved by the board of directors) of previous tenure should be submitted to Bangladesh Bank along with the re-appointment proposal.	N/A
	<b>6. Appointment of Ex-officials</b> Any former director, managing director or chief executive or any official up to the level of 02 (two) below the chief executive cannot be appointed as an advisor to the same bank until five years have passed after his/her retirement, resignation, or expiration of the contract.	N/A



Reference	Provision	Compliance Status
<b>B</b>	<b>Appointment of Consultant</b>	
	<b>1. Terms of Reference</b> Consultant can be appointed for specialized tasks like tax, law & legal procedures, engineering & technical works, information technology, etc. Consultants appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	N/A
	<b>2. Responsibilities</b> The responsibilities or term of reference of consultant should be specified. He/she shouldn't be involved beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	N/A
	<b>3. Appointment</b> Consultant can be appointed with the approval of Board of Directors. After such appointment the bank shall send the consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately.	N/A
	<b>4. Tenure</b> The tenure of consultant should be consistent with the terms of reference, but would not exceed 2 (two) years. Generally, consultant's appointment will not be renewable, but to complete unfinished tasks, the contract can be extended up to maximum 1 year with the approval of Bangladesh Bank. An evaluation report (by the chairman that is approved by the board of directors) of previous period should be submitted to Bangladesh Bank.	N/A
	<b>5. Remuneration/honorarium</b> The consultant's remuneration should be in the form of monthly or single lump-sum payment, he is not entitled to any other facilities.	N/A
	<b>6. Appointment of Ex-officials</b> Any former director, managing director or chief executive or any official up to the level of 02 (two) below the chief executive cannot be appointed as a consultant to the same bank until five years have passed after his/her retirement, resignation, or expiration of the contract.	N/A

## PART-IV

Appointment of Independent Directors, Their Roles, Responsibilities, and Honorarium

(BRPD Circular No. 03 dated 14 February 2024)

Reference	Provision	Compliance Status
<b>03</b>	<b>Number of Independent Director</b>	
	As per Bank Company Act 1991 (amended up to 2023)3 an independent director will be such a person who is different from the director/ share holder of a bank company having no affiliation/ personal interest with the bank or its related parties in the past/ present or even in the future. A board of directors of maximum twenty (20) members must have minimum three (03) independent directors. On the other hand, the number of independent directors will be minimum two (02) for the board of directors having less than twenty (20) members.	Complied
<b>04</b>	<b>Experience and Suitability:</b>	
	(a) To be appointed as an independent director, the relevant individual must have a minimum of 10 (Ten) years' experience in management/business/professional.	Complied
	(b) For carrying out the duties as an independent director, the relevant individual must be at least 45 (forty-five) years old and a maximum of 75 (seventy-five) years of age.	Complied
	(c) He/she must hold a graduate/postgraduate degree in Economics, Banking, Finance, Business Administration, Law, Accounting, or Cost Accounting from any recognized university. For the appointment of independent directors in newly established digital banks, higher education on Information Technology shall be considered an additional qualification.	Complied
	(d) Experienced teachers of the Faculty of Business Studies or Business Administration, Management, Law, and Information Technology of government or private or autonomous universities, individuals engaged in legal professions, individuals with professional degrees in accounting, experienced bankers and officials from the Ministry of Commerce, the Finance Division and Financial Institutions Division of the Ministry of Finance, the Ministry of Industry, and the Law Ministry will be given priority.	Complied



Reference	Provision	Compliance Status
	(e) No individual who is/was/will be involved in any actual or apparent interest in any bank or bank-related person in the past, present, or future shall be eligible to be an independent director of that bank.	Complied
	(f) No family members of the individual nominated to be appointed as independent director shall hold shares in the respective bank company or be appointed to any profitable position in the said bank company.	Complied
	(g) An individual nominated as an independent director cannot serve as a director on behalf of any other bank company, financial institution established under the Finance Company Act, 2023, insurance company, or any subsidiary company of such companies. Furthermore, nominated independent directors cannot serve as directors on behalf of a company or institution that exercises control, joint control, or significant influence over the bank, financial institution, or insurance company.	Complied
	(h) The nominated independent director has not been involved in any illegal activities in banking or during his/her own profession.	Complied
	(i) The nominated independent director has not ceased payment to any creditor, has not been exempted from collection of dues through a compromise with the creditor, or is not a loan defaulter.	Complied
	(j) A nominated independent director cannot be a tax defaulter	Complied
<b>06</b>	<b>Roles, Responsibilities and Accountabilities of the Independent Director:</b>	
	(a) He/she will ensure proper compliance with the Bank Company Act, 1991, and other acts, rules and regulations relevant to the management of the bank	Complied
	(b) He/she will appropriately inform Bangladesh Bank of any information regarding violation of the Bank Company Act, 1991, or any other Act/regulation by the board of directors.	Complied
	(c) He/she will participate in board meetings and provide thoughtful opinions on the memorandum presented at board meetings. If any memorandum is presented by the independent director, it must be considered important by the board.	Complied
	(d) If he/she is included in any sub-committees of the board he/she will properly fulfill the roles, responsibilities, and directives of those committees' as member.	Complied
	(e) If the opinion of the independent director is not given appropriate importance by the board or its sub-committees, or if any inappropriate practice is observed in banking operations, he/she will inform the Banking Regulation and Policy Department, including the Department of Offsite Supervision of the Bangladesh Bank, in writing.	Complied
	(g) The Chairman/President of the Audit Committee must be elected from the independent directors. The term of the Chairman/President of the Audit Committee shall be three (3) years. An independent director cannot hold the position of Chairman/President of the Audit Committee consecutively for two terms.	Complied
	(h) He/she shall always strive for the protection of the interests of depositors and ordinary shareholders (excluding directors) on the board.	Complied
<b>07</b>	<b>Term and Removal of Independent Directors:</b>	
	(a) Independent directors shall generally be appointed for a term of 3 (three) years, and after completion of the term, he/she may be elected to be re-appointed for the next term in accordance with Section 15 of the Bank Company Act, 1991	Complied



# COMPLIANCE CHECKLIST AS STATED IN THE COMPANIES ACT, 1994 (AS AMENDED UP TO DATE)

Outlook of Banking Industry and prospective development in the Sector	1	Discussed in the Directors' report <a href="#">page 300</a> .
Segment-wise/Product-wise performance	2	Discussed in the Directors' report.
Risks and Concerns	3	Discussed in Risk Management report.
A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	4	Discussed in Review from the Desk of Managing Director and CEO report <a href="#">page 20</a> .
Discussion on continuity of any Extra-Ordinary Gain or loss	5	The Bank did not make any extra-ordinary Gain or loss in 2024.
A disclosure of all related party transactions should be included in the annual report as the basis for related party transactions.	6	Information provided in notes to the financial statements <a href="#">Page No. 459</a> .
Application of proceeds from public issues, rights issues and/or through any other instruments	7	The Bank did not take such initiatives in 2024.
Clarification if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	8	The Bank did not take any such initiatives in 2024.
If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain about the variance on their Annual Report	9	Between quarterly financial performance and annual financial results, there was no significant variance occurred.
Remuneration to directors including independent directors.	10	Discussed in the Corporate Governance Report.
The management of the issuing Company has prepared financial statements that fairly reflect its financial position, results of operations, cash flows, and changes in equity.	11	Discussed in Chief Executive Officer and Chief Financial Officer's statement of Responsibilities.
Proper books of account of the issuer company have been maintained.	12	Discussed in Chief Executive Officer and Chief Financial Officer's statement of responsibilities in <a href="#">page 345</a> .
The financial statements were prepared in accordance with appropriate accounting principles, and the accounting estimates were created using reasonable and competent judgment.	13	Discussed in notes to the financial statements.
International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	14	Discussed in notes to the financial statements.
The system of internal control is sound in design and has been effectively implemented and monitored.	15	The internal control system is well-designed, and it has been successfully implemented and monitored. Detail is described in <a href="#">page 336</a> of this Annual Report.
The issuing company's capacity to continue as a going concern is not in dispute in any meaningful way. If the issuing firm isn't thought to be a going concern, that information should be reported along with the reasons.	16	There are no significant doubts on the Bank's ability to continue as a going concern.
Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	17	The Bank continued to deliver in 2024, successfully executing its strategy to help it achieve the strategic goals it had set for the year.
Key operating and financial data of at least preceding 5 (five) years shall be summarized	18	Five years financial summary is given in <a href="#">page 144</a> of this Annual Report.
If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	19	The bank declared handsome amount of dividend each year since its inception.
The number of Board meetings held during the year and attendance by each director shall be disclosed	20	Discussed in the Corporate Governance report of this Annual Report.



The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name-wise details where stated below) held by:- a) Parent/Subsidiary/Associated Companies and other related parties (name wise details); b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details); c) Executives; d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	21	Discussed in the Corporate Governance report <a href="#">page 323</a> .
In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:- a) a brief resume of the director; b) nature of his/her expertise in specific functional areas; c) names of companies in which the person also holds the directorship and the membership of committees of the board	22	Discussed in Corporate Governance Report, Directors' Profile and notes to the financial statements.

## GOING CONCERN: DELIVERING VALUE IN A NEW ERA OF PROGRESS AND SHARED VALUE CREATION

As the key enterprise in the banking sector of Bangladesh, we play a major role in financial inclusion and empowerment. By doing this, we support the nation in its economic transition as it joins the ranks of a middle-income nation in the coming years, thus ushering a new era of growth and prosperity. There is hence a momentous opportunity for us, particularly in effectively serving the large unbanked and underbanked populations of the country.

City Bank offers a comprehensive range of traditional and Shari'ah compliant financial services and products for retail, wholesale and SME banking via its extensive network of 134 branches, which are located around Bangladesh. Furthermore, the bank's network ensures easy access for customers to the bank via a robust physical footprint located across Bangladesh comprising 52 sub-branches, 232 SME-S unit offices, 480 agent banking outlets, 7 priority centers and 453 ATMs (as on 31 December 2024). This positions us well to truly serve the needs of a developing and aspirational economy.

### City Bank Key Value Propositions



#### A regional bank with global access

- Our network has been transformed into several customer access points for ensuring focused growth based on our key strengths in different regions of the country and in select high-potential markets of the world, such as Hong Kong, Malaysia, etc.
- Our well-established presence across Bangladesh through our longstanding presence of over 40 years means we are well-positioned to harness new opportunities from a market recovering well from local and global economic shocks.

#### Focus on underserved segments

- We are positioned strongly to foster a larger impact in Islamic finance through our 100% Shari'ah compliance and our ability to develop innovative products, such as Islamic DPS.

- We are entrenching our pioneering presence in other segments such as City Alo Women Banking, Employee Banking, Supply Chain Finance, Cards, etc., through our unique customer offerings, best-in-class customer experiences and digital distribution capabilities, among others.

#### Sustainability-driven focus

- We are driving the decarbonization and climate-impact agenda by building green and sustainable finance capabilities, especially in projects that make a tangible difference to society.
- We are focusing on reinforcing our capabilities in sustainable finance, especially in the areas of business development, credit screening and underwriting.



## Leading digital bank with first-to-market innovations

- We invest in technology and people capabilities to ensure long-term growth and build next-gen competencies.
- We maintain market leadership through personalized, safe and best-in-class customer experiences, enabled by robust tech platforms.
- Our digital nano loan product encapsulates our focus on leading digital innovation in financial services.

## Sustainable Enterprise Through Good Governance

The Board of Directors of City Bank remain committed in delivering against the governance framework and procedures since they select the leadership and strategy that propels the bank toward expansion. The Board's policies and procedures are carried out by the administration of City Bank, which functions as the Board's extended wing. Our well-established Board gives the MD and his team wise counsel and assistance in conducting the business. In order to foster a culture of responsibility, integrity, openness and sound financial management—all of which are essential components of sustainable operations and financial performance—we maintain strict and

efficient corporate governance procedures. In order to create lasting value, the management proactively promotes the establishment of straightforward and effective procedures that prioritize compliance with applicable laws, rules and regulations.

## Credit Rating

City Bank was awarded a short-term rating of "ST-1" and a long-term rating of "AAA" by CRAB on May 21, 2025. With respect to Basel-III compliant capital adequacy standards, this rating denotes stable business performance over a range of time periods, as evidenced by strong asset quality, healthy liquidity, experienced top-tier management, a diversified business portfolio, strong non-funded business operations, a credible brand image, resilient IT infrastructure, and effective operational performance. Notably, the Bank performed with remarkable tenacity over the years. Thus, rooted on strong foundations, there is no doubt on the going concern status of City Bank, making it an entity well-positioned for sustainable long-term growth.

## Adherence to regulations

As one of the industry's compliant banks, City Bank conducts ethical business by abiding by all relevant laws, rules and regulations.

## Important ratios that Bangladesh Bank implemented are appropriately adhered to.

	Regulatory Limit	31/12/2024	Status
Advance-Deposit Ratio (Conventional, including OBU)	≤87%	74.7%	Complied
Investment Deposit Ratio (Islamic)	≤92%	76.8%	Complied
Liquidity Coverage Ratio (LCR)	≥100%	194.0%	Complied
Net Stable Funding Ratio (NSFR)	>100%	108.5%	Complied
Capital market exposure (Solo)	≤25%	13.0%	Complied
Leverage ratio (Solo)	≥3.5%	5.8%	Complied

## Capital Management

City Bank has consistently maintained a robust capital position well above the regulatory threshold. As of December 31, 2024, the bank's minimum capital requirement stood at BDT 51,165 million, while the bank maintained a capital reserve of BDT 65,379 million, resulting in a Capital to Risk Adequacy Ratio (CRAR) of 16.0%, with Tier-1 ratio of 11.7%. This underscores the bank's adeptness in efficiently managing its capital resources, thereby sustaining a resilient capital base capable of meeting regulatory mandates and supporting the bank's ongoing market expansion endeavors.

	31/12/2024	31/12/2023
Risk weighted assets (Solo)	409,301	355,438
Capital maintained (Solo)	65,379	56,173
CRAR (Solo)	16.0%	15.80%

# FINANCIAL STATEMENTS





# Independent Auditor's Report To the Shareholders of City Bank Plc

## Report on the Audit of the Consolidated and Separate Financial Statements

### Opinion

We have audited the consolidated financial statements of City Bank Plc and its subsidiaries (the "Group") as well as the separate financial statements of City Bank Plc (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2024, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity, and consolidated and separate cash flow statements for the year then ended, and notes to consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2024, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flow statements for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response and result to key audit matters
<b>Measurement of provision for loans and advances/ investments</b>	
<p>The process for estimating the provision for loans, advances/ Investments associated with credit risk is significant and complex.</p> <p>For the individual analysis, provision calculation considers the estimates of future business performance and the market value of the collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on a portfolio basis, provision calculation and reporting are manually processed which deal with voluminous databases, assumptions and estimates.</p> <p>Due to the high level of judgments involved and using manual process in estimating the provision for loans and advances/ investments, we have considered this to be a key audit matter.</p> <p>At year end the Group and Bank reported total gross loans and advances/ investments of BDT 445,760 million (2023: BDT 397,446 million) and BDT 444,978 million (2023: BDT 396,078 million) respectively and provision for loans and advances/ investments of BDT 16,130 million (2023: BDT 13,908 million) and BDT 16,042 million (2023: BDT 13,889 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process;</li> <li>Reviewed the classification of loans and advances/ investments</li> </ul> <p>Our substantive procedures in relation to the provision for loans and advances/investments comprised the following:</p> <ul style="list-style-type: none"> <li>Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines.</li> <li>Assessed the methodologies on which the provision amounts are based on, recalculated the provisions, and tested the completeness and accuracy of the underlying information;</li> <li>Identification of loss events, including early warning and default warning indicators;</li> <li>Compared the amount of provision requirement as determined by the Bangladesh Bank inspection team to the actual amount of provision maintained; and</li> <li>Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</li> </ul> <p><b>Our results:</b> Based on our procedure performed, we concluded that the provision for loans and advances/ investments disclosed in the financial statements is adequate.</p>

See note nos. 8, 16.1 to the financial statements



Description of key audit matters	Our response and result to key audit matters
<b>Recognition of interest income/ profit on loans and advances/ investments</b>	
Recognition of interest income/ profit has significant and wide influence on financial statements and has involvement of complex IT environments.  We have identified recognition of interest income/ profit from loans and advances/ investments as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud in recognition of interest by management to meet specific targets or expectations.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest/ profit on loans and advances/ investments.  We have also performed substantive procedure to check whether interest income/ profit has been recognised properly and accurately.  We have assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.  <b>Our results:</b> Based on our procedure performed, we have concluded that the recognition of interest income/ profit on loans and advances/ investments disclosed in the financial statements are in line with Bangladesh Bank Circular.
See note no. 26 to the financial statements	
<b>IT systems and controls</b>	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.  Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key in ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.  We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.  We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.  We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit.  We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.  <b>Our results:</b> Based on the procedure performed, we have concluded that the change managements, segregation of duties, controls, and outputs in relation to financial accounting and reporting systems to be acceptable.

## Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Bank.

## Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.



In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
  - (a) internal audit, internal control and risk management arrangements of the Group and the Bank, as disclosed in the financial statements, appeared to be materially adequate;



- (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities (other than matters disclosed in these financial statements);
- (iii) the financial statements for the year ended 31 December 2024 of four subsidiaries, namely City Brokerage Limited, City Bank Capital Resources Limited, CBL Money Transfer Sdn. Bhd. and City Hong Kong Limited have been audited by S.F. Ahmed & Co., Chartered Accountants, Hoda Vasi Chowdhury & Co., Chartered Accountants, Nasharuddin Wong & Co., Chartered Accountants, and T. O. YIP & Co. Limited, Certified Public Accountants, respectively and have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements of the Group and the separate profit and loss accounts of the Bank;
- (vi) the consolidated balance sheet and consolidated profit and loss account, together with the annexed notes dealt with by the report, are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as explained in the notes 2.1 as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are, in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 1,960 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

**Muhammad Farooq, FCA**

Managing Partner

Enrollment Number: 0521

Howladar Yunus & Co., Chartered Accountants

Firm's Registration No.: [N/A]

Dated: Dhaka

29 April 2025



# City Bank Plc and its subsidiaries

## Consolidated Balance Sheet

as at 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	4		
In hand (including foreign currencies)		10,282,269,640	8,899,078,815
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		22,747,902,091	17,187,174,482
		<b>33,030,171,731</b>	<b>26,086,253,297</b>
<b>Balance with other banks and financial institutions</b>	5		
In Bangladesh		32,763,275,121	20,838,696,814
Outside Bangladesh		6,572,672,797	4,951,666,021
		<b>39,335,947,918</b>	<b>25,790,362,835</b>
<b>Money at call on short notice</b>	6		
		<b>3,775,100,000</b>	-
<b>Investments</b>	7		
Government		124,876,117,608	63,381,696,657
Others		13,849,145,619	15,104,436,669
		<b>138,725,263,227</b>	<b>78,486,133,326</b>
<b>Loans and advances/investments</b>	8		
Loans, cash credits, overdrafts, etc./investments		408,972,144,231	371,675,037,758
Bills purchased and discounted		36,788,234,655	25,770,794,516
		<b>445,760,378,886</b>	<b>397,445,832,274</b>
<b>Fixed assets including premises, furniture and fixtures</b>	10		
<b>Other assets</b>	11		
<b>Non-banking assets</b>	12		
<b>Total assets</b>		<b>709,558,953,422</b>	<b>564,929,461,835</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Bonds</b>	13	11,920,000,000	13,635,000,000
<b>Borrowings from other banks, financial institutions and agents</b>	14	26,961,366,435	18,806,756,088
<b>Borrowings from central bank &amp; government agencies</b>	14.5	32,508,996,547	41,881,760,354
<b>Deposits and other accounts</b>	15		
Current accounts and other accounts		130,331,779,191	107,212,946,649
Bills payable		1,801,223,047	3,971,179,165
Savings bank deposits		100,956,473,074	87,342,003,454
Fixed deposits		281,273,592,378	194,070,927,334
Bearer certificate of deposit		-	-
		<b>514,363,067,690</b>	<b>392,597,056,602</b>
<b>Other liabilities</b>	16	<b>77,477,227,429</b>	<b>59,533,232,117</b>
<b>Total liabilities</b>		<b>663,230,658,101</b>	<b>526,453,805,161</b>
<b>Capital/shareholders' equity</b>			
Paid up capital	17.2	13,470,807,640	12,246,188,770
Statutory reserve	18	11,966,418,843	10,741,799,973
Share premium	19	1,504,388,797	1,504,388,797
Dividend equalisation reserve	20	530,786,630	530,786,630
Other reserve	21	1,378,506,553	1,103,745,842
Surplus in profit and loss account	22	17,477,243,576	12,348,589,771
<b>Total shareholders' equity</b>		<b>46,328,152,039</b>	<b>38,475,499,783</b>
Non controlling interest	23	<b>143,282</b>	<b>156,891</b>
<b>Total equity</b>		<b>46,328,295,321</b>	<b>38,475,656,674</b>
<b>Total liabilities and shareholders' equity</b>		<b>709,558,953,422</b>	<b>564,929,461,835</b>



#### OFF-BALANCE SHEET ITEMS

##### Contingent liabilities

Acceptances and endorsements  
 Letters of guarantee  
 Irrevocable letters of credit  
 Bills for collection  
 Other contingent liabilities for ECA financing

**Total**

##### Other commitments

Documentary credits and short term trade-related transactions  
 Forward assets purchased and forward deposits placed  
 Undrawn note issuance and revolving underwriting facilities  
 Undrawn formal standby facilities, credit lines and other commitments  
 Other commitments

**Total**

**Total off-balance sheet items including contingent liabilities**

**Net Assets Value (NAV) per share**

Notes	2024 Taka	2023 Taka
24.1	90,472,131,021 27,015,065,157	91,381,021,729 24,892,956,059
24.2	64,241,384,051	44,270,829,142
24.3	26,130,786,543 11,403,132,673	18,923,390,701 12,771,271,839
	<b>219,262,499,445</b>	<b>192,239,469,470</b>
24.4	14,847,299,960 -	17,322,976,740 -
	<b>14,847,299,960</b>	<b>17,322,976,740</b>
	<b>234,109,799,405</b>	<b>209,562,446,210</b>
49	<b>34.39</b>	<b>28.56</b>

The annexed notes 1 to 53 form an integral part of these financial statements.

  
Managing Director & CEO

  
Director

  
Director

  
Chairman

As per our report of same date.

  
Auditor

**Muhammad Farooq, FCA**  
 Managing Partner  
 Enrollment Number: 0521  
 Howladar Yunus & Co.  
 Chartered Accountants  
 Firm's Registration No.: [N/A]  
 DVC: 2504290521AS511230

Dhaka, 29 April 2025



## City Bank Plc and its subsidiaries

# Consolidated Profit and Loss Account

for the year ended 31 December 2024

Interest income/profit on investments  
Interest paid/profit shared on deposits and borrowings etc.

### **Net interest income/profit on investments**

Investment income  
Commission, exchange and brokerage  
Other operating income

### **Total operating income (A)**

#### **Operating expenses**

Salaries and allowances  
Rent, taxes, insurance, electricity, etc.  
Legal expenses  
Postage, stamp, telecommunication, etc.  
Stationery, printing, advertisements, etc.  
Chief executive's salary and fees  
Directors' fees  
Auditors' fees  
Depreciation and repair  
Other expenses

### **Total operating expenses (B)**

### **Profit before provision (C = A-B)**

Provision for loans and advances/investments  
Provision for off-balance sheet exposures  
Provision for diminution in value of investments  
Other provision

### **Total provision (D)**

### **Total profit before tax (E = C-D)**

#### **Provision for taxation**

Current tax expense  
Deferred tax (income)/expense

### **Total provision for tax (F)**

### **Net profit after tax (G = E-F)**

#### **Net profit after tax attributable to:**

Equity holders of the bank  
Non-controlling interest

#### **Appropriations**

Statutory reserve  
Start up fund  
Transfer to CSR fund  
Coupon/dividend on perpetual bond

#### **Retained surplus for the year**

#### **Earnings per share (EPS)**

The annexed notes 1 to 53 form an integral part of these financial statements.

Managing Director & CEO

Director

Director

Chairman

Dhaka, 29 April 2025

Notes	2024		2023	
	Taka	Taka	Taka	Taka
26	45,244,214,054		34,064,911,554	
27	30,564,320,048		17,988,539,759	
	<b>14,679,894,006</b>		<b>16,076,371,795</b>	
28	16,914,061,938		4,910,766,033	
29	8,693,101,612		7,334,733,537	
30	281,099,686		227,871,701	
	<b>25,888,263,236</b>		<b>12,473,371,271</b>	
	<b>40,568,157,242</b>		<b>28,549,743,066</b>	
31	9,199,945,591		8,075,416,642	
32	964,162,809		830,705,561	
33	103,853,175		86,240,647	
34	138,716,770		119,992,457	
35	668,040,553		653,046,580	
36	29,312,139		27,020,490	
37	9,510,077		6,962,439	
	3,861,518		4,322,924	
38	2,990,319,272		2,493,417,495	
39	2,946,444,925		2,346,997,768	
	<b>17,054,166,829</b>		<b>14,644,123,003</b>	
	<b>23,513,990,413</b>		<b>13,905,620,063</b>	
40	4,684,785,261		2,564,988,290	
40.1	1,478,144,225		132,429,604	
	122,500,000		122,500,000	
	<b>6,285,429,486</b>		<b>2,819,917,894</b>	
	<b>17,228,560,927</b>		<b>11,085,702,169</b>	
41	6,461,460,170		4,856,812,339	
	623,657,774		(155,771,389)	
	<b>7,085,117,944</b>		<b>4,701,040,950</b>	
	<b>10,143,442,983</b>		<b>6,384,661,219</b>	
	10,143,456,592		6,384,657,172	
	(13,609)		4,047	
	<b>10,143,442,983</b>		<b>6,384,661,219</b>	
	1,224,618,870		240,121,340	
	108,510,484		61,513,199	
	-		-	
	400,000,000		400,000,000	
	<b>1,733,129,354</b>		<b>701,634,539</b>	
	<b>8,410,327,238</b>		<b>5,683,022,633</b>	
47	<b>7.53</b>		<b>4.74</b>	

As per our report of same date.

Auditor

**Muhammad Farooq, FCA**

Managing Partner

Enrollment Number: 0521

Howladar Yunus & Co.

Chartered Accountants

Firm's Registration No.: [N/A]

DVC: 2504290521AS511230

**City Bank Plc and its subsidiaries**  
**Consolidated Statement of Changes in Equity**  
for the year ended 31 December 2024

Particulars	Attributable to the equity holders of the Bank						Non controlling interest	Total equity			
	Paid up capital	Statutory reserve	Share Premium	General reserve	Capital reserve	Revaluation reserve	Dividend equalisation reserve	Surplus in profit and loss account	Total	Taka	Taka
<b>Balance as at 1 January 2024</b>	<b>12,246,188,770</b>	<b>10,741,799,973</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>160,673,171</b>	<b>931,677,743</b>	<b>530,786,630</b>	<b>12,348,589,771</b>	<b>38,475,499,783</b>	<b>156,891</b>	<b>38,475,656,674</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	253,507,806	-	-	253,507,806	-	253,507,806
Currency translation differences	-	-	-	-	-	-	-	36,385,601	36,385,601	-	36,385,601
Net profit/(loss) for the year	-	-	-	-	-	-	-	10,143,456,592	10,143,456,592	(13,609)	10,143,442,983
Dividend (Cash)	-	-	-	-	-	-	-	(1,854,555,222)	(1,854,555,222)	-	(1,854,555,222)
Dividend (Bonus Share)	1,224,618,870	-	-	-	-	-	-	(1,224,618,870)	-	-	-
Adjustment for cash dividend receipts from subsidiary	-	-	-	-	-	-	-	17,755,908	17,755,908	-	17,755,908
Transfer to statutory reserve	-	1,224,618,870	-	-	-	-	-	(1,224,618,870)	-	-	-
Remeasurement gain/(loss) due to actuarial valuation	-	-	-	-	-	-	-	(380,927,490)	(380,927,490)	-	(380,927,490)
Deferred tax income/(expense) arise from remeasurement	-	-	-	-	-	-	-	142,847,809	142,847,809	-	142,847,809
Transfer to capital reserve	-	-	-	-	-	-	-	(21,252,905)	-	-	-
Coupon/dividend on perpetual bonds	-	-	-	-	-	-	-	(400,000,000)	(400,000,000)	-	(400,000,000)
Transfer to start up fund	-	-	-	-	-	-	-	(108,510,484)	(108,510,484)	-	(108,510,484)
Gain from sale of non-banking assets	-	-	-	-	-	-	-	2,691,736	2,691,736	-	2,691,736
<b>Balance as at 31 December 2024</b>	<b>13,470,807,640</b>	<b>11,966,418,843</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>181,926,076</b>	<b>1,185,185,549</b>	<b>530,786,630</b>	<b>17,477,243,576</b>	<b>46,328,152,039</b>	<b>143,282</b>	<b>46,328,295,321</b>

**City Bank Plc and its subsidiaries**  
**Consolidated Statement of Changes in Equity**  
for the year ended 31 December 2023

Particulars	Attributable to the equity holders of the Bank						Non controlling interest	Total equity
	Paid up capital	Statutory reserve	Share Premium	General reserve	Capital reserve	Revaluation reserve		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 1 January 2023</b>	<b>12,006,067,430</b>	<b>10,501,678,633</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>38,307,621</b>	<b>1,116,265,036</b>	<b>530,785,650</b>	<b>8,165,314,751</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	-	(184,587,293)	-	(184,587,293)
Currency translation differences	-	-	-	-	-	-	(16,124,082)	(16,124,082)
Net profit/(loss) for the year	-	-	-	-	-	-	6,384,657,172	6,384,661,219
Dividend (Cash)	-	-	-	-	-	(1,212,127,597)	(1,212,127,597)	4,047
Dividend (Bonus Share)	240,121,340	-	-	-	-	(240,121,340)	-	-
Adjustment for cash dividend receipts from subsidiary	-	-	-	-	-	-	30,494,288	30,494,288
Transfer to statutory reserve	-	240,121,340	-	-	-	(240,121,340)	-	-
Remeasurement gain/(loss) due to actuarial valuation	-	-	-	-	-	-	88,692,600	88,692,600
Deferred Tax income/(expense) arise from remeasurement	-	-	-	-	-	-	(33,259,725)	(33,259,725)
Transfer to capital reserve	-	-	-	-	-	-	(122,365,550)	-
Coupon/dividend on perpetual bonds	-	-	-	-	-	-	(400,000,000)	(400,000,000)
Transfer to start up fund	-	-	-	-	-	-	(61,513,199)	(61,513,199)
Gain from sale of non-banking assets	-	-	-	-	-	-	5,063,793	5,063,793
<b>Balance as at 31 December 2023</b>	<b>12,246,188,770</b>	<b>10,741,799,973</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>160,673,171</b>	<b>931,677,743</b>	<b>530,785,650</b>	<b>12,348,589,771</b>
							<b>156,891</b>	<b>38,475,499,783</b>
							<b>152,844</b>	<b>33,874,203,826</b>
								<b>33,874,203,826</b>



**City Bank Plc and its subsidiaries**  
**Consolidated Cash Flow Statement**  
for the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>A) Cash flows from operating activities</b>			
Interest/investment income receipts in cash		43,186,967,909	33,968,100,092
Interest/profit paid on deposits and borrowings		(24,821,348,474)	(16,734,970,377)
Dividend receipts		324,974,174	241,815,802
Fees and commission receipts in cash		7,087,413,584	8,146,680,669
Recovery of loans & advances/investments previously written off	16.1	760,864,141	985,690,362
Cash payments to employees		(8,746,864,179)	(7,697,018,677)
Cash payments to suppliers		(320,383,208)	(213,883,057)
Income taxes paid		(5,209,712,130)	(4,130,590,763)
Receipts from other operating activities	43	13,778,529,222	2,680,214,744
Payments for other operating activities	44	(6,564,327,580)	(4,521,269,116)
<b>Cash generated from operating activities before changes in operating assets and liabilities (i)</b>		<b>19,476,113,459</b>	<b>12,724,769,679</b>
<b>Increase/decrease in operating assets and liabilities</b>			
Loans and advances/investments to customers		(48,314,546,612)	(41,151,203,906)
Other assets	45	(4,617,395,024)	(4,796,320,580)
Deposits from other banks/borrowings		8,518,265,708	(21,888,237,986)
Deposits from customers		112,029,591,918	59,898,098,228
Other liabilities	46	2,414,199,796	(875,165,827)
<b>Cash generated from operating assets and liabilities (ii)</b>		<b>70,030,115,786</b>	<b>(8,812,830,071)</b>
<b>Net cash flow from operating activities (i+ii)</b>		<b>89,506,229,245</b>	<b>3,911,939,608</b>
<b>B) Cash flows from investing activities</b>			
Net payment for sale/(purchase) of shares		(1,876,116,508)	(2,248,917,652)
Net payment for sale/(purchase) of securities		(5,609,512,399)	(10,028,066,485)
Net payment for sale/(purchase) of fixed assets		(1,197,924,999)	(1,358,240,870)
<b>Net cash used in investing activities</b>		<b>(8,683,553,906)</b>	<b>(13,635,225,007)</b>
<b>C) Cash flows from financing activities</b>			
Issuance/(redemption) of subordinated bonds		(1,715,000,000)	(2,590,000,000)
Dividends paid		(1,854,271,148)	(1,212,185,596)
Coupon/dividend paid on perpetual bonds		(400,000,000)	(400,000,000)
<b>Net cash from financing activities</b>		<b>(3,969,271,148)</b>	<b>(4,202,185,596)</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>76,853,404,191</b>	<b>(13,925,470,995)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>		<b>1,639,842,866</b>	<b>897,149,761</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>59,663,370,222</b>	<b>72,691,691,456</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>138,156,617,279</b>	<b>59,663,370,222</b>
<b>Cash and cash equivalents at end of the year consists of:</b>	42		
Cash in hand (including foreign currencies)		10,282,269,640	8,899,078,815
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		22,747,902,091	17,187,174,482
Balance with other banks and financial institutions		39,335,947,918	25,790,362,835
Money at call on short notice		3,775,100,000	-
Government securities		62,015,397,630	7,786,754,090
		<b>138,156,617,279</b>	<b>59,663,370,222</b>
<b>Net operating cash flow per share (NOCFPS)</b>	48	<b>66.44</b>	<b>2.90</b>

The annexed notes 1 to 53 form an integral part of these financial statements.



# City Bank Plc

## Balance Sheet

as at 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>	4		
In hand (including foreign currencies)		10,280,661,035	8,898,540,782
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		22,747,902,091	17,187,174,482
		<b>33,028,563,126</b>	<b>26,085,715,264</b>
<b>Balance with other banks and financial institutions</b>	5		
In Bangladesh		32,414,144,568	20,445,239,323
Outside Bangladesh		6,514,584,553	4,789,887,272
		<b>38,928,729,121</b>	<b>25,235,126,595</b>
<b>Money at call on short notice</b>	6		
		<b>3,775,100,000</b>	-
<b>Investments</b>	7		
Government		123,814,286,708	63,144,945,967
Others		9,829,646,273	9,916,592,116
		<b>133,643,932,981</b>	<b>73,061,538,083</b>
<b>Loans and advances/investments</b>	8		
Loans, cash credits, overdrafts, etc./investments		408,290,947,222	370,846,692,465
Bills purchased and discounted		36,686,742,538	25,231,674,515
		<b>444,977,689,760</b>	<b>396,078,366,980</b>
<b>Fixed assets including premises, furniture and fixtures</b>	10		
<b>Other assets</b>	11		
<b>Non-banking assets</b>	12		
<b>Total assets</b>		<b>697,348,595,261</b>	<b>555,738,268,460</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Bonds</b>	13		
<b>Borrowings from other banks, financial institutions and agents</b>	14		
<b>Borrowings from central bank &amp; government agencies</b>	14.5		
<b>Deposits and other accounts</b>	15		
Current accounts and other accounts		129,656,361,698	106,643,956,570
Bills payable		1,801,223,047	3,971,179,165
Savings bank deposits		100,956,473,074	87,342,003,454
Fixed deposits		281,790,026,704	194,553,190,098
Bearer certificate of deposit		-	-
		<b>514,204,084,523</b>	<b>392,510,329,287</b>
<b>Other liabilities</b>	16		
<b>Total liabilities</b>		<b>66,834,519,262</b>	<b>52,868,468,938</b>
<b>Capital/shareholders' equity</b>			
Paid up capital	17.2		
Statutory reserve	18		
Share premium	19		
Dividend equalisation reserve	20		
Other reserve	21		
Surplus in profit and loss account	22.1		
<b>Total shareholders' equity</b>		<b>17,148,904,360</b>	<b>11,345,547,350</b>
<b>Total liabilities and shareholders' equity</b>		<b>45,817,886,747</b>	<b>37,220,238,433</b>
		<b>697,348,595,261</b>	<b>555,738,268,460</b>



#### OFF-BALANCE SHEET ITEMS

	Notes	2024 Taka	2023 Taka
<b>Contingent liabilities</b>			
Acceptances and endorsements		90,472,131,021	91,381,021,729
Letters of guarantee	24.1	27,015,065,157	24,892,956,059
Irrevocable letters of credit	24.2	64,241,384,051	44,270,829,142
Bills for collection	24.3	25,534,657,223	18,710,293,734
Other contingent liabilities for ECA financing		11,403,132,673	12,771,271,839
<b>Total</b>		<b>218,666,370,125</b>	<b>192,026,372,503</b>
<b>Other commitments</b>			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed	24.4	14,847,299,960	17,322,976,740
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Other commitments		-	-
<b>Total</b>		<b>14,847,299,960</b>	<b>17,322,976,740</b>
<b>Total off-balance sheet items including contingent liabilities</b>		<b>233,513,670,085</b>	<b>209,349,349,243</b>
<b>Net Assets Value (NAV) per share</b>	49	<b>34.01</b>	<b>27.63</b>

The annexed notes 1 to 53 form an integral part of these financial statements.

Managing Director & CEO

Director

Director

Chairman

As per our report of same date.

Dhaka, 29 April 2025

Auditor

**Muhammad Farooq, FCA**  
Managing Partner  
Enrollment Number: 0521  
Howladar Yunus & Co.  
Chartered Accountants  
Firm's Registration No.: [N/A]  
DVC: 2504290521AS511230



# City Bank Plc

## Profit and Loss Account

for the year ended 31 December 2024

Notes	2024 Taka	2023 Taka
Interest income/profit on investments	45,007,583,768	33,790,155,733
Interest paid/profit shared on deposits and borrowings etc.	30,517,979,115	17,959,244,662
<b>Net interest income/profit on investments</b>	<b>14,489,604,653</b>	<b>15,830,911,071</b>
Investment income	16,614,880,722	4,712,708,520
Commission, exchange and brokerage	8,151,565,490	6,840,161,177
Other operating income	279,888,246	222,530,990
<b>Total operating income (A)</b>	<b>25,046,334,458</b>	<b>11,775,400,687</b>
	<b>39,535,939,111</b>	<b>27,606,311,758</b>
Salaries and allowances	8,905,828,436	7,801,957,623
Rent, taxes, insurance, electricity, etc.	927,699,696	803,847,726
Legal expenses	101,885,353	84,741,109
Postage, stamp, telecommunication, etc.	129,126,569	111,096,326
Stationery, printing, advertisements, etc.	618,865,491	603,111,476
Chief executive's salary and fees	29,312,139	27,020,490
Directors' fees	3,400,470	2,260,800
Auditors' fees	2,990,000	3,435,000
Depreciation and repair of bank's assets	2,862,553,640	2,374,241,162
Other expenses	2,901,584,677	2,296,701,078
<b>Total operating expenses (B)</b>	<b>16,483,246,471</b>	<b>14,108,412,790</b>
<b>Profit before provision (C = A-B)</b>	<b>23,052,692,640</b>	<b>13,497,898,968</b>
Provision for loans and advances/investments	4,616,042,927	2,567,510,203
Provision for off-balance sheet exposures	-	-
Provision for diminution in value of investments	515,039,669	127,122,685
Other provision	122,500,000	122,500,000
<b>Total provision (D)</b>	<b>5,253,582,596</b>	<b>2,817,132,888</b>
<b>Total profit before taxes (E = C-D)</b>	<b>17,799,110,044</b>	<b>10,680,766,080</b>
<b>Provision for taxation</b>		
Current tax expense	6,314,706,437	4,690,333,373
Deferred tax (income)/expense	633,355,206	(160,887,167)
<b>Total provision for tax (F)</b>	<b>6,948,061,643</b>	<b>4,529,446,206</b>
<b>Net profit after tax (G = E-F)</b>	<b>10,851,048,401</b>	<b>6,151,319,874</b>
<b>Appropriations</b>		
Statutory reserve	1,224,618,870	240,121,340
Start up fund	108,510,484	61,513,199
Transfer to CSR fund	-	-
Coupon/dividend on perpetual bond	400,000,000	400,000,000
<b>Retained surplus for the year</b>	<b>1,733,129,354</b>	<b>701,634,539</b>
<b>Earnings per share (EPS)</b>	<b>47</b>	<b>8.06</b>
		<b>4.57</b>

The annexed notes 1 to 53 form an integral part of these financial statements.

Managing Director & CEO

Director

Director

Chairman

Dhaka, 29 April 2025

As per our report of same date.

Auditor

**Muhammad Farooq, FCA**  
 Managing Partner  
 Enrollment Number: 0521  
 Howladar Yunus & Co.  
 Chartered Accountants  
 Firm's Registration No.: [N/A]  
 DVC: 2504290521AS511230

# Statement of Changes in Equity

for the year ended 31 December 2024

Particulars	Paid up capital	Statutory reserve	Share premium	General reserve	Revaluation reserve	Dividend equalisation reserve	Surplus in profit and loss account	Total equity
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 1 January 2024</b>	<b>12,246,188,770</b>	<b>10,741,799,973</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>840,131,985</b>	<b>530,786,630</b>	<b>11,345,547,350</b>	<b>37,220,238,433</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	345,053,564	-	345,053,564	
Net profit for the year	-	-	-	-	-	10,851,048,401	10,851,048,401	
Dividend (Cash)	-	-	-	-	-	(1,854,555,222)	(1,854,555,222)	
Transfer to statutory reserve	1,224,618,870	1,224,618,870	-	-	-	(1,224,618,870)	-	-
Remeasurement gain/(loss) due to actuarial valuation	-	-	-	-	-	(380,927,490)	(380,927,490)	
Deferred tax income/(expense) arise from remeasurement	-	-	-	-	-	142,847,809	142,847,809	
Coupon/dividend on perpetual bonds	-	-	-	-	-	(400,000,000)	(400,000,000)	
Transfer to start up fund	-	-	-	-	-	(108,510,484)	(108,510,484)	
Gain from sale of non-banking assets	-	-	-	-	-	2,691,736	2,691,736	
<b>Balance as at 31 December 2024</b>	<b>13,470,807,640</b>	<b>11,966,418,843</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>1,185,185,349</b>	<b>530,786,630</b>	<b>17,148,904,360</b>	<b>45,817,886,747</b>

for the year ended 31 December 2023

Particulars	Paid up capital	Statutory reserve	Share premium	General reserve	Revaluation reserve	Dividend equalisation reserve	Surplus in profit and loss account	Total equity
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance as at 1 January 2023</b>	<b>12,006,067,430</b>	<b>10,501,678,633</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>1,002,966,892</b>	<b>530,786,630</b>	<b>7,287,614,284</b>	<b>32,844,897,594</b>
Surplus/(deficit) on account of revaluation of investments	-	-	-	-	(162,834,907)	-	-	(162,834,907)
Net profit for the year	-	-	-	-	-	-	6,151,319,874	6,151,319,874
Dividend (Cash)	240,121,340	240,121,340	-	-	-	(1,212,127,597)	(1,212,127,597)	(1,212,127,597)
Transfer to statutory reserve	-	-	-	-	-	(240,121,340)	-	-
Remeasurement gain/(loss) due to actuarial valuation	-	-	-	-	-	88,692,600	88,692,600	
Deferred tax income/(expense) arise from remeasurement	-	-	-	-	-	(33,259,725)	(33,259,725)	
Coupon/dividend on perpetual bonds	-	-	-	-	-	(400,000,000)	(400,000,000)	
Transfer to start up fund	-	-	-	-	-	(61,513,199)	(61,513,199)	
Gain from sale of non-banking assets	-	-	-	-	-	5,063,793	5,063,793	
<b>Balance as at 31 December 2023</b>	<b>12,246,188,770</b>	<b>10,741,799,973</b>	<b>1,504,388,797</b>	<b>11,394,928</b>	<b>840,131,985</b>	<b>530,786,630</b>	<b>11,345,547,350</b>	<b>37,220,238,433</b>

The annexed notes 1 to 53 form an integral part of these financial statements.



# City Bank Plc

## Cash Flow Statement

for the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>A) Cash flows from operating activities</b>			
Interest/investment income receipts in cash		42,945,717,201	33,691,103,602
Interest/profit paid on deposits and borrowings		(24,778,747,191)	(16,705,993,422)
Dividend receipts		186,440,159	148,027,798
Fees and commission receipts in cash		6,718,245,495	7,831,098,026
Recovery of loans & advances/investments previously written off	16.1	760,864,141	985,690,362
Cash payments to employees		(8,446,514,098)	(7,422,208,299)
Cash payments to suppliers	11.4	(307,529,266)	(202,220,512)
Income taxes paid		(5,074,753,915)	(3,971,055,450)
Receipts from other operating activities	43	13,615,785,924	2,568,020,410
Payments for other operating activities	44	(6,324,461,530)	(4,310,456,461)
<b>Cash generated from operating activities before changes in operating assets and liabilities (i)</b>		<b>19,295,046,920</b>	<b>12,612,006,054</b>
<b>Increase/decrease in operating assets and liabilities</b>			
Loans and advances/investments to customers			
Other assets	45	(48,899,322,780)	(41,304,680,726)
Deposits from other banks/borrowings		(1,347,044,131)	(4,132,759,199)
Deposits from customers		8,804,292,094	(22,072,839,098)
Other liabilities	46	111,957,336,069	59,806,773,458
		(805,870,421)	(1,468,811,433)
<b>Cash generated from operating assets and liabilities (ii)</b>		<b>69,709,390,831</b>	<b>(9,172,316,998)</b>
<b>Net cash from operating activities (i+ii)</b>		<b>89,004,437,751</b>	<b>3,439,689,056</b>
<b>B) Cash flows from investing activities</b>			
Net payment for sale/(purchase) of shares			
Net payment for sale/(purchase) of securities		(1,195,598,758)	(1,899,877,100)
Net payment for sale/(purchase) of fixed assets		(5,648,568,617)	(9,965,614,866)
<b>Net cash (used in)/generated from investing activities</b>		<b>(1,105,841,222)</b>	<b>(1,269,739,524)</b>
		<b>(7,950,008,597)</b>	<b>(13,135,231,490)</b>
<b>C) Cash flows from financing activities</b>			
Issuance/(redemption) of subordinated bonds			
Dividends paid		(1,715,000,000)	(2,590,000,000)
Coupon/dividend paid on perpetual bonds		(1,854,555,222)	(1,212,127,597)
<b>Net cash used in financing activities</b>		<b>(400,000,000)</b>	<b>(400,000,000)</b>
		<b>(3,969,555,222)</b>	<b>(4,202,127,597)</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>77,084,873,932</b>	<b>(13,897,670,031)</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>		<b>1,433,319,995</b>	<b>724,072,555</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>59,107,595,949</b>	<b>72,281,193,425</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>137,625,789,876</b>	<b>59,107,595,949</b>
<b>Cash and cash equivalents at end of the year consists of:</b>	42		
Cash in hand (including foreign currencies)		10,280,661,035	8,898,540,782
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		22,747,902,091	17,187,174,482
Balance with other banks and financial institutions		38,928,729,121	25,235,126,595
Money at call on short notice		3,775,100,000	-
Government securities		61,893,397,629	7,786,754,090
		<b>137,625,789,876</b>	<b>59,107,595,949</b>
<b>Net operating cash flow per share (NOCFPS)</b>	48	<b>66.07</b>	<b>2.55</b>

The annexed notes 1 to 53 form an integral part of these financial statements.



# City Bank Plc and its subsidiaries

## Notes to the Financial Statements

as at and for the year ended 31 December 2024

### 1. Reporting entity - The Bank and its activities

#### 1.1 Legal Status and nature of the entity

City Bank Plc ("the Bank") was incorporated as a public limited company in Bangladesh under The Companies Act 1913. It commenced its banking business from 23 March 1983 under the license issued by Bangladesh Bank. The Bank has 123 branches (2023:123), 11 SME/Agri branches (2023: 11), 52 sub branches (2023: 40) and 480 agent banking outlets (2023: 525) across Bangladesh as at 31 December 2024. The Bank had no overseas branches as at 31 December 2024. Out of the above 134 branches, 1 branch is designated as Islamic Banking Branch complying with the rules of Islamic Shariah, the modus operandi of which is substantially different from other branches run on conventional basis. It has 453 ATMs/RATMs (2023: 415) as at 31 December 2024. The Bank was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company on 03 February 1987 and 27 December 1995 respectively. It is operating as City Bank Group with its four subsidiaries.

The registered office of the Bank is located at Plot-SE(D)-3, 28, Gulshan Avenue, Gulshan-1, Dhaka-1212.

The consolidated financial statements of the Bank as at and for the year ended 31 December 2024 comprise the Bank and its subsidiaries (collectively the 'Group' and individually 'Group entities').

#### 1.2 Principal activities of the bank

The principal activities of the Bank are to provide wide array of financial products (loans and deposits) and services that includes all kinds of conventional and Islamic banking services to its customers. It offers commercial banking, consumer banking, trade services, cash management, treasury, SME, retail, custodial and clearing services to its customers. These activities are conducted through its branches, SME/Agri branches, sub-branches, Islamic windows, agent banking outlets and vibrant alternative delivery channels (ATM booths, internet banking) in Bangladesh. City Touch Digital Banking Service is the bank's flagship product to provide internet based banking solutions. City Touch offers online banking facilities like - FDR/Monthly deposit accounts opening, quick loan facilities to customers, fund transfer, utility bills payment, buying air tickets, paying bills of mobile phones, credit cards, and insurance premiums and then tracking of accounts and even shopping from over 100 retailers. City Touch is integrated with most of the MFS payment system (i.e. bKash, Meghna pay, OK Wallet, Rocket, Tap, Upay, Nagad) as well. Through bKash payment system, the Bank is offering nano loan facilities and digital DPS services to customers. The Bank also provides off-shore banking services through its Off-Shore Banking Units (OBU) and Islamic banking services through its Islamic Bank branch.

#### 1.3 Offshore banking

Offshore Banking Unit (OBU) is a separate business unit of the Bank, operates its business through a separate counter as governed under the rules and guidelines vide Bangladesh Bank's letter reference no. BRPD(P-3)744(101)/2010-4129 dated 10 November 2009 and a Policy for Offshore Banking Operation issued by Bangladesh Bank through BRPD circular no. 02, dated 25 February 2019 and BRPD circular letter no. 09, dated 27 May 2019. It gives loans (on and off-balance sheet exposures) and takes deposits in freely convertible foreign currencies to and from persons/institutions not resident in Bangladesh and Type-A (wholly foreign owned) units in EPZs in Bangladesh. It also gives long term loans to industrial units outside EPZs and Type-B and Type-C industrial units within the EPZs subject to compliance by the industrial units with the guidelines of Bangladesh Investment Development Authority (BIDA) and Bangladesh Bank. Besides, this unit provides bill discounting/financing facilities accepted by Authorised Dealer (AD) in Bangladesh against usance LCs in accordance with Bangladesh Bank (BB) guidelines. Separate financial statements of Off-Shore Banking Units are shown in Annexures J(1) and J(2).

#### 1.4 Islamic banking

The Bank obtained permission for Islamic Banking Branch from Bangladesh Bank vide letter no. BL/DA/6852/2003 dated 16 July 2003. Through the Islamic Banking Branch, the Bank extends all types of Islamic Shariah compliant finance like lease, hire purchase shirkatul melk (HPSM), bai muazzal, household scheme etc. and different types of deposits like mudaraba/manarah savings deposits, mudaraba/manarah term deposits, al-wadeeah current deposits, monthly/quarterly profit paying scheme etc. Separate financial statements of Islamic Banking Branch are shown in Annexures I(1) and I(2).

#### 1.5 Agent banking

The Bank has started agent banking operation in 2017 with a view to reach unbanked population particularly in the geographically dispersed areas and offer banking services to potential customers who are currently out of traditional banking periphery. The Bank has launched this banking service with 20 outlets in 2017, which is now 535 across the country with thousands of new customers. This service includes offering all types of deposit accounts, micro credit facilities and other banking transactions including bill payments, inward foreign remittance payments, fund transfers etc.



#### **1.6 Custodian service**

The Bank obtained permission to work as a security custodian from the Bangladesh Securities and Exchange Commission (BSEC) vide its certificate no. SC-09/2009, dated 17 June 2009 under the Securities and Exchange Commission (Securities Custodian Service) Rules 2003. Financial performance of Security Custodial Services have been separately reported in Annexure K along with Bank's audited financial statements in compliance with the requirement u/s 10(2) of the Securities and Exchange Commission (Securities Custodian Service) Rules 2003. The due certificate from external auditors has been obtained on internal control and financial statements of security custodial operations of the Bank.

#### **1.7 Subsidiaries of the Bank**

The Bank has four subsidiaries. All of them have been in operations on the reporting date. These are City Brokerage Limited, City Bank Capital Resources Limited, CBL Money Transfer Sdn. Bhd. and City Hong Kong Limited. Details of the subsidiaries have been presented in note no. 1.7.1 to 1.7.4.

##### **1.7.1 City Brokerage Limited**

City Brokerage Limited ('the Company') was incorporated in Bangladesh as a private limited company on 31 March 2010 vide registration no. C-83616/10 under the Companies Act, 1994. The legal status of the Company has been converted into public limited company from private limited company in June 2012 in compliance with the Bangladesh Securities and Exchange Commission Rules 2000. Previously the Bank launched its brokerage division on 4 August 2009 which was subsequently separated from the Bank on 15 November 2010. On 31 December 2024, the Bank held 99.9963% shares of the company.

The financial statements, audited by S.F. Ahmed & Co, Chartered Accountants, have been enclosed in **Appendix A**.

##### **1.7.2 City Bank Capital Resources Limited (CBCRL)**

City Bank Capital Resources Limited ('the Company') was incorporated in Bangladesh as a private limited company on 17 August 2009 vide registration no. C-79186/09 under the Companies Act, 1994. The registered office of the Company is situated at Shanta Western Tower, Level-14, Office Space-02 Bir Uttam Mir Shawkat Road, 186 Tejgaon I/A, Dhaka-1208. CBCRL delivers a whole range of investment banking services including merchant banking activities such as issue management, underwriting, portfolio management and corporate advisory. On 31 December 2024, the Bank held 99.9980% shares of CBCRL.

The financial statements, audited by Hoda Vasi Chowdhury & Co., Chartered Accountants, have been enclosed in **Appendix B**.

##### **1.7.3 CBL Money Transfer Sdn. Bhd. (CMTS)**

CBL Money Transfer Sdn. Bhd. ('the Company') is a private limited company by shares incorporated under the laws of Malaysia and registered with the Companies Commission of Malaysia with Registration No. 769212M carrying on money services business under the Money Services Business Act 2011 under a Class B License No. 00127 from the Bank Negara Malaysia. CMTS is principally engaged as inbound and outbound remittance service provider.

The Bank entered into an agreement on 4 April 2013 to purchase 75% of ordinary shares of CMTS with an agreement to acquire 100% shares of CMTS ultimately and the company became and started as subsidiary of the Bank since 5 August 2013. On 31 December 2024, the Bank held 100% shares of CMTS.

The financial statements of CMTS, audited by Nasharuddin Wong & Co, Chartered Accountants, have been enclosed in **Appendix C**.

##### **1.7.4 City Hong Kong Limited**

City Hong Kong Limited ('the Company') is incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Units 904 & 906, 9th Floor, Austin Tower, Nos. 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong. City Hong Kong Limited is a fully owned (100% shares) subsidiary of City Bank Plc established at the later half of 2019 to facilitate international trade business through advising letter of credits, handling documentary collections and bill financing (discounting) against letters of credit.

The financial statements of City Hong Kong Ltd, audited by T. O. Yip & Co Limited, Certified Public Accountants, have been enclosed in **Appendix D**.

## **2. Basis of preparation of financial statements**

The separate financial statements of the Bank as at and for the year ended 31 December 2024 comprise those of Domestic Banking Unit (Main operations) and Offshore Banking Unit (OBU), and the consolidated financial statements of the group comprise those of 'the Bank' (parent company) and its subsidiaries. There were no significant changes in the nature of principal business activities of the Bank and the subsidiaries during the financial year.

#### **2.1 Statement of compliance**

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.



Accordingly, the financial statements of the Bank are prepared in accordance with IFRSs (including IASs) and the requirements of the Bank Company Act, 1991 (amendment up to 2023), the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Commission Act 1993, Bangladesh Securities and Exchange Commission (Public Issues) Rules 2020, Income Tax Act, 2023, the Value Added Tax and Supplementary Duty Act 2012, the Value Added Tax and Supplementary Duty Rules 2016, Financial Reporting Act, 2015, Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE) and Central Depository Bangladesh Ltd. (CDBL) rules and regulations. In case any requirements of the Bank Company Act, 1991 (amendment up to 2023), provisions, circulars and guidelines issued by Bangladesh Bank differ with those of IFRSs (including IASs), the requirements of the Bank Company Act, 1991 (amendment up to 2023), provisions, circulars and guidelines issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are mentioned in i to xxi:

In addition to foregoing directives and standards, the operation of Islamic Banking branches is accounted for in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions, Bahrain, and BRPD circular no. 15, dated 09 November 2009. A separate balance sheet and profit and loss account are shown in Annexure-I(1) and I(2) and the figures appearing in the annexure have been incorporated in the related heads of these financial statements as recommended by the Central Shariah Board for Islamic Banks in Bangladesh.

i) **Presentation of financial statements**

**IFRS:** As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit and loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

**Bangladesh Bank:** The presentation of these financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section-38) of the Bank Company Act, 1991 (amended up to 2023) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classification.

ii) **Investment in shares, mutual fund and other securities**

**IFRS:** As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

**Bangladesh Bank:** The presentation of these financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section-38) of the Bank Company Act, 1991 (amended up to 2023) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classification.

iii) **Revaluation gain/loss on government securities**

**IFRS:** Government securities refer primarily various debt instruments which include both bonds and bills. As per requirements of IFRS 9 *Financial Instruments*, bonds can be categorised as "Amortised Cost (AC)" or "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Bonds designated as Amortised Cost are measured at amortised cost method and interest income is recognised through profit and loss account. Any changes in fair value of bonds designated as FVTPL is recognised in profit and loss account. Any changes in fair value of bonds designated as FVOCI is recognised in other reserve as a part of equity.

As per requirements of IFRS 9, bills can be categorised either as "Fair Value Through Profit or Loss (FVTPL)" or "Fair Value through Other Comprehensive Income (FVOCI)". Any change in fair value of bills is recognised in profit and loss or other reserve as a part of equity respectively.

**Bangladesh Bank:** According to DOS circular no. 5 dated 26 May 2008 and subsequent clarification in DOS circular no. 5 dated 28 January 2008, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark to market and any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount is recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised and gains or losses on amortisation are recognised in other reserve as a part of equity.

iv) **Repo and reverse repo transactions**

**IFRS:** As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).



**Bangladesh Bank:** As per Department of Off-Site Supervision (DOS) Circular letter no. 06 dated 15 July 2010 and subsequent clarification in DOS circular no. 02 dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction and the financial asset is derecognised in the seller's book and recognised in the buyer's book.

However, as per DMD circular letter no. 7 dated 29 July 2012, non primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) programme, whereby such banks may enter collateralised repo arrangements with Bangladesh Bank. Here the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.

#### v) Provision on loans and advances

**IFRS:** As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

**Bangladesh Bank:** As per BRPD circular no. 09 (08 April 2024), BRPD circular no. 53 (22 December 2022), BRPD circular no. 51 (18 December 2022), BRPD circular no. 14 (22 June 2022), BRPD circular no. 53 (30 December 2021), BRPD circular no. 52 (29 December 2021), BRPD circular no. 51 (29 December 2021), BRPD circular no. 50 (14 December 2021), BRPD circular no. 45 (04 October 2021), BRPD circular no. 19 (26 August 2021), BRPD circular no. 05 (24 March 2021), BRPD circular no. 13 (27 June 2021), BRPD circular no. 03 (31 January 2021), BRPD circular no. 56 (10 December 2020), BRPD circular no. 52 (20 October 2020), BRPD circular no. 16 (21 July 2020), BRPD circular no. 3 (23 April 2019), BRPD circular no. 1 (20 February 2018), BRPD circular no. 15 (27 September 2017), BRPD circular no. 16 (18 November 2014), BRPD circular no. 05 (29 May 2013), BRPD circular no. 19 (27 December 2012) and BRPD circular no. 14 (23 September 2012) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. And specific provision (other than short -term agricultural and micro-credits) for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Moreover, a provision for Short-Term Agricultural and Micro-Credits has to be provided for 'sub-standard' and 'doubtful' loans at the rate of 5%, 20% and a 100% provision for the 'bad/Loss' loans. Such provision policies are not specifically in line with those prescribed by IFRS 9.

#### vi) Recognition of interest in suspense

**IFRS:** Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently becomes credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified as impaired, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as a liability in the balance sheet.

#### vii) Other comprehensive income

**IFRS:** As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of Other Comprehensive Income are to be included in a Single Comprehensive Income (SCI) Statement.

**Bangladesh Bank:** Bangladesh Bank has issued templates for financial statements which are required to be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a Single Comprehensive Income (SCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

#### viii) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

#### ix) Financial guarantees

**IFRS:** As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.



**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. As per BRPD Circular no.01 dated 3 January 2018 and BRPD Circular no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures nature and duration as mentioned in note 3.4.7.

x) **Cash and cash equivalents**

**IFRS:** Cash and cash equivalent items should be reported as cash item as per IAS 7.

**Bangladesh Bank:** Some highly liquid assets such as money at call and short notice, T-bills/T-bonds, prize bonds are not prescribed to be shown as cash and cash equivalents rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

xi) **Non-banking asset**

**IFRS:** No indication of Non-banking asset is found in any IFRS.

**Bangladesh Bank:** As per BRPD circular no. 22 dated 20 September 2021 and BRPD circular no. 14 dated 25 June 2003, there is a separate balance sheet item named non-banking assets existed in the standard format.

xii) **Cash flow statement**

**IFRS:** Cash flow statement can be prepared either direct method or indirect method as per IAS 7. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

**Bangladesh Bank:** As per BRPD circular no 14, dated 25 June 2003, cash flows statement has been prepared following a mixture of direct and indirect methods.

xiii) **Balance with Bangladesh Bank: (Cash Reserve Ratio - CRR)**

**IFRS:** CRR maintained with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

**Bangladesh Bank:** Balance with Bangladesh Bank including CRR is treated as cash and cash equivalents.

xiv) **Presentation of intangible asset**

**IFRS:** Intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

**Bangladesh Bank:** There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 23 September 2012.

xv) **Off-balance sheet items**

**IFRS:** As per IFRS, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, off balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xvi) **Disclosure of appropriation of profit**

**IFRS:** There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xvii) **Loans and advances/investments net of provision**

**IFRS:** Loans and advances/investments should be presented net of provisions.

**Bangladesh Bank:** As per BRPD circular no. 14 dated 23 September 2012, provision on loans and advances are presented separately as liability and cannot be netted off against loans and advances.

xviii) **Disclosure of IAS 19 and related provision**

**IFRS:** As per IAS 19, actuarial valuation is needed to determine the net defined benefit obligation and provision should be made accordingly.

**Bangladesh Bank:** Bangladesh Bank Inspection Team and External Auditors' accepted account for of the excess funding made to the Gratuity Funds as presented in Actuarial Valuation Report based on 31 December 2024.

xix) **Interest on perpetual bond**

**IFRS:** As per IAS 32, interest on perpetual bond should be recognised as interest expenses.

**Bangladesh Bank:** As per letter no. BRPD(BS)661/14B(P)/2022-3260 dated 30 March 2022, interest on perpetual bond is recognised as appropriation of retained earnings instead of recognising as interest expenses.



**xx) Income tax on income from treasury bills/bonds**

**IFRS:** Current tax and deferred tax is computed considering the relevant tax law enacted in the country where the entity operates and should be recognised as per the requirements of IAS 12.

**Bangladesh Bank:** As per minutes of tripartite meeting held on 23 March 2022, income tax on interest from treasury bills/bonds is considered on accrual basis while making provision for income tax which was previously considered on cash basis. Accordingly, current tax expenses is recognised for income from treasury bills/bonds which was previously reconsidred as deferred tax.

**xxi) General requirements for disclosure of sustainability-related financial information and climate-related disclosure**

**IFRS:** The objective of IFRS S1, *General Requirements for Disclosure of Sustainability-related Financial Information*, is to ensure that entities disclose information on their sustainability-related risks and opportunities, while IFRS S2, *Climate-related Disclosures*, focuses on the disclosure of climate-related risks and opportunities. This information is intended to assist primary users of general-purpose financial reports in making informed decisions about allocating resources to the entity. The effective date of implementation of these standards is the annual reporting periods beginning on or after 1 January 2024.

**Bangladesh Bank:** As per SFD circular no. 06 dated 26 December 2023 "Guideline on Sustainability and Climate-related Financial Disclosure", the bank required to consider all sustainability-related financial risks and opportunities, as well as the disclosure of climate-related financial risks and opportunities as per the requirements of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*. As per the guideline, the implementation pathway would phase the requirements gradually over a period of 3 years and in 2024, the bank need to disclose limited disclosure in annual report.

**2.2 Basis of measurement**

The financial statements of the Group have been prepared on historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HTF)' are present at value using marking to market concept with gain crediting to revaluation reserve;
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' are carried at amortised cost; and
- Investment in shares of listed companies are prepared at market value with gain credited to revaluation reserve.

**2.3 Going concern**

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation over the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The Bank has been awarded AA1 in long term and ST-1 in short term by Credit Rating Agency of Bangladesh (CRAB). The Bank has also being rated B2 by international rating agency Moody's Investors Service. Rating details are shown in note 3.20. The management is not aware of any other material uncertainties that may cast significant doubt upon the bank's ability to continue as a going concern.

**2.4 Functional and presentation currency**

These financial statements are presented in Bangladesh Taka (Taka/Tk) which is the Bank's functional currency. Except as otherwise indicated, financial information presented in Taka has been rounded to the nearest integer.

**2.5 Use of judgments and estimates**

In preparing these consolidated financial statements in conformity with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) management has required to make judgments, estimates and assumptions that affect the application of bank's accounting policies and the reported amounts of assets liabilities, income and expenses. Actual results may differ from these estimates.

The most critical estimates and judgments are applied to the following:

- Provision for loan and advances/investments- as explained in note 3.3.3;
- Employee benefit -as explained in note 3.11;
- Income tax - as explained in note 3.12;
- Deferred tax assets/liabilities - as explained in note 11.5; and
- Useful lives of depreciable assets regard to noncurrent assets - as stated in note 3.3.5 and **Annexure-D**.

However, underlying assumptions on estimates are reviewed on a going concern basis and revisions thereon are recognised in the period in which the estimates are revised. It is also required to disclose the contingent assets and liabilities at the date of the financial statements in accordance with the guidelines as prescribed by IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

**Provision**

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognised in the following situations:

- the entity has a present (legal or constructive) obligation as a result of past events;
- probable out flow of resources to settle the obligation and the obligation can be measured reliably; and
- it is more likely than not that outflow of resources will be required to settle the present obligation exists at the end of reporting period.



### **Contingent Liability**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events. A contingent liability arises when some, but not all, of the criteria for recognizing a provision are met.

IAS 37 applies prudence by deeming a past event to give rise to a present obligation and an entity shall not recognize a contingent liability. However, if it is possible rather than probable that an obligation exists, a contingent liability will exist, not a provision in the financial statements. An entity shall disclose for each class of transaction of contingent liability at the end of the reporting period if the contingent liability is not remote.

### **Contingent Assets**

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity. Contingent assets are never recognised; rather they are disclosed in the financial statements when they arise.

#### **2.6 Reporting period**

These financial statements cover one calendar year from 1 January 2024 to 31 December 2024.

#### **2.7 Dividend**

Dividend on ordinary shares is recognised as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

Dividend on ordinary shares for the year that is recommended by the Directors after the balance sheet date for approval of shareholders at the Annual General Meeting are disclosed in note - 52 to the financial statements.

#### **2.8 Date of authorization**

The Board of Directors has authorised these financial statements for public issue on 29 April 2025.

#### **2.9 Cash flow statement**

The cash flow statement has been prepared in accordance with IAS 7. Cash Flow Statements considering the requirements specified in BRPD circular no. 14 dated 25 June 2003 issued by the Banking Regulation and Policy Department of Bangladesh Bank.

#### **2.10 Statement of changes in equity**

The Statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity is prepared principally in accordance with IAS-1 *Presentation of Financial Statements* and under the guidelines of Bangladesh Bank's BRPD Circular no. 14 dated 25 June 2003.

#### **2.11 Liquidity statement**

The liquidity statement of assets and liabilities as on the reporting date has been prepared on the following basis:

Particulars	Basis
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioural trend
Investments	Residual maturity term
Loan and advance/investment	Repayment /maturity schedule and behavioural trend (non-maturity products)
Fixed assets	Useful life
Other assets	Realisation/amortisation basis
Borrowing from other banks and financial institutions	Maturity/repayment term
Deposits and other accounts	Maturity/behavioural trend (non-maturity products)
Other long term liabilities	Maturity term
Provisions and other liabilities	Settlement/adjustment schedule basis

#### **2.12 Financial statements for Offshore Banking Unit (OBU)**

Reporting currency of Offshore Banking Unit is US Dollar. However, foreign currency transactions are converted into equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS 21 *The Effects of changes in Foreign Exchange Rates*. Foreign currency balances held in US Dollar are converted into Taka at weighted average rate of Inter Bank market as determined by Bangladesh Bank on the closing date of the reporting period.



## 2.13 Non-recognition of investment in IDLC Finance PLC as associate in City Group

The bank and its two subsidiaries are holding IDLC Finance PLC's shares in the following manner:

Company Name	No. of Shares Held	Shareholdings Percentage
City Bank Plc	37,413,141	9.00%
City Bank Capital Resources Limited	41,154,150	9.90%
City Brokerage Limited	17,912,556	4.31%
<b>Total</b>	<b>96,479,847</b>	<b>23.21%</b>

The group is holding 23.21% shares of IDLC Finance PLC and also representing three seats in IDLC's board. In line with IAS 28 *Investments in Associates and Joint Ventures*, the group is required to recognise these investments as associate as reflections of the followings are there:

- a. The group has more than 20.0% voting rights
- b. Three persons are representing in IDLC Finance PLC's board.

IDLC Finance PLC, being an organization regulated by Bangladesh Bank, Bangladesh Securities and Exchange Commission, Financial Reporting Council, Stock Exchanges, etc., formulates its operational processes and policies independently and City Bank Plc does not have significant influence over the operation and policy making of IDLC Finance PLC. Thus the bank does not recognise its investment in said company as investment in associate in accordance with IAS-28.

## 3. Material accounting policies information

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements of the group and those of the bank have been applied consistently except otherwise instructed by Bangladesh Bank as the prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

### Accounting policies of subsidiaries

The financial statements of subsidiaries (City Brokerage Limited, City Bank Capital Resources Limited, CBL Money Transfer Sdn. Bhd. and City Hong Kong Limited) which are included in the Consolidated Financial Statements of the Group have been prepared using uniform accounting policies of the Bank (Parent) for transactions and other events in similar nature. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances. All subsidiaries of the Bank have been incorporated in Bangladesh except for CBL Money Transfer Sdn. Bhd. and City Hong Kong Limited which are incorporated in Malaysia and Hong Kong respectively.

### 3.1.1 Accounting policy for IFRS 16: Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and



- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of short-term.

### **3.1.2 Basis of consolidation**

The consolidated financial statements include the financial statements of City Bank Plc and those of its four subsidiaries (City Brokerage Limited, City Bank Capital Resources Limited, CBL Money Transfer Sdn. Bhd. and City Hong Kong Limited) prepared as at and for the year ended 31 December 2024. The consolidated financial statements have been prepared in accordance with IFRS 10 *Consolidated Financial Statements*.

Name of subsidiary	Ownership	Date of incorporation	Country of operation	Status	Primary Regulator	Year/period closing
City Brokerage Limited	99.996%	31-Mar-10	Bangladesh	Majority Owned	BSEC, DSE & CSE	31 December
City Bank Capital Resources Limited	99.998%	17-Aug-09	Bangladesh	Majority Owned	BSEC	31 December
CBL Money Transfer Sdn. Bhd	100.000%	04-Apr-13	Malaysia	Wholly Owned	Bank Negara, Malaysia	31 December
City Hong Kong Limited**	100.000%	11-Jan-19	Hong Kong	Wholly Owned	Bangladesh Bank, IRD, CR & MLU	31 December

\* The Bank entered into an agreement to acquire 100% shares of CBL Money Transfer SDN. BHD. on 4 April 2013.

\*\*Primary regulators of City Hong Kong Limited in Bangladesh is Bangladesh Bank and in Hong Kong regulators are Inland Revenue Department (IRD), Companies Registry (CR) & Money Lenders Unit (MLU).

### **3.1.3 Non-controlling interest**

The Group elects to measure any non-controlling interests in the subsidiaries either:

- at fair value; or
- at their proportionate share of the acquires identifiable net assets, which are generally at fair value.

### **3.1.4 Transactions eliminated on consolidation**

Intra-group balances and income and expenses arising from intra-group transactions are eliminated in preparing these consolidated financial statements.

## **3.2 Foreign currency transactions**

According to IAS 21 *The Effects of Changes in Foreign Exchange Rates* transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in the profit and loss statement.

### **3.3.1 Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, ATM, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and short notice, investments in treasury bills, Bangladesh Bank bill and prize bonds.

### **3.3.2 Investments**

All investments (other than government treasury securities) are initially recognised at cost including acquisition charges associated with the investment. Premiums are amortised and discount accredited using the effective or historical yield method. Accounting treatment of government treasury bills and bonds (categorised as HFT and HTM) are made in accordance with Bangladesh Bank DOS Circular letter no. 05, dated 26 May 2008 and subsequent clarifications DOS Circular letter no. 05 dated 28 January 2009.



### **Held to Maturity**

Investments which have 'fixed or determinable payments' and are intended to be held to maturity are classified as 'Held to Maturity'. These are measured at amortised cost at each year end by taking into account any discount or premium in acquisition. Any increase or decrease in value of such investments are booked under equity and in the profit and loss statement respectively.

### **Held for Trading**

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are marked to market weekly and any decrease in the present value is recognised in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account as per DOS Circular no. 05 dated 28 January 2009.

### **Investment in quoted shares**

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income. Any gain/(loss) arising from changes in market value are not recognised through profit and loss statement as per International Financial Reporting Standards (IFRS).

### **Investment under special fund and investment policy**

Investment in quoted shares and bonds through special fund as per DOS Circular no. 01 dated 10 February 2020 are recognised at cost in line with the circular.

### **Investment in unquoted shares**

Investment in unquoted shares are recognised at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unquoted shares.

Value of investments has been shown as under:

Investment Class	Initial Recognition	Measurement after initial recognition	Recording of changes
Govt. treasury securities - Held to Maturity (HTM)	Cost	Amortised cost	Increase in value of such investments is booked to equity, decrease to profit and loss account.
Govt. treasury securities - Held for Trading (HFT)	Cost	Fair value	Loss to Profit and Loss Account, gain to Revaluation Reserve.
Debenture/Bond	Face value	Face value	None
Shares (Quoted)*	Cost	Lower of cost or market value (overall portfolio)	Loss (net off gain) to profit and loss account.
Shares (Unquoted)*	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealised gain booking.
Prize bond	Cost	Cost	None

\* In line with Bangladesh Bank's Circular reference DOS Circular no. 1 dated 24 May 2023, based on lower market price than cost, investment category wise, such as listed securities, non-listed securities, mutual funds, etc., provision requirement is identified. Accordingly, required investment category wise provision expense is accounted for.

### **Investment in Subsidiaries**

Investments in subsidiaries are accounted for under the cost method of accounting in the Bank's financial statements in accordance with IAS 27 *Separate Financial Statements* and IFRS 10 *Consolidated Financial Statements*. Impairment of investment in subsidiaries (if any) the bank takes it into account as per the provision of IAS 36 *Impairment of Assets*.

#### **3.3.3 Loans and advances/investments and provisions for loans and advances/investments**

- Loans and advances of conventional banking/investments of Islamic Banking branches are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not sell in the normal course of business.
- At each balance sheet date and periodically throughout the year, the Bank reviews loans and advances to assess whether objective evidence that impairment of a loan or portfolio of loans has arisen supporting a change in the classification of loans and advances, which may result in a change in the provision required in accordance with BRP D circular no. 09 (08 April 2024), BRPD circular no. 53 (22 December 2022), BRPD circular no. 51 (18 December 2022), BRPD circular no. 14 (22 June 2022), BRPD circular no. 53 (30 December 2021), BRPD circular no. 52 (29 December 2021), BRPD circular no. 51 (29 December 2021), BRPD circular no. 50 (14 December 2021), BRPD circular no. 45 (04 October 2021), BRPD circular no. 19 (26 August 2021), BRPD circular no. 13 (27 June 2021), BRPD circular no. 05 (24 March 2021), BRPD circular no. 03 (31 January 2021), BRPD circular no. 56 (10 December 2020), BRPD circular no. 52 (20 October 2020), BRPD circular no. 16 (21 July 2020), BRPD circular no. 03 (21 April 2019), BRPD circular no. 1 (20 February 2018), BRPD circular no. 15 (27 September 2017), BRPD circular no. 16 (18 November 2014), BRPD circular no. 05 (29 May 2013), BRPD circular no. 19 (27 December 2012) and BRPD circular no. 14 (23 September 2012). The guidance in the circular follows a formulaic approach whereby specified rates are applied to the various categories of loans as defined in the circular. The provisioning rates are as follows:



Types of loans and advances	Provision				
	STD	SMA	SS	DF	BL
Consumer:					
House building and professional	1.00% - 2.00%	1.00% - 2.00%	20.00%	50.00%	100.00%
Other than housing finance & professionals to setup business	2.00%	2.00%	20.00%	50.00%	100.00%
Provision for loan to broker house, merchant banks, stock dealers, etc	1.00%	1.00%	20.00%	50.00%	100.00%
Short-term agri-credit and micro credit	1.00%	N/A	5.00%	5.00%	100.00%
Small and medium enterprise finance	0.25%	0.25%	20.00%	50.00%	100.00%
Cottage, micro and small credit (CMSME)	0.25%	0.25%	5.00%	20.00%	100.00%
Others	1.00%	1.00%	20.00%	50.00%	100.00%

BRPD Circular no.14 (23 September 2012) as amended by BRPD Circular no. 19 (27 December 2012) also provides scope for further provisioning based on qualitative judgments. In these circumstances impairment losses are calculated on individual loans considered individually significant based on which specific provisions are raised. If the specific provisions assessed under the qualitative methodology are higher than the specific provisions assessed under the formulaic approach above, the higher of the two is recognised in liabilities under "Provision for loans and advances" with any movement in the provision charged/released in the profit and loss account. Classified loans are categorised into sub-standard, doubtful and bad/loss based on the criteria stipulated by Bangladesh Bank guideline.

- c) Loans and advances are written off to the extent that i) there is no realistic prospect of recovery, and ii) against which legal cases are filed, where required and classified as bad/loss as per as per BRPD circular no. 01 dated 06 February 2019, BRPD circular letter no. 01 dated 05 January 2023, BRPD circular no. 13 dated 07 November 2013 and BRPD circular no. 02 dated 13 January 2003 of Bangladesh Bank.

These write off however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such written off accounts are maintained and followed up.

- d) Amounts receivable on credit cards are included in advances to customers at the amounts expected to be recovered.

### 3.3.4 Staff loan

House building and car loan are provided to the permanent staff at a subsidized rate. Criteria and details of staff loans are given below:

#### **Employee house building loan (EHBL)**

Permanent employees completing 5 years of continuous service can avail Employee House Building Loan (EHBL) subject to fulfilling all necessary requirements and approval of concerned divisional head and Head of HR.

#### **Car loan**

AVP and above employees of City Bank can avail car loan. To avail car loan employees shall have minimum 72 months' service left till retirement and doesn't have any rating of "Need Improvement (NI)" during loan application. AVP to SEVP grades employee's car loan shall be approved by Head of HR after full-filling all necessary requirements. Any exception in this regard shall be notified and duly approved by Managing Director & CEO.

### 3.3.5 Fixed assets (property, plant and equipment)

#### **Recognition and measurement**

As per IAS 16 *Property and Equipment* Items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost.

Purchase of software that is integral to the related equipment is capitalised as part of that equipment.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When significant parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognised in other income/other expenses in profit or loss.



### ***Subsequent costs***

The cost of replacing a component of an item of fixed asset is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced parts is derecognised. The costs of the day to day servicing of fixed assets are recognised in the profit and loss statement as incurred.

### ***Depreciation***

Depreciation on fixed assets are recognised in the profit and loss statement on straight line method over its estimated useful lives. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas depreciation on disposed off fixed assets are charged up to the month prior to the disposal. Asset category wise depreciation rates for the current and comparative periods are as follows:

<b>Category of assets</b>	<b>Estimated useful lives</b>	<b>Rate of depreciation/amortisation per annum</b>
Land	N/A	Nil
Building	40 years	2.50%
Furniture and fixtures	10 years	10.00%
Office equipment and machinery	5 years	20.00%
Software	10 years	10.00%
Vehicles	5 years	20.00%

#### **3.3.6 Non-banking assets**

Non-banking assets were acquired by the entity due to failure of borrowers to repay the loan in time taken against mortgaged property. The Bank was awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of honourable court under section 33 (7) of the Artharin Adalat Act 2003. The value of the properties has been recognised in the financial statements as non-earning assets on the basis of third party valuation report. As per BRPD Circular no.22 (20 September 2021), Bank presented party wise details (including possession date & holding period) of non banking properties separately in note 12.

#### **3.3.7 Provisions for other assets**

According to Bangladesh Bank's BRPD circular no.04, dated 12 April 2022, other assets are required to be classified as unclassified, doubtful and bad/loss based on the basis of outstanding period and uncertainty of recovery. Based on classification status provision is required to be maintained @ 50.0% for doubtful and @ 100.0% for bad/loss.

#### **3.3.8 Intangible assets and its amortisation**

Intangible assets comprise separately identifiable intangible items arising from use of franchise of AMEX and the use of Finacle from Infosys. Intangible assets are recognised at cost. Intangible assets with a definite useful life are amortised using the straight line method over its estimated useful economic life.

#### **3.3.9 Reconciliation of inter-bank and inter-branch account**

Account with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Unreconciled entries/balances in the case of inter-branch transactions on the reporting date are not material.

### **3.4 Liabilities and basis of their valuation**

#### **3.4.1 Subordinated bonds (Tier-II capital)**

Subordinated bonds (Tier-II capital) includes fund raised from several banks, financial institutions and other organization through issuance of 7 (seven) years Bonds for Taka 5,000 million during 2017, 7 (Seven) years Bonds for Taka 4,200 during 2018 to January 2019 and 8 (Eight) years Bonds for Taka 7,000 million during 2022. Details are shown in note 13.1.

#### **3.4.2 Perpetual bonds**

City Bank Plc, as the pioneer has successfully launched subscription of the first ever Perpetual Bond in the industry as well as the country. The issuance process of "City Bank Perpetual Bond" was initiated back in 2019 and with subsequent approvals from the regulators, the Bank had completed subscription of Taka 4,000 million within 31 December 2022. Details are shown in note 13.2.

#### **3.4.3 Borrowings from other banks, financial institutions and agents**

Borrowings from other banks, financial institutions and agents includes call borrowing from other banks and borrowing from other multilateral organisations. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in note 14.



#### 3.4.4 Borrowings from central bank & government agencies

Borrowings from central bank & government agencies refinance from Bangladesh Bank against agro-based credit, SME and EDF Loan etc., interest-bearing borrowings against securities from Bangladesh Bank. These items are brought to financial statements at the gross value of the outstanding balance. Details are shown in note 14.5.

#### 3.4.5 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, interest bearing on demand and short-term deposits, savings deposit and fixed deposit. These items are brought into financial statements are at the gross value of outstanding balance. Details are shown in note 15.

#### 3.4.6 Provision for liabilities

As per IAS 37, provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a current legal or constructive obligation as a result of past events, and a reliable estimate can be made of the amount of the obligation.

#### 3.4.7 Provision for Off-balance sheet exposure

As per BPRD circular no. 14 dated 23 September 2012 and subsequent circular reference no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures nature and duration, considering the exemption as provided through BPRD circular no.09 (27 May 2019), BPRD circular no.02 (25 February 2019), BPRD circular no.13 (18 October 2018), BPRD circular no.7 (21 June 2018), BPRD circular no.01 (03 January 2018) and BPRD circular letter no. BPRD (P-1)/661/13/2020-1403 (05 February 2020) and BPRD circular letter no. BPRD(P-1)/661/13/2019-354 (13 January 2020). Required rates of general provision are:

Nature of Exposure	Required rate of General Provision
Aceptances And Endorsements	1.0%
Letters of Guarantee	
Not Covered by Any Counter Guarantee	1.0%
Covered by Counter Guarantee of Government	0.0%
Covered by Counter Gurantee by	
BB rating -1	0.0%
BB rating -2	0.5%
BB rating 3 & 4	0.8%
Letters of Credit	
Short-term self-lequidating trade LC	0.5%
Other LCs including LC as guarantee or confirmation	1.0%
Bills For Collection	0.0%
Other Contingent Liabilities	
With an original maturity up to one year	0.5%
With an original maturity over one year	1.0%
Other Commitments	
Unconditionally cancellable	0.0%
With certain drawdown	1.0%
Others with an original maturity up to one year	0.5%
Others with an original maturity over one year	1.0%

In addition to aforesaid minimum general provision, banks are also required to maintain additional provision against expired off-balance sheet exposures and exposures under litigation at following rates:

Criteria	Required rate of Additional Provision
03 (three) months or beyond but less than 12 (twelve) months.	1.0%
12 (twelve) or beyond but less than 24 (twenty four) months.	2.0%
24 (twenty four) months or beyond	5.0%
Exposure under litigation	5.0%



### **3.4.8 Provisions on balances with other banks and financial institutions (Nostro accounts)**

According to Bangladesh Bank's BRPD circular no.04, dated 12 April 2022, balance with nostro accounts are required to be categorized as unclassified, doubtful and bad/loss based considering uncertainty of adjustment and unadjusted period. Provision is required to be maintained @ 50.0% for doubtful and @ 100.0% for bad/loss. In compliance with Foreign Exchange Policy Department (FEPD) circular letter no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Bangladesh Bank, bank requires to review nostro accounts reconciliation and obtain certification from external auditor semi-annually. As a result, after reviewing by the bank and receiving certification from external auditors, the bank discovered that nostro transactions had not been remain unadjusted for longer than six months and that no necessary provisions had been made.

### **3.4.9 Other liabilities**

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxation, interest payable, interest suspense, accrued expenses, lease obligation etc. Other liabilities are recognised in the balance sheet according to the guidelines of Bangladesh Bank, Income Tax Act 2023 and internal policy of the Bank.

## **3.5 Capital/Shareholders' equity**

### **3.5.1 Authorised capital**

Authorised capital is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association to issue (allocate) among shareholders. This amount can be changed by shareholders' approval upon fulfilment of relevant provisions of the Companies Act, 1994. Part of the authorised capital usually remains unissued. The part of the authorised capital already issued to shareholders is referred to as the issued share capital of the Bank.

### **3.5.2 Paid up capital**

Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

### **3.5.3 Share premium**

Share premium is the capital that the Bank raises upon issuing shares for a price in excess of the nominal value of shares. The share premium shall be utilised in accordance with provision of section 57 of the Companies Act, 1994 and as directed by Securities and Exchange Commission in this respect.

### **3.5.4 Statutory reserve**

Statutory reserve has been maintained at the rate of 20% of profit before tax in accordance with provisions of section 24 of the Bank Company Act, 1991 (amended up to 2023). Such transfer shall continue until the reserve balance equals its paid up capital together with the share premium.

### **3.5.5 Revaluation reserve for government securities**

Revaluation reserve for government securities arises from the revaluation of treasury bills, Bangladesh Bank bills and treasury bonds (HFT and HTM) in accordance with the DOS Circular no. 5 dated 26 May 2008 and DOS(SR) 1153/120/2010 dated 8 December 2010.

### **3.5.6 Capital management**

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve the following objectives:

- To comply with the capital requirements set by the regulators;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital is managed in accordance with the Board approved Capital Management Planning. Senior management develops the capital strategy and oversee the capital management planning of the Bank. The Bank's finance, treasury and risk management departments are key participants in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

## **3.6 Revenue recognition**

### **3.6.1 Interest income**

Interest on loans and advances is calculated on daily product basis. Based on product features, interest is accrued or charged to customers' accounts on monthly/quarterly basis.



In accordance with BRPD Circular no.14 (23 September 2012) as amended by BRPD Circular No. 19 (27 December 2012) and BRPD Circular no. 56 (10 December 2020) interest accrued on sub-standard loans and doubtful loans are credited to an "Interest Suspense Account" which is included within "Other liabilities". Interest from loans and advances ceases to be accrued when they are classified as bad/loss. It is then kept in interest suspense in a memorandum account.

### **3.6.2 Profit on investment (Islamic Banking)**

Mark-up on investment is taken into income account proportionately from profit receivable account. Overdue charge/compensation on classified investments are transferred to profit suspense account instead of income account.

### **3.6.3 Investment income**

Income on investments are recognised on accrual basis. Investment income includes discount on treasury bills and Bangladesh Bank bills, interest on treasury bonds and fixed deposit with other banks. Capital gain on investments in shares are also included in investment income. Capital gain is recognised when it is realised.

### **3.6.4 Fees and commission income**

The Bank earns commission and fee income from a diverse range of service provided to its customers. Commission and fee income is accounted for as follows:

- income earned on the execution of a significant act is recognised as revenue when the act is completed;
- income earned from services provided is recognised as revenue as the services are provided; and
- Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

### **3.7 Interest paid on subordinated bond, borrowing and other deposits (Conventional banking)**

Interest paid and other expenses are recognised on accrual basis.

### **3.8 Profit shared on deposits (Islamic banking)**

Profit shared to mudaraba deposits are recognised on accrual basis.

### **3.9 Dividend income**

Dividend income is recognised when the right to receive income is established. Dividends are presented under investment income.

### **3.10 Foreign exchange gain/ loss**

Exchange income includes all gain and losses from foreign currency day to day transactions, conversions and revaluation of non monetary items.

### **3.11 Employee benefits**

#### **3.11.1 Provident fund**

The Provident Fund benefits are provided to bank employees in accordance with the registered Provident Fund rules. The Commissioner of Income Tax, Taxes Zone-4, Dhaka, recognized the fund under section 2(52) and the provisions of Part B of the First Schedule of the Income Tax Act 2023, with effect from October 31, 1987. A Board of Trustees, comprising five bank members, oversees the fund's operations. All confirmed employee contributes 10% of their basic salary to the Provident Fund as a subscription. Bank also contributes equal amount of the employee's contribution to the Provident Fund. The bank's contributions are recorded as expenses, and it holds no further liability. Interest earned from investments is credited to members' accounts annually. As required by law, the Provident Fund is audited by M/S. Snehashish Mahmud & Co., Chartered Accountants.

#### **3.11.2 Gratuity fund**

The Gratuity Fund benefits are provided to bank employees in accordance with the approved Gratuity Fund rules. The National Board of Revenue (NBR) recognized the fund as an approved scheme effective from June 3, 2012. A Board of Trustees, comprising five bank members, oversees the fund's operations. Bank makes annual provisions for gratuity to cover the liabilities of all eligible permanent employees. To ensure the adequacy of these provisions, a valuation of the gratuity scheme is regularly carried out by professional actuarial and pension consultants, Willis Towers Watson (WTW), in compliance with IAS-19 *Employee Benefits*. Considering the gratuity scheme as a continuing fund and based on actuarial valuation, the bank maintains sufficient provisions for the scheme. As required by law, the Gratuity Fund is audited by M/S. Snehashish Mahmud & Co., Chartered Accountants.

Principal Actuarial assumptions	2024	2023
i) Discount rate	12.5%	10.5%
ii) Expected rate of return on plan assets	12.5%	10.5%
iii) Rate of increases in pensionable salaries	8.0%	8.0%
iv) Expected rate of withdrawal from service	9.0%	9.0%
v) Life table used	Indian Assured Lives Mortality (2006-2008) Ult	Indian Assured Lives Mortality (2006-2008) Ult



### 3.11.3 Other employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and recognized as expenses when the related service is provided. A liability is recorded for the expected payment under short-term cash bonus or incentive sharing plans if the bank has a present legal or constructive obligation due to past service provided by the employee and if the obligation can be reliably estimated. The bank offers the following short-term employee benefit schemes:

#### **Hospitalisation insurance**

The bank provides a health insurance scheme for its permanent employees and their dependents, following the coverage policy's specified rates.

#### **Life insurance**

A group life insurance scheme is in place for permanent employees, ensuring that the designated family member(s) of a deceased employee receive the benefits in the event of natural or accidental death during their service tenure.

#### **Reward & recognition**

Bank recognizes employees extra ordinary effort through robust reward and recognition program. Under this reward and recognition program employees are rewarded under five categories for motivating employees to perform better in future.

#### **Performance bonus**

The provision for the Workers' Profit Participation Fund and Welfare Fund under the Bangladesh Labour Act (amended up to 2023) contradicts the Bank Company Act, 1991, which governs banking institutions. Section 11 of the Bank Company Act, 1991, prohibits employing anyone who receives remuneration, or a portion of remuneration, as a share of the company's profit, where remuneration includes salary and other benefits. A legal opinion obtained from Nurul Alam & Associates, Advocates and Consultants, clarifies that the Workers' Profit Participation and Welfare Fund does not apply to bank companies due to the absence of a non-obstante clause. Unless the Government of Bangladesh amends Section 11 of the Bank Company Act or enacts rules that provide an overriding effect, Section 232 of the Bangladesh Labour Act (amended up to 2023) remains inapplicable to banks.

However, the bank has a performance bonus provision that rewards employees based on their individual annual performance. This bonus aims to recognize employees' contributions and promote their overall welfare.

## 3.12 Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the profit and loss statement except to the extent that it relates to items recognised directly in equity.

### 3.12.1 Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Details are shown in note 16.6.

### 3.12.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 3.12.3 Tax exposures

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Bank to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.



### 3.13 Impairment of non-financial assets

The carrying amounts of the Group's and the Bank's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 3.14 Earnings per share

The Group and the Bank present basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

No diluted earnings per share is required to be calculated for the period.

### 3.15 Compliance with International Financial Reporting Standards (IFRS)

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Bank Company Act, 1991 (amendment up to 2023), the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994. In case any requirement of the Bank Company Act, 1991 (amendment up to 2023), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Bank Company Act, 1991 (amendment up to 2023), and provisions and circulars issued by Bangladesh Bank shall prevail.

Name of the standards	IFRS Ref.	Implementation status by the Bank
First-time Adoption of International Financial Reporting Standards	IFRS-1	Applied
Share-based Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Applied
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied with some departure
Operating Segments	IFRS-8	Applied with some departure
Financial Instruments	IFRS-9	Applied with some departure
Consolidated Financial Statements	IFRS-10	Applied
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interest in Other Entities	IFRS-12	Applied
Fair Value Measurement	IFRS-13	Applied with some departure
Regulatory Deferral Accounts	IFRS-14	Not applicable
Revenue from contractors with customers	IFRS-15	Applied
Leases	IFRS-16	Applied
Insurance Contracts	IFRS-17	Not applicable
General Requirements for Disclosure of Sustainability-related Financial Information	IFRS-S1	Applied with some departure
Climate-related Disclosures	IFRS-S2	Applied with some departure



Name of the standards	IFRS Ref.	Implementation status by the Bank
Presentation of Financial Statements	IAS-1	Applied with some departure
Inventories	IAS-2	Not Applicable
Statement of Cash Flows	IAS-7	Applied with some departure
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied
Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Govt Assistance	IAS-20	Not Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Not Applicable
Related Party Disclosures	IAS-24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS-26	Not Applicable
Separate Financial Statements	IAS-27	Applied
Investments in Associates and Joint Venture	IAS-28	Not Applicable
Financial Instruments: Presentation	IAS-32	Applied with some departure
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Impairment of Assets	IAS-36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applied
Intangible Assets	IAS-38	Applied
Financial Instruments: Recognition and Measurement	IAS-39	Applied (for Hedge Accounting)
Investment Property	IAS-40	Not Applicable
Agriculture	IAS-41	Not Applicable

In order to comply with certain specific rules and regulations of Bangladesh Bank which are different to IAS/IFRS, some of the requirements specified in these IAS/IFRSs are not applied. Refer to note-2.1 for such recognition and measurement differences that are most relevant and material to the Bank and the Group.

The Standard regards a retirement benefit plan as a reporting entity separate from the employers of the participants in the plan. Therefore, it is not applicable for the Bank's annual report as it is the employer and not the retirement benefit plan itself.

The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, the Bank being a listed entity in Dhaka and Chittagong Stock Exchanges regularly publishes Interim Financial Report complying with IAS 34.

### 3.16 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2025:

Effective date	New standards or amendments
1 January 2026	Disclosures on classification and measurement of financial instruments based on IFRS 7 was amended in 2024 and will be incorporated into the 2026 Annual Report.
1 January 2027	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. IFRS 18 was issued in April 2024 and applies to an annual reporting period beginning on or after 1 January 2027.
1 January 2027	IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. IFRS 19 was issued in May 2024 and applies to an annual reporting period beginning on or after 1 January 2027.

### 3.17 Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when, and only when, the group has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the group's trading activity.



### 3.18 Segment reporting

The group and the Bank have no identified operating segment and as such presentation of segmental reporting is not made in the financial statements as per IFRS 8. However, geographical and business segments wise limited disclosures are furnished in note 50 and **Annexure-H**.

Inter-segment transactions are generally based on inter-branch fund transfer measures as determined by the management. Income, expenses, assets and liabilities are specifically identified with individual segments. Based on such allocation, segmental balance sheet as on 31 December 2024 and segmental profit and loss account for the year ended 31 December 2024 have been prepared.

### 3.19 Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 *Presentation of Financial Statements*.

### 3.20 Credit rating of the Bank

As per BRPD Circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Agency of Bangladesh (CRAB) based on the financial statements as at and for the year ended 31 December 2023. The following ratings have been awarded:

Particulars	Periods	Date of Rating	Long term	Short term	Rating Valid
Entity Rating	January to December 2023	09-Jun-24	AA1	ST-1	30-Jun-25
Entity Rating	January to December 2022	25-May-23	AA1	ST-1	30-Jun-24
Entity Rating	January to December 2021	01-Jun-22	AA1	ST-1	30-Jun-23

Bank also has been assessed by renowned international rating agency Moody's Investors Service and awarded B2, as well as other quantitative and qualitative information. Based on financial statements, as well as other quantitative and qualitative information, the Bank's ratings are as follows:

Rating type	Date of Rating	Long term	Short term	Outlook
Surveillance	29-Nov-24	B2	NP	Negative
Surveillance	07-Jun-23	B2	NP	Stable
Surveillance	15-Dec-22	B1	NP	Rating(s) Under Review

### 3.21 Derivative financial instruments

The fair value of derivative, interest rate swaps, is recognized in the profit and loss account of the bank, as per IFRS 9. The value of the contract itself is shown as an item of other contingent liabilities, as per Bangladesh Bank guidelines. No provision is kept on items of derivatives as there is no exposure on such gross value for the Bank.

### 3.22 Accounting for changes in policy, accounting estimates and errors

IAS - 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, states that the effect of a change in accounting policy and correction of errors, if material, is to be applied retrospectively, and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The bank followed the same accordingly and the Bank did not change the accounting policies and accounting estimates during the year 2024.

### 3.23 Related party disclosures

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

Details of the related party disclosures presented in note no. 51 and **Annexure- F**.

### 3.24 Events after reporting period

As per IAS -10 *Events after Reporting Period*, events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) adjusting events after the reporting period (those that provide evidence of conditions that existed at the end of the reporting period); and
- (b) non adjusting events after the reporting period (those that are indicative of conditions that arose after the reporting period).

Details of the Events after reporting period presented in note no. 52.



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>4 Cash</b>				
Cash in hand (Including foreign currencies) (note-4.1)	10,282,269,640	8,899,078,815	10,280,661,035	8,898,540,782
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies) (note-4.2)	22,747,902,091	17,187,174,482	22,747,902,091	17,187,174,482
	<b>33,030,171,731</b>	<b>26,086,253,297</b>	<b>33,028,563,126</b>	<b>26,085,715,264</b>
<b>4.1 Cash in hand</b>				
Local currency	9,794,670,282	8,560,212,490	9,794,537,765	8,560,081,474
Foreign currency	487,599,358	338,866,325	486,123,270	338,459,308
	<b>10,282,269,640</b>	<b>8,899,078,815</b>	<b>10,280,661,035</b>	<b>8,898,540,782</b>
<b>4.2 Balance with Bangladesh Bank and its agent bank(s)</b>				
Local currency	21,019,815,724	14,431,656,355	21,019,815,724	14,431,656,355
Foreign currency	1,125,819,709	2,128,480,110	1,125,819,709	2,128,480,110
	<b>22,145,635,433</b>	<b>16,560,136,465</b>	<b>22,145,635,433</b>	<b>16,560,136,465</b>
Sonali Bank PLC as agent of Bangladesh Bank (local currency)	602,266,658	627,038,017	602,266,658	627,038,017
	<b>22,747,902,091</b>	<b>17,187,174,482</b>	<b>22,747,902,091</b>	<b>17,187,174,482</b>

The above balance represents the amount as per Bank book. The difference due to reconciling items with Bangladesh Bank are subsequently adjusted.

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of the Bank Company Act, 1991 (amendment up to 2023), BRPD circular no.11 and 12, dated 25 August 2005, MPD circular no.116/2013-757 dated 10 December 2013, MPD Circular no. 1 dated 23 June 2014, MPD circular No. 01 dated 03 April 2018, MPD circular No. 03 dated 09 April 2020, BRPD circular letter no. 31 dated 18 June 2020 and FE circular letter no. 07 dated 29 February 2024 issued by Bangladesh Bank.

#### a) Cash Reserve Ratio (CRR)

The Bank has been maintaining 3.5% CRR on daily basis and 4.0% CRR on bi-weekly basis for Conventional (Domestic Banking Operation) and Islamic Banking Operation. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR & SLR of December 2024 is maintained on the basis of weekly ATDTL of October 2024). The reserve maintained by the bank as at 31 December 2024 is as shown below:

	DBO Taka	OBU Taka	IBB Taka	City Bank Plc	
				2024 Taka	2023 Taka
Required reserve (DBO & IBB 4.0% of ATDTL)	18,600,795,541	-	2,095,024,667	20,695,820,208	16,006,067,212
Actual reserve maintained				21,429,951,265	16,342,651,917
Surplus				<b>734,131,057</b>	<b>336,584,705</b>

#### b) Statutory Liquidity Ratio (SLR)

The Bank has been maintaining Statutory Liquidity Ratio (SLR) @13% and 5.5% for Conventional (Domestic & Off Shore Banking Operations) and Islamic Banking Operation respectively on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2024 is based on weekly ATDTL of October 2024). The reserve maintained by the bank as at 31 December 2024 is as shown below:

Required reserve	60,452,585,509	2,728,106,114	2,880,658,918	66,061,350,541	49,772,022,913
Actual reserve maintained (note 4.3)				135,430,537,119	73,005,053,606
Surplus				<b>69,369,186,578</b>	<b>23,233,030,693</b>
<b>4.3 Held for Statutory Liquidity Ratio (SLR)</b>					
Cash in hand				10,280,661,035	8,898,540,782
Sonali Bank PLC as agent of Bangladesh Bank as per statement balance				601,458,319	624,982,152
Surplus of CRR - balance with Bangladesh Bank				734,131,057	336,584,705
Government securities and bonds				123,814,286,708	63,144,945,967
				<b>135,430,537,119</b>	<b>73,005,053,606</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>5 Balance with other banks and financial institutions</b>				
In Bangladesh (note 5.1)	32,763,275,121	20,838,696,814	32,414,144,568	20,445,239,323
Outside Bangladesh (note 5.2)	6,572,672,797	4,951,666,021	6,514,584,553	4,789,887,272
	<b>39,335,947,918</b>	<b>25,790,362,835</b>	<b>38,928,729,121</b>	<b>25,235,126,595</b>
<b>5.1 In Bangladesh</b>				
<b>Current accounts</b>				
Sonali Bank PLC	200,857,338	160,969,792	200,857,338	160,969,792
NCC Bank PLC	380,878,177	253,550,354	-	-
Agrani Bank PLC	61,313,324	90,866,889	61,313,324	90,866,889
Janata Bank PLC	9,189,907	9,090,115	9,189,907	9,090,115
Rupali Bank PLC	35,345	86,035	35,345	86,035
Community Bank PLC	11	11	-	-
<b>Sub total</b>	<b>652,274,102</b>	<b>514,563,196</b>	<b>271,395,914</b>	<b>261,012,831</b>
<b>Short notice deposit accounts</b>				
Social Islami Bank PLC	1,500,033,071	4,568,385	1,500,033,071	36,345
Standard Chartered Bank	281,733,135	172,180,690	262,102,893	151,088,724
Dutch-Bangla Bank PLC	96,424,269	-	1,000	-
NCC Bank PLC	19,659,562	14,418,553	18,779,740	-
Rupali Bank PLC	12,987,322	20,061,553	12,987,322	20,061,553
Trust Bank PLC	6,492,744	461,359	6,492,744	461,359
Pubali Bank PLC	3,787,344	1,200,000,000	3,787,344	1,200,000,000
Bank Asia PLC	2,842,368	97,676	-	-
Mercantile Bank PLC	1,990,074	-	1,990,074	-
Mutual Trust Bank PLC	1,240,700	171,832	1,240,700	171,832
One Bank PLC	411,953	406,617	-	-
Export Import Bank of Bangladesh PLC	70,992	70,759	912	600
Standard Bank PLC	50,587	-	50,587	-
Community Bank PLC	39,657	419,399	-	-
Jamuna Bank PLC	1,347	650,000,000	1,347	650,000,000
Prime Bank PLC	1,054	1,250,322,958	1,054	1,250,322,958
AB Bank PLC	697	102,699	697	102,699
Bank Alfalah Limited	2	255	2	255
Southeast Bank PLC	-	1,000	-	1,000
<b>Sub total</b>	<b>1,927,766,878</b>	<b>3,313,283,735</b>	<b>1,807,469,487</b>	<b>3,272,247,325</b>
<b>Fixed deposit receipts</b>				
Dhaka Bank PLC	6,180,000,000	-	6,180,000,000	-
United Commercial Bank PLC	5,000,000,000	-	5,000,000,000	-
Islami Bank Bangladesh PLC	4,950,000,000	3,000,000,000	4,950,000,000	3,000,000,000
First Security Islami Bank PLC	3,500,000,000	-	3,500,000,000	-
Export Import Bank of Bangladesh PLC	3,000,000,000	800,000,000	3,000,000,000	800,000,000
Social Islami Bank PLC	3,000,000,000	-	3,000,000,000	-
National Bank Limited	2,150,000,000	-	2,150,000,000	-
Southeast Bank PLC	720,000,000	-	720,000,000	-





	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
Industrial and Infrastructure Development Finance Company Limited	658,300,000	806,300,000	658,300,000	806,300,000
IPDC Finance Limited	598,000,000	1,492,700,000	598,000,000	1,492,700,000
Phoenix Finance & Investments Limited	350,000,000	350,000,000	350,000,000	350,000,000
GSP Finance Company (BD) Limited	140,000,000	140,000,000	140,000,000	140,000,000
ICB Islamic Bank Limited	88,979,167	88,979,167	88,979,167	88,979,167
Investment Corporation of Bangladesh	-	6,110,000,000	-	6,110,000,000
One Bank PLC	-	1,250,000,000	-	1,250,000,000
Bangladesh Finance Limited	-	1,040,000,000	-	1,040,000,000
The Premier Bank PLC	-	704,000,000	-	704,000,000
DBH Finance PLC	-	500,000,000	-	500,000,000
National Credit & Commerce Bank PLC	-	330,000,000	-	330,000,000
Al-Arafah Islami Bank PLC	-	300,000,000	-	300,000,000
IDLC Finance PLC	-	100,000,000	-	-
<b>Sub total</b>	<b>30,335,279,167</b>	<b>17,011,979,167</b>	<b>30,335,279,167</b>	<b>16,911,979,167</b>
Elimination for inter-company transactions	(152,045,026)	(1,129,284)	-	-
<b>Total</b>	<b>32,763,275,121</b>	<b>20,838,696,814</b>	<b>32,414,144,568</b>	<b>20,445,239,323</b>

## 5.2 Outside Bangladesh (Nostro accounts)

Current accounts	Currency	2024	2023	2024	2023
Standard Chartered Bank, New York, USA	USD	3,938,796,350	1,514,610,741	3,938,796,350	1,514,610,741
Citibank N.A. New York, USA	USD	682,112,532	591,933,220	682,112,532	591,933,220
Mashreq Bank, New York, USA	USD	320,919,055	951,618,813	320,919,055	951,618,813
JP Morgan Chase Bank, New York	USD	185,071,645	154,788,051	185,071,645	154,788,051
MCB Bank Limited, Karachi, Pakistan	ACU	107,827,380	80,839,591	107,827,380	80,839,591
Habib American Bank, New York, USA	USD	93,974,296	170,460,710	93,974,296	170,460,710
Mashreq Bank, Mumbai, India	ACU	61,763,690	46,804,905	61,763,690	46,804,905
Commerz Bank AG. Frankfurt, Germany	USD	45,873,954	38,808,703	45,873,954	38,808,703
Standard Chartered Bank, Frankfurt, Germany	EUR	45,645,182	25,127,072	45,645,182	25,127,072
Standard Chartered Bank, London	GBP	43,083,331	34,528,708	43,083,331	34,528,708
Kookmin Bank, Korea	USD	40,145,089	19,907,161	40,145,089	19,907,161
Commerz Bank AG. Frankfurt, Germany	EUR	38,934,273	173,564,974	38,934,273	173,564,974
Zhejiang Chouzhou Commercial Bank, China	USD	36,232,618	30,541,194	36,232,618	30,541,194
Agricultural Bank Of China, China	CNY	33,638,662	4,784,439	33,638,662	4,784,439
Standard Chartered Bank, Mumbai, India	ACU	31,087,274	261,877,721	31,087,274	261,877,721
AB Bank PLC., Mumbai, India	ACU	30,990,568	21,034,776	30,990,568	21,034,776
HDFC Bank Ltd, Mumbai, India	ACU	28,055,749	45,107,231	28,055,749	45,107,231
Standard Chartered Bank, Nepal	ACU	13,664,357	1,525,660	13,664,357	1,525,660
Standard Chartered Bank, Japan	JPY	10,067,003	5,345,918	10,067,003	5,345,918
Sonali Bank PLC., Kolkata, India	ACU	7,596,654	6,963,600	7,596,654	6,963,600
Commerz Bank AG. Frankfurt	AUD	6,947,255	5,567,399	6,947,255	5,567,399
Commerz Bank AG. Frankfurt, Germany	CHF	6,530,602	5,646,562	6,530,602	5,646,562
Mashreq Bank, Dubai	AED	5,940,153	9,854,811	5,940,153	9,854,811
Commercial Bank of Ceylon, Colombo, Sri Lanka	ACU	1,703,767	1,561,787	1,703,767	1,561,787
Bank of Bhutan, Bhutan	ACU	1,243,902	8,587,243	1,243,902	8,587,243
Bank of Tokyo Mitsubishi Limited., New Delhi, India	ACU	1,045,028	957,943	1,045,028	957,943
Saudi National Bank, Riyadh	SAR	947,436	158,801	947,436	158,801



		Consolidated		City Bank Plc	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
Zhejiang Chouzhou Commercial Bank, China	CNY	829,781	17,847,248	829,781	17,847,248
Mashreq Bank, Mumbai, India	EUR	-	249,442	-	249,442
Mashreq Bank, New York, USA (For OBU Operation)	USD	601,052,722	433,820,531	601,052,722	433,820,531
Commerz Bank AG, Frankfurt, Germany (For OBU Operation)	USD	48,953,227	58,357,238	48,953,227	58,357,238
ICICI Bank Limited, India (For OBU Operation)	ACU	30,883,327	51,675,612	30,883,327	51,675,612
Commerz Bank AG, Frankfurt, Germany (For OBU Operation)	EUR	11,990,124	14,478,364	11,990,124	14,478,364
Maybank, Malaysia (For subsidiaries operation)	MYR	52,620,298	157,152,204	-	-
HDFC Bank, Hong Kong (For subsidiaries operation)	USD	4,434,533	3,193,485	-	-
HDFC Bank, Hong Kong (For subsidiaries operation)	HKD	507,536	726,741	-	-
AM Bank, Malaysia (For subsidiaries operation)	USD	243,684	474,943	-	-
Public Bank, Malaysia (For subsidiaries operation)	USD	115,915	97,579	-	-
Public Bank, Malaysia (For subsidiaries operation)	MYR	93,313	83,589	-	-
Maybank, Malaysia (For subsidiaries operation)	USD	40,460	35,064	-	-
AM Bank, Malaysia (For subsidiaries operation)	MYR	31,338	13,871	-	-
AGRO Bank, Malaysia (For subsidiaries operation)	MYR	1,167	1,273	-	-
<b>Sub total</b>		<b>6,571,635,230</b>	<b>4,950,714,918</b>	<b>6,513,546,986</b>	<b>4,788,936,169</b>
<b>Term deposits</b>					
Sonali Bank, Kolkata, India	ACU	1,037,567	951,103	1,037,567	951,103
<b>Sub total</b>		<b>1,037,567</b>	<b>951,103</b>	<b>1,037,567</b>	<b>951,103</b>
<b>Total</b>		<b>6,572,672,797</b>	<b>4,951,666,021</b>	<b>6,514,584,553</b>	<b>4,789,887,272</b>

The balances of NOSTRO Accounts are presented as per balance with Correspondent Banks. The unreconciled balances of all NOSTRO Accounts with an amount of Taka 5,056,713,796 (net off debit and credit) are adjusted with Sundry Creditors (note-15.4.1).

Details are shown in **Annexure-B**.

### 5.3 Maturity grouping of balance with other banks and financial institutions

Payable on demand	3,500,000,000	471,500,000	3,500,000,000	471,500,000
Up to 1 month	13,670,668,751	20,947,183,668	13,263,449,954	20,491,947,428
Over 1 month but not more than 3 months	15,435,000,000	3,295,000,000	15,435,000,000	3,195,000,000
Over 3 months but not more than 1 year	5,493,000,000	497,700,000	5,493,000,000	497,700,000
Over 1 year but not more than 5 years	1,237,279,167	578,979,167	1,237,279,167	578,979,167
Over 5 years	-	-	-	-
	<b>39,335,947,918</b>	<b>25,790,362,835</b>	<b>38,928,729,121</b>	<b>25,235,126,595</b>

### 6 Money at call on short notice

Midland Bank PLC	100,000,000	-	100,000,000	-
Janata Bank PLC	1,960,000,000	-	1,960,000,000	-
Bank Alfalah Limited	400,000,000	-	400,000,000	-
Bangladesh Finance PLC	1,170,000,000	-	1,170,000,000	-
Industrial and Infrastructure Development Finance Company Limited	145,100,000	-	145,100,000	-
	<b>3,775,100,000</b>	<b>-</b>	<b>3,775,100,000</b>	<b>-</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>7 Investments</b>				
Government (note 7.1.i)	124,876,117,608	63,381,696,657	123,814,286,708	63,144,945,967
Others (note 7.1.ii)	13,849,145,619	15,104,436,669	9,829,646,273	9,916,592,116
	<b>138,725,263,227</b>	<b>78,486,133,326</b>	<b>133,643,932,981</b>	<b>73,061,538,083</b>
<b>7.1 Investment securities are classified as follows</b>				
<b>i) Government (investment in Govt. securities)</b>				
Government bonds - (note 7.4)	124,871,929,608	63,376,031,457	123,810,098,708	63,139,280,767
Prize bonds	4,188,000	5,665,200	4,188,000	5,665,200
	<b>124,876,117,608</b>	<b>63,381,696,657</b>	<b>123,814,286,708</b>	<b>63,144,945,967</b>
<b>ii) Other investments</b>				
Shares (note 7.5)	7,920,559,114	8,281,351,138	4,353,568,369	3,689,021,970
Investment in Sukuk Al Istisna'a Bond	2,353,058,598	2,892,315,385	2,016,800,000	2,424,800,000
Investment in non convertible bond	2,100,000,000	2,300,000,000	2,100,000,000	2,300,000,000
Investment in BBML Sukuk Al Ijarah	500,000,000	500,000,000	500,000,000	500,000,000
Investment in unquoted preference share	500,000,000	-	500,000,000	-
Investment in subordinated bond	260,000,000	520,000,000	260,000,000	520,000,000
Investment in perpetual bond	116,250,000	125,000,000	-	-
Mutual fund	99,155,634	485,647,873	99,155,631	482,647,873
Debenture of Bangladesh Welding Electrodes Limited	122,273	122,273	122,273	122,273
	<b>13,849,145,619</b>	<b>15,104,436,669</b>	<b>9,829,646,273</b>	<b>9,916,592,116</b>
	<b>138,725,263,227</b>	<b>78,486,133,326</b>	<b>133,643,932,981</b>	<b>73,061,538,083</b>
<b>7.2 Investment classified as per Bangladesh Bank Circular</b>				
Held to maturity (HTM)	62,111,372,360	55,341,790,568	61,171,501,731	55,341,790,568
Held for trading (HFT)	52,777,275,755	8,034,240,889	52,655,315,484	7,797,490,199
Reverse repo	9,983,281,493	-	9,983,281,493	-
Prize bonds	4,188,000	5,665,200	4,188,000	5,665,200
Other securities	13,849,145,619	15,104,436,669	9,829,646,273	9,916,592,116
	<b>138,725,263,227</b>	<b>78,486,133,326</b>	<b>133,643,932,981</b>	<b>73,061,538,083</b>
Disclosure relating to REPO & Reverse REPO is presented in <b>Annexure - G</b>				
<b>7.3 Maturity grouping of investments</b>				
On demand	1,937,308,000	5,665,200	1,937,308,000	5,665,200
Up to 3 months	13,175,918,031	5,034,559,039	11,704,667,410	3,692,928,975
Over 3 months but not more than 1 year	12,300,572,522	9,294,972,233	11,938,187,662	9,173,457,053
Over 1 year but not more than 5 years	35,115,092,731	30,491,759,143	34,506,764,363	30,024,243,758
Over 5 years	76,196,371,943	33,659,177,711	73,557,005,546	30,165,243,097
	<b>138,725,263,227</b>	<b>78,486,133,326</b>	<b>133,643,932,981</b>	<b>73,061,538,083</b>
<b>7.4 Government bills/bonds</b>				
<b>Name of the bills/bonds</b>				
30 days Bangladesh Bank bills	-	-	-	-
91 days Treasury bills	262,869,748	87,710,030	399,268	-
182 days Treasury bills	2,028,863,041	85,455,070	1,934,417,621	-
364 days Treasury bills	708,173,651	6,129,639,210	3,258,651	6,093,579,100
3 months Islamic bonds	500,000,000	1,100,000,000	500,000,000	1,100,000,000
6 months Islamic bonds	-	-	-	-
2 years Treasury bonds	3,964,905,597	6,461,407,549	3,964,905,597	6,461,407,549
5 years Ijarah Sukuk Islamic bonds	3,395,564,000	1,518,570,000	3,395,564,000	1,518,570,000
5 years Treasury bonds	33,830,014,802	19,621,131,411	33,830,014,802	19,621,131,411
10 years Treasury bonds	42,512,323,208	16,034,695,175	42,512,323,208	16,007,169,695
15 years Treasury bonds	26,956,531,745	11,845,568,595	26,956,531,745	11,845,568,595
20 years Treasury bonds	10,712,683,816	491,854,417	10,712,683,816	491,854,417
	<b>124,871,929,608</b>	<b>63,376,031,457</b>	<b>123,810,098,708</b>	<b>63,139,280,767</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>7.5 Investment in shares</b>				
<b>Quoted</b>				
NBFIs	3,154,890,994	4,491,906,591	1,223,409,711	1,745,304,758
Pharmaceuticals & Chemicals	982,567,526	563,356,829	745,074,908	273,377,326
Food & Allied	863,251,017	444,966,593	794,945,320	366,573,016
Banks	575,073,314	302,785,189	528,896,950	204,144,499
Insurance	352,458,764	73,001,745	319,437,620	9,975,000
Telecommunication	241,478,290	329,979,259	14,753,700	146,390,559
Miscellaneous	206,550,102	202,283,912	185,163,177	180,897,912
Cement & Ceramics	170,581,682	183,739,390	112,290,000	98,293,249
IT Sector	157,373,584	51,551,770	157,373,584	51,551,770
Travel & Leisure	138,839,246	422,840,396	138,839,246	422,840,396
Engineering	135,848,322	191,902,965	11,849,663	25,466,444
Services & Real Estate	26,626,400	46,526,400	-	11,880,000
Textile	9,444,757	35,977,308	9,444,757	35,977,308
Fuel & Power	-	4,260,000	-	4,260,000
<b>Sub-total</b>	<b>7,014,983,998</b>	<b>7,345,078,347</b>	<b>4,241,478,636</b>	<b>3,576,932,237</b>
<b>Quoted (Under special fund and investment policy as per DOS Circular no.01/2020)</b>				
Beximco Pharmaceuticals Ltd.	165,044,544	165,044,544	-	-
Confidence Cement PLC	64,331,209	64,331,209	-	-
Shahjibazar Power Co. Limited	12,041,703	12,041,703	12,041,703	12,041,703
<b>Sub-total</b>	<b>241,417,456</b>	<b>241,417,456</b>	<b>12,041,703</b>	<b>12,041,703</b>
<b>Unquoted ordinary shares</b>				
Dhaka Stock Exchange Limited (DSE) (note 7.5.a)	543,119,682	543,119,682	-	-
Industrial & Infrastructural Development Finance Company Limited	71,770,260	71,770,260	71,770,260	71,770,260
Venture Investment Partners Bangladesh Limited	18,739,200	18,739,200	12,000,000	12,000,000
Chittagong Stock Exchange Limited (CSE) (note 7.5.a)	14,250,748	14,250,748	-	-
KARMA Sangsthan Bank Limited	10,000,000	10,000,000	10,000,000	10,000,000
Central Depository Bangladesh Limited	6,277,770	6,277,770	6,277,770	6,277,770
Regent Energy and Power Limited (REPL)	-	30,697,675	-	-
<b>Sub-total</b>	<b>664,157,660</b>	<b>694,855,335</b>	<b>100,048,030</b>	<b>100,048,030</b>
<b>Total</b>	<b>7,920,559,114</b>	<b>8,281,351,138</b>	<b>4,353,568,369</b>	<b>3,689,021,970</b>
Details are shown in <b>Annexure-C</b> .				
<b>7.5.a Membership fees</b> is the amount paid by the City Brokerage Ltd. to obtain membership of DSE and CSE.				
<b>8 Loans and advances/investments</b>				
Loans/investments, cash credits, overdrafts, etc. (note 8.1)	408,972,144,231	371,675,037,758	408,290,947,222	370,846,692,465
Bills purchased and discounted (note 8.2)	36,788,234,655	25,770,794,516	36,686,742,538	25,231,674,515
<b>Total</b>	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>8.1 Loans/investments, cash credits, overdrafts, etc.</b>				
<b>Inside Bangladesh</b>				
Industrial credit	149,669,622,742	144,748,295,123	150,016,769,353	145,091,674,140
Small and medium enterprise loans	75,021,500,017	66,779,971,634	75,021,500,017	66,779,971,634
Personal finance	37,709,482,467	35,545,313,380	37,709,482,467	35,545,313,380
Export development fund	36,223,077,892	28,701,187,470	36,223,077,892	28,701,187,470
Cash credit	23,444,486,458	21,469,378,979	23,444,564,876	21,536,442,503
Hire purchase shirkatul melk	22,052,942,045	16,471,357,288	22,052,942,045	16,471,357,288
Credit card	16,239,654,597	14,762,442,256	16,239,654,597	14,762,442,256
Bai - salam	15,680,814,262	13,480,431,349	15,680,814,262	13,480,431,349
House building loans	6,834,665,128	7,297,017,885	6,834,665,128	7,297,017,885
Bai - murabaha	7,337,820,835	5,388,479,797	7,337,820,835	5,388,479,797
Auto loan	4,790,962,019	4,257,774,706	4,790,962,019	4,257,774,706
Staff loan (note 8.15)	3,921,611,848	3,469,905,398	3,915,746,235	3,464,624,409
Secured overdraft	3,188,533,688	3,967,287,569	3,188,533,688	3,967,287,569
Loan against payroll	2,109,473,140	1,936,208,471	2,109,473,140	1,936,208,471
Nano lending	1,565,064,429	1,000,289,632	1,565,064,429	1,000,289,632
Margin loans (note 8.1.1)	1,135,337,647	1,843,603,687	-	-
Transportation loans	200,405,297	135,462,886	200,405,296	135,462,886
Musharaka	63,020,528	82,072,988	63,020,528	82,072,988
Payment against document	54,071,644	34,156,543	54,071,644	34,156,543
Loans against trust receipt	37,376,218	38,907,664	37,376,218	38,907,664
Start up loan	26,545,333	21,375,666	26,545,333	21,375,666
	<b>407,306,468,234</b>	<b>371,430,920,371</b>	<b>406,512,490,002</b>	<b>369,992,478,236</b>
<b>Outside Bangladesh</b>	<b>1,665,675,997</b>	<b>244,117,387</b>	<b>1,778,457,220</b>	<b>854,214,229</b>
	<b>408,972,144,231</b>	<b>371,675,037,758</b>	<b>408,290,947,222</b>	<b>370,846,692,465</b>
<b>8.1.1 Margin loan was given to several individuals and institutions for doing share trading business through City Brokerage Limited &amp; City Bank Capital Resources Limited.</b>				
<b>8.2 Bills purchased and discounted</b>				
<b>Payable Inside Bangladesh</b>				
Inland bills purchased	3,593,001,224	2,445,978,137	3,593,001,224	2,445,978,137
<b>Payable Outside Bangladesh</b>				
Foreign bills purchased and discounted	33,195,233,431	23,324,816,379	33,093,741,314	22,785,696,378
	<b>36,788,234,655</b>	<b>25,770,794,516</b>	<b>36,686,742,538</b>	<b>25,231,674,515</b>
<b>8.3 Performing loans and advances/investments</b>				
Gross loans and advances/investments	445,760,378,886	397,445,832,274	444,977,689,760	396,078,366,980
Non-performing loans and advances/investments (note 8.3.1)	(16,569,100,989)	(14,385,088,050)	(16,569,100,989)	(14,385,088,050)
	<b>429,191,277,897</b>	<b>383,060,744,224</b>	<b>428,408,588,771</b>	<b>381,693,278,930</b>
<b>8.3.1 Non-performing loans and advances/investments</b>				
Opening balance	14,385,088,050	13,671,498,996	14,385,088,050	13,671,498,996
Addition during the year	18,741,109,917	10,556,153,359	18,741,109,917	10,556,153,359
Reduction during the year	(16,557,096,978)	(9,842,564,305)	(16,557,096,978)	(9,842,564,305)
Closing balance	<b>16,569,100,989</b>	<b>14,385,088,050</b>	<b>16,569,100,989</b>	<b>14,385,088,050</b>
<b>8.4 Residual maturity grouping of loans and advances/investments including bills purchased and discounted</b>				
Repayable on demand	13,616,246,179	26,146,004,919	13,614,480,487	25,733,614,580
Not more than 3 months	121,259,990,771	115,642,684,128	122,541,818,471	115,641,015,788
More than 3 months but not more than 1 year	118,299,273,364	80,263,866,926	116,239,829,963	79,437,187,586
More than 1 year but not more than 5 years	148,893,035,521	129,609,813,219	148,889,727,788	129,483,085,946
More than 5 years	43,691,833,051	45,783,463,082	43,691,833,051	45,783,463,080
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>8.5 Loans and advances/investments</b>				
Loans	352,158,264,198	312,337,623,040	350,486,722,590	312,088,224,664
Overdrafts	33,369,393,575	37,868,035,739	34,359,659,755	37,222,025,298
Cash credits	23,444,486,458	21,469,378,979	23,444,564,877	21,536,442,503
	<b>408,972,144,231</b>	<b>371,675,037,758</b>	<b>408,290,947,222</b>	<b>370,846,692,465</b>
Bills purchased and discounted (note 8.2)	36,788,234,655	25,770,794,516	36,686,742,538	25,231,674,515
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>
<b>8.6 Concentration of loans and advances/investments including bills purchased and discounted</b>				
Industrial loans and advances/investments	368,211,522,279	323,331,832,747	368,570,036,413	323,813,252,129
Loans and advances/ investments to customer groups	64,387,954,894	59,648,101,436	64,382,089,281	59,642,820,447
Others loans and advances/investments	12,777,672,536	14,142,355,316	11,642,334,889	12,298,751,629
Loans and advances/ investments to chief executive and other senior executives	379,648,667	320,234,092	379,648,667	320,234,092
Loans and advances/ investments to allied concerns of directors	3,580,510	3,308,683	3,580,510	3,308,683
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>
<b>8.7 Business segment wise concentration of loans and advances/investments including bills purchased and discounted</b>				
Corporate	234,036,768,544	197,559,840,614	232,467,780,807	196,531,726,102
Retail	85,096,852,903	88,441,756,663	84,110,559,907	78,212,039,463
SME (including agriculture loan and microcredit)	81,549,299,568	79,400,323,485	81,549,299,568	88,441,756,663
Off-shore Banking Unit (OBU)	41,155,846,023	28,574,006,114	42,934,303,243	29,428,220,343
Staff loan (note 8.15)	3,921,611,848	3,469,905,398	3,915,746,235	3,464,624,409
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>
<b>8.8 Cluster base CMSME Financing (bank only)</b>				
In compliance with SMESPD circular no. 05 dated 14 August 2022, the bank has already adopted cluster financing policy for CMSME loan. As per the policy defined cluster wise outstanding was;				
<b>High priority cluster financing</b>				
Agro/food processing and Agri machinery manufacturing		6,054,187,906	4,878,674,080	
Ready-made garments (RMG), knitwear, design & personal wear		910,764,015	926,481,004	
Leather & leather goods		282,985,886	82,744,223	
Jute & Jute products Cluster		102,440,945	851,942	
Light engineering		81,702,355	32,269,911	
ICT Clusters		23,223,031	25,017,280	
		<b>7,455,304,138</b>	<b>5,946,038,440</b>	
<b>Priority cluster financing</b>				
Furniture		366,868,076	181,992,629	
Home textile		278,183,503	89,267,000	
Plastic industry & other synthetics		100,633,920	96,069,727	
Automobile manufacturing & repairing		11,503,556	14,583,621	
Tant & handicrafts		8,633,318	10,045,811	
Toys		1,229,757	-	
		<b>767,052,130</b>	<b>391,958,788</b>	
<b>Others</b>		<b>854,654,980</b>	<b>1,981,710,118</b>	
		<b>9,077,011,248</b>	<b>8,319,707,346</b>	



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>8.9 Sector wise concentration of loans and advances/investments including bills purchased and discounted</b>				
Consumer credit	72,063,424,120	63,237,010,401	70,290,390,395	63,231,729,414
Readymade garments industry	71,300,484,160	61,194,227,199	71,300,484,160	60,985,401,232
Other manufacturing industry	59,350,331,122	46,533,509,204	59,350,331,122	46,319,883,493
Trade service	54,768,203,516	54,103,542,686	54,768,203,516	53,765,448,567
Energy and power industry	38,298,386,876	42,321,519,995	38,298,386,876	42,321,519,995
Textile & spinning mills	29,648,570,591	21,894,532,544	29,648,570,591	21,894,532,544
Agri & micro-credit through NGO	22,484,661,484	15,731,336,838	22,484,661,484	15,708,645,245
Real estate financing	19,535,659,671	18,887,306,342	19,535,659,671	18,887,306,342
Construction	15,439,751,247	12,235,896,470	15,439,751,247	12,235,896,470
Edible oil and food processing	13,181,451,598	11,696,182,100	13,181,451,598	11,696,182,100
Steel industry	12,811,524,219	13,700,004,007	12,811,524,219	13,700,004,007
Service industry	11,603,984,877	11,912,531,828	11,603,984,877	11,912,531,828
Pharmaceuticals industry	10,422,121,483	8,422,793,351	10,422,121,483	8,422,793,351
Others	6,047,195,573	5,402,508,782	7,037,540,172	4,823,561,865
Assembling industry	5,087,234,940	6,944,789,876	5,087,234,940	6,944,789,876
Chemical industry	2,102,687,993	1,092,834,963	2,102,687,993	1,092,834,963
Transport, storage & communication	1,273,561,574	1,797,678,796	1,273,561,574	1,797,678,796
Hospitals	276,645,117	299,478,506	276,645,117	299,478,506
Ship breaking & building	64,498,725	38,148,386	64,498,725	38,148,386
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>
<b>8.10 Geographical location-wise loans and advances/investments</b>				
<b>Inside Bangladesh</b>				
<b>Urban:</b>				
Dhaka	358,257,175,071	314,648,159,213	357,463,196,839	313,209,717,080
Chattogram	33,927,036,604	31,253,562,906	33,927,036,604	31,253,562,906
Rajshahi	11,867,782,425	11,490,895,128	11,867,782,425	11,490,895,128
Khulna	10,743,965,598	10,999,148,111	10,743,965,598	10,999,148,111
Rangpur	3,240,991,621	3,708,520,947	3,240,991,621	3,708,520,947
Barishal	1,939,916,751	2,017,639,279	1,939,916,751	2,017,639,279
Sylhet	1,809,324,788	1,782,734,671	1,809,324,788	1,782,734,671
Mymensingh	1,618,813,392	1,325,978,499	1,618,813,392	1,325,978,499
<b>Sub-total</b>	<b>423,405,006,250</b>	<b>377,226,638,754</b>	<b>422,611,028,018</b>	<b>375,788,196,621</b>
<b>Rural:</b>				
Dhaka	17,393,713,548	16,827,267,715	17,393,713,548	16,827,267,715
Chattogram	2,082,621,686	1,689,763,354	2,082,621,686	1,689,763,354
Khulna	588,828,739	471,357,743	588,828,739	471,357,743
Sylhet	259,010,245	245,203,538	259,010,245	245,203,538
Rangpur	244,358,074	202,363,780	244,358,074	202,363,780
Mymensingh	19,672,230	-	19,672,230	-
<b>Sub-total</b>	<b>20,588,204,522</b>	<b>19,435,956,130</b>	<b>20,588,204,522</b>	<b>19,435,956,130</b>
<b>Total inside Bangladesh</b>	<b>443,993,210,772</b>	<b>396,662,594,884</b>	<b>443,199,232,540</b>	<b>395,224,152,751</b>
<b>Outside Bangladesh</b>				
<b>Grand total</b>	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>



#### 8.11 Sector-wise loans and advances ( bank only)

City Bank Plc			
2024		2023	
% of total loan	Taka	% of total loan	Taka
-	-	-	-
100.00%	444,977,689,760	100.00%	396,078,366,980
<b>100.00%</b>	<b>444,977,689,760</b>	<b>100.00%</b>	<b>396,078,366,980</b>

#### 8.12 Securities against loans/investments including bills purchased and discounted

	Consolidated	City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka
Collateral of movable/immovable assets	170,967,452,896	194,916,296,861	170,967,452,896
Personal guarantee	145,311,316,290	139,615,940,499	145,311,316,290
Export documents	28,263,919,849	19,053,936,318	28,263,919,849
Fixed deposit receipts (FDR)	79,337,603,437	24,680,865,074	79,337,603,437
Other securities	20,520,634,098	18,366,386,178	19,737,944,972
FDR of other banks	1,359,452,316	812,407,344	1,359,452,316
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>
			<b>396,078,366,980</b>

#### 8.13 Detail of large loan/investments (bank only)

As at 31 December 2024 there were 31 (31 December 2023: 32) borrowers or group with whom amount of outstanding loans and advances/investments exceeded 10% of the total capital of the Bank. Total capital of the Bank was Taka 65,378.90 million as at 31 December 2024 (Taka 56,172.90 million as at 31 December 2023).

Number of borrowers or groups	31	32
Amount of funded outstanding advances/investments (Taka)	109,403,050,811	100,080,832,197
Amount of non funded outstanding advances/investments (Taka)	45,429,663,993	44,758,126,968
Amount of classified advances/investments therein (Taka)	-	-

#### 8.14 Particulars of loans and advances/investments (Bank only)

i)	Loans/investments considered good in respect of which the Bank is fully secured	279,928,428,498	239,463,505,597
ii)	Loans/investments considered good against which the Bank holds no security other than the debtors' personal guarantee	145,311,316,290	139,615,940,499
iii)	Loans/investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	19,737,944,972	16,998,920,884
iv)	Loans/investments adversely classified; provision not maintained there against	<b>444,977,689,760</b>	<b>396,078,366,980</b>
v)	Loans/investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	3,919,326,745	3,467,933,092
vi)	Loans/investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies as members	-	-
vii)	Maximum total amount of advances/investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	3,919,326,745	3,467,933,092
viii)	Maximum total amount of advances/investments, including temporary advances/investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members	-	-
x)	Classified loans and advances/investments		
	(a) Classified loans and advances/investments on which interest has not been charged	12,751,751,854	11,954,474,785
	Increase of specific provision	1,012,547,202	782,386,443
	Amount of loans written off	4,434,034,199	2,213,129,338
	Amount realised against loans previously written off	714,487,140	975,350,658



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
(b) Provision on classified loans and advances/investments			7,245,773,775	6,233,226,573
(c) Provision kept against loans/investments classified as bad debts			6,571,648,559	5,894,482,571
(d) Interest credited to Interest Suspense Account			9,107,769,021	7,670,834,382
xi) Cumulative amount of written off loans/investments				
Opening balance			20,614,654,679	19,659,081,046
Amount written off during the year			4,434,034,199	2,213,129,338
Amount realised against loans/investments previously written off			(714,487,140)	(975,350,658)
Amount written off waived/adjustment			(78,723,305)	(282,205,047)
Closing balance			<b>24,255,478,433</b>	<b>20,614,654,679</b>
The amount of written off/classified loans/investments for which law suits have been filed			<b>50,883,831,000</b>	<b>44,557,835,271</b>
<b>8.15 Staff loan</b>				
House building scheme	2,316,281,543	2,218,915,392	2,316,281,543	2,218,915,392
Provident fund	944,222,474	823,406,624	944,222,474	823,406,624
Vehicle scheme	545,307,151	359,840,192	539,441,538	354,559,203
Consumer credit and other scheme	115,800,680	67,743,190	115,800,680	67,743,190
	<b>3,921,611,848</b>	<b>3,469,905,398</b>	<b>3,915,746,235</b>	<b>3,464,624,409</b>
<b>8.16 Classification of loans and advances/investments</b>				
<b>Unclassified</b>				
Standard excluding staff loan	420,743,267,442	375,343,462,165	419,966,443,929	373,981,277,860
Special mention account (SMA)	4,526,398,607	4,247,376,661	4,526,398,607	4,247,376,661
	<b>425,269,666,049</b>	<b>379,590,838,826</b>	<b>424,492,842,536</b>	<b>378,228,654,521</b>
<b>Classified</b>				
Sub-standard	1,926,041,362	1,658,915,838	1,926,041,362	1,658,915,838
Doubtful	1,891,307,773	771,697,427	1,891,307,773	771,697,427
Bad/Loss	12,751,751,854	11,954,474,785	12,751,751,854	11,954,474,785
	<b>16,569,100,989</b>	<b>14,385,088,050</b>	<b>16,569,100,989</b>	<b>14,385,088,050</b>
<b>Staff loan (note 8.15)</b>	<b>3,921,611,848</b>	<b>3,469,905,398</b>	<b>3,915,746,235</b>	<b>3,464,624,409</b>
	<b>445,760,378,886</b>	<b>397,445,832,274</b>	<b>444,977,689,760</b>	<b>396,078,366,980</b>
<b>Percentage of classified loans &amp; advances</b>	<b>3.72%</b>	<b>3.62%</b>	<b>3.72%</b>	<b>3.63%</b>
<b>8.17 Particulars of required provision for loans and advances/investments</b>				
<b>General provision on unclassified loans</b>				
Loans/investments (excluding SMA)			6,465,662,271	4,719,020,628
Special General Provision-COVID-19			-	637,188,517
Special mention account (SMA)			40,869,391	35,494,064
	<b>6,506,531,662</b>		<b>6,506,531,662</b>	<b>5,391,703,209</b>
<b>Required provision for unclassified loans and advances/investments</b>				
<b>A. Total provision maintained for unclassified loans and advances/investments</b>			<b>8,796,055,081</b>	<b>7,656,269,022</b>
<b>B. Excess provision</b>			<b>2,289,523,419</b>	<b>2,264,565,813</b>



**Specific provision on classified loans**

Sub-standard	1,461,187,383	5% - 20%	215,106,877	180,379,784
Doubtful	1,081,668,803	5% - 50%	457,418,339	139,025,129
Bad/Loss	6,486,565,786	100%	6,571,648,559	5,894,482,571

**Required provision for classified loans and advances/investments**

<b>C. Total provision maintained for classified loans and advances/investments</b>	<b>7,244,173,775</b>	<b>6,213,887,484</b>
<b>D. Excess provision</b>	<b>7,245,773,775</b>	<b>6,233,226,573</b>
Total required provision for loans and advances/investments	1,600,000	19,339,089
Total provision maintained for loans and advances/investments (A+C)	13,750,705,437	11,605,590,693
<b>Total excess provision (B+D)</b>	<b>2,291,123,419</b>	<b>2,283,904,902</b>

8.18 During the year 2024, no loan having outstanding Taka 500 crore or more was restructured.

	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>9 Bills purchased and discounted (note 8.2)</b>				
Payable in Bangladesh	3,593,001,224	2,445,978,137	3,593,001,224	2,445,978,137
Payable outside Bangladesh	33,195,233,431	23,324,816,379	33,093,741,314	22,785,696,378
	<b>36,788,234,655</b>	<b>25,770,794,516</b>	<b>36,686,742,538</b>	<b>25,231,674,515</b>
<b>9.1 Maturity grouping of bills purchased and discounted</b>				
Payable within one month	5,629,938,732	8,023,994,099	5,628,178,568	7,611,601,371
Over one month but less than three months	19,113,225,437	11,467,311,891	19,113,225,437	11,467,311,891
Over three months but less than six months	9,543,960,091	3,924,688,350	9,543,960,091	3,924,688,350
Six months or more	2,501,110,395	2,354,800,176	2,401,378,442	2,228,072,903
	<b>36,788,234,655</b>	<b>25,770,794,516</b>	<b>36,686,742,538</b>	<b>25,231,674,515</b>
<b>10 Fixed assets including premises, furniture and fixtures</b>				
<b>Cost</b>				
Land	351,484,347	351,484,347	351,484,347	351,484,347
Work in progress (Land)	-	-	-	-
Building	1,943,891,439	3,258,231,315	1,542,837,286	1,790,203,136
Work in progress (Building)	1,520,973,246	401,051,165	367,314,577	401,051,165
Furniture and fixtures	1,791,266,678	1,688,588,777	1,689,567,871	1,592,606,420
Work in progress (Furniture and fixtures)	32,824,591	25,452,948	32,824,591	25,452,948
Office equipment and machinery	2,994,958,180	2,737,233,747	2,896,965,838	2,625,658,635
Work in progress (Office equipment and machinery)	31,487,549	64,714,702	31,487,549	64,714,702
IT Hardware	2,101,090,365	1,655,211,902	2,079,335,790	1,655,211,902
Work in progress (IT Hardware)	17,808,531	86,549,312	17,808,531	86,549,312
Software	1,278,940,463	1,145,118,988	1,208,741,958	1,074,958,757
Work in progress (Software)	639,127,878	220,585,041	639,127,878	220,585,041
Bank's vehicles	474,380,075	438,517,370	407,906,898	372,688,825
Right of use assets	8,674,275,440	7,552,575,487	8,537,427,356	7,352,040,540
	<b>21,852,508,782</b>	<b>19,625,315,101</b>	<b>19,802,830,470</b>	<b>17,613,205,730</b>
Accumulated depreciation and amortisation	(9,663,512,902)	(8,125,784,630)	(9,311,699,984)	(7,784,643,424)
<b>Written down value</b>				
Elimination for inter-company transactions	<b>12,188,995,880</b>	<b>11,499,530,471</b>	<b>10,491,130,486</b>	<b>9,828,562,306</b>
	<b>(436,152,560)</b>	<b>(440,981,046)</b>	<b>-</b>	<b>-</b>
	<b>11,752,843,320</b>	<b>11,058,549,425</b>	<b>10,491,130,486</b>	<b>9,828,562,306</b>

The total unadjusted work-in-progress (WIP) balance for more than one year as of December 31, 2024, was Taka 568,397,038. Of this amount, Taka 91,769,091 relates to land, buildings, and building-related equipment at various locations where legal issues are ongoing. However, all the lands and buildings are in the possession of the Bank. An amount of Taka 277,528,861 pertains to the New Head Office Construction Project, which is currently under construction. Additionally, Taka 199,099,086 relates to IT hardware and software for which phase or partial payments have been made to vendors against goods and services. No provision is required for items that have been in WIP for more than one year.

Details of fixed assets of City Bank Plc are shown in **Annexure-D**.



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>11 Other assets</b>				
<b>Income generating other assets</b>				
Investment in subsidiaries (note 11.1)	6,116,684,941	6,116,684,941	6,116,684,941	6,116,684,941
Interest income receivable (note 11.2)	9,203,699,028	4,052,589,337	9,130,953,558	3,980,519,040
<b>Non income generating other assets</b>				
Accounts receivables (note 11.3)	17,624,767,343	12,837,593,222	7,275,948,520	6,617,422,158
Advance payment of tax (note 11.4)	7,409,685,796	6,211,446,952	7,065,487,696	5,886,302,698
Net Fair value of plan assets (note 16.9)	919,970,329	591,024,139	919,970,329	591,024,139
Deferred tax assets (note 11.5)	746,038,872	1,227,250,655	724,541,590	1,215,048,987
Intangible assets (note 11.6)	266,461,163	199,760,382	266,461,163	199,760,382
Prepaid expenses	231,425,915	106,268,380	230,733,460	105,661,855
Security deposits	137,144,647	49,835,557	123,073,562	37,938,996
Goodwill arising on investment in subsidiaries	46,013,723	40,844,198	-	-
Receivable from DSE & CSE	45,640,103	35,006,179	-	-
Advance against rent	23,738,458	47,739,981	23,738,458	47,739,981
Receivable from provident fund	22,732,177	-	22,732,177	-
Dividend receivable	22,391,779	21,031,489	6,666,667	-
Stationery and stamps	20,337,998	16,307,182	20,337,998	16,307,182
Advance against IPO	-	20,985,000	-	-
Elimination for inter-company transactions	(6,233,603,600)	(6,146,585,789)	-	-
	<b>36,603,128,672</b>	<b>25,427,781,805</b>	<b>31,927,330,119</b>	<b>24,814,410,359</b>
<b>11.1 Investment in subsidiary</b>				
<b>In Bangladesh</b>				
City Brokerage Limited		3,400,000,000	3,400,000,000	
City Bank Capital Resources Limited		2,550,000,000	2,550,000,000	
		<b>5,950,000,000</b>	<b>5,950,000,000</b>	
<b>Outside Bangladesh</b>				
CBL Money Transfer Sdn. Bhd.		99,702,332	99,702,332	
City Hong Kong Limited		66,982,609	66,982,609	
		<b>166,684,941</b>	<b>166,684,941</b>	
		<b>6,116,684,941</b>	<b>6,116,684,941</b>	
<b>11.2 Interest income receivable</b>				
Interest receivable from loans & advances/ investments	3,454,028,774	1,691,955,837	3,409,697,994	1,652,509,433
Interest receivable from government security	4,489,332,138	1,412,427,964	4,487,997,113	1,410,569,937
Interest receivable from placement	498,751,219	259,403,611	498,751,219	257,941,111
Interest receivable from private bond	436,320,498	427,403,422	409,240,833	398,100,056
Interest receivable from stimulus package	325,266,399	261,398,503	325,266,399	261,398,503
	<b>9,203,699,028</b>	<b>4,052,589,337</b>	<b>9,130,953,558</b>	<b>3,980,519,040</b>
<b>11.3 Accounts receivables</b>				
Advance against remittance	11,975,906,709	8,397,626,428	1,823,269,240	2,294,361,577
Receivable against card operation	4,937,889,247	3,476,487,849	4,937,889,248	3,476,487,849
Receivable against sales proceeds of shares	259,622,207	107,279,251	138,223,670	39,757,803
Advance to vendor for expense	184,213,717	206,263,157	115,091,607	169,090,645
Receivable against encashment -SP/BSP/PSC	104,824,271	502,557,562	104,824,271	502,557,562
Sundry debtors	104,792,381	80,444,486	99,131,673	68,615,444
Receivable against fraud forgeries	38,115,114	50,907,942	38,115,114	50,907,942
Advance to staff for expense	10,711,793	7,334,643	10,711,793	6,951,432
Unreconciled nostro entry	8,691,904	8,691,904	8,691,904	8,691,904
	<b>17,624,767,343</b>	<b>12,837,593,222</b>	<b>7,275,948,520</b>	<b>6,617,422,158</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>11.4 Advance payment of tax (bank only)</b>				
Opening balance			5,886,302,698	1,915,247,248
Paid during the year			5,074,753,915	3,971,055,450
Adjustment for previous years tax liability			(3,895,568,917)	-
Closing balance			<b>7,065,487,696</b>	<b>5,886,302,698</b>
<b>11.5 Deferred tax assets</b>	<b>746,038,872</b>	<b>1,227,250,655</b>	<b>724,541,590</b>	<b>1,215,048,987</b>
<b>Detail calculation on deferred tax assets (bank only):</b>				
	Book value Taka	Tax base Taka	Taxable/ (deductible) temporary difference Taka	Deferred tax (assets) / liabilities Taka
Fixed assets	4,248,382,905	5,052,572,455	(804,189,550)	(301,571,081)
Unrealised gain on share	281,657,773	-	281,657,773	42,248,666
Interest income from securities	3,191,227,268	-	3,191,227,268	1,196,710,226
Provision against classified loan	(2,630,352,545)	-	(2,630,352,545)	(986,382,204)
Right of use of assets	3,713,118,807	-	3,713,118,807	1,392,419,553
Lease obligation	(4,213,680,182)	-	(4,213,680,182)	(1,580,130,068)
Deferred tax liability/(asset) arise due to actuarial valuation	(919,970,329)	-	(919,970,329)	(344,988,873)
Deferred tax liability/(asset) arise from remeasurement (loss) (OCI)	(380,927,490)	-	(380,927,490)	(142,847,809)
<b>Deferred tax liability/(asset)</b>				<b>(724,541,590)</b>
<b>Deferred tax asset up to last year</b>				<b>(1,215,048,987)</b>
<b>Deferred tax (income)/expense</b>				<b>490,507,397</b>
Less: Deferred tax (income)/expense recognised through retained earnings				(142,847,809)
<b>Deferred tax (income)/expense recognised through profit &amp; loss</b>				<b>633,355,206</b>
	City Bank Plc			
	2024 Taka	2023 Taka		
<b>11.6 Intangible assets (Bank only)</b>				
Users license	209,140,848	109,073,165		
Royalty	57,320,315	90,687,217		
	<b>266,461,163</b>	<b>199,760,382</b>		
<b>11.6.1 Movement of intangible assets</b>				
Opening balance	199,760,382	269,139,272		
Addition during the year	349,672,136	249,618,040		
Amortisation during the year	(282,971,355)	(318,996,930)		
Closing balance	<b>266,461,163</b>	<b>199,760,382</b>		
<b>12 Non - banking assets (Bank only)</b>				
City Bank Plc has been awarded absolute ownership on 38 mortgage properties through verdict of honourable Court under section 33 (7) of Artha Rin Adalat Ain, 2003. At the end of 2024, recorded value of non-banking assets was Taka 576,119,668.				
Land & building	<b>576,119,668</b>	<b>634,548,873</b>		
Details of non-banking assets are shown in <b>Annexure-L</b> .				
<b>13 Bonds</b>				
Subordinated bonds (Tier-II capital) (note 13.01)	7,920,000,000	9,635,000,000		
Perpetual bonds (additional Tier-I capital) (note 13.02)	4,000,000,000	4,000,000,000		
	<b>11,920,000,000</b>	<b>13,635,000,000</b>		



City Bank Plc	
2024	2023
Taka	Taka

### 13.1 Subordinated bonds (Tier-II capital)

Subordinated bonds (Tier-II capital) include funds raised from several banks, financial institutions and other organisations through issuance of 3 (Three) Bonds during 2017, 2018-19 and 2022 worth Taka 5,000 million, Taka 4,200 million and Taka 7,000 million respectively. Principal of second subordinated bond was fully redeemed in 2024.

The outstanding amount of the two subordinated bonds as on 31 December 2024 are Taka 920 million and Taka 7,000 million respectively, totaling Taka 7,920 million. Institution wise subscription towards the bonds are:

#### City Bank 2nd subordinated bond

One Bank PLC	-	175,000,000
Rupali Bank PLC	-	140,000,000
Janata Bank PLC	-	131,250,000
Sonali Bank PLC	-	87,500,000
Pubali Bank PLC	-	87,500,000
Mercantile Bank PLC	-	70,000,000
Uttara Bank PLC	-	61,250,000
Dhaka Stock Exchange Limited	-	52,500,000
Agrani Bank PLC	-	35,000,000
Dhaka Bank PLC	-	17,500,000
Standard Bank PLC	-	17,500,000
	<b>-</b>	<b>875,000,000</b>

#### City Bank 3rd subordinated bond

One Bank PLC	260,000,000	520,000,000
Sonali Bank PLC	200,000,000	400,000,000
Agrani Bank PLC	200,000,000	400,000,000
Dhaka Bank PLC	160,000,000	240,000,000
Pubali Bank PLC	100,000,000	200,000,000
	<b>920,000,000</b>	<b>1,760,000,000</b>

#### City Bank 4th subordinated bond

Agrani Bank PLC	2,600,000,000	2,600,000,000
Janata Bank PLC	2,000,000,000	2,000,000,000
Sonali Bank PLC	1,000,000,000	1,000,000,000
Mercantile Bank PLC	650,000,000	650,000,000
National Life Insurance Company Limited	500,000,000	500,000,000
Simanto Bank PLC	250,000,000	250,000,000
	<b>7,000,000,000</b>	<b>7,000,000,000</b>
	<b>7,920,000,000</b>	<b>9,635,000,000</b>

### 13.2 Perpetual bonds (Additional tier-I capital)

City Bank Plc launched subscription of the first ever Perpetual Bond in the industry as well as the country. The issuance process of "City Bank Perpetual Bond" was initiated back in 2019 and with subsequent approvals from the regulators, the bank completed subscription of Taka 4,000 million 2021. The bonds also became listed in the Stock Exchanges in June 2022. At the end of December 2024, the listed bonds were held by 4 individuals and 6 institutional investors. Summary of basic features of the bonds are:

Coupon rate: Reference rate plus coupon margin

Here, reference rate is the latest available 20 years treasury bond rate (Standard Tenor Yield) as published by Debt Management Department of Bangladesh Bank on the quotation day and coupon margin is 2%.

**Coupon range:** 6.0% to 10.0%.

In accordance with Bangladesh Bank guidelines and instructions, the coupons of the perpetual bonds are being paid out of distributable items; i.e. retained earnings of the bank.

**Contingent convertible feature:** These bonds are contingent convertible and this conversion will only be executed if the Bank's consolidated common equity Tier-I (CET-I) falls & stays below 4.5% for three consecutive quarters and the conversion amount will be to the extent of shortfall amount for reaching CET-I @ 4.5%.

Perpetual bonds (additional tier-I capital)

**4,000,000,000** **4,000,000,000**



		Consolidated		City Bank Plc	
		2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>14</b>	<b>Borrowings from other banks, financial institutions and agents</b>				
	In Bangladesh (note 14.1)	2,753,204,377	2,990,442,441	1,856,173,240	1,808,117,860
	Outside Bangladesh (note 14.2)	24,208,162,058	15,816,313,647	24,206,934,942	15,814,353,588
		<b>26,961,366,435</b>	<b>18,806,756,088</b>	<b>26,063,108,182</b>	<b>17,622,471,448</b>
<b>14.1</b>	<b>In Bangladesh</b>				
	Mercantile Bank PLC	1,200,000,000	-	1,200,000,000	-
	One Bank PLC	600,050,929	655,285,913	600,000,000	500,000,000
	IPDC Finance PLC	528,837,944	639,113,370	-	-
	NCC Bank PLC	281,899,500	252,306,453	-	-
	Bank Asia PLC	131,139,695	125,862,097	-	-
	SME Foundation	31,173,240	65,617,860	31,173,240	65,617,860
	Joyeeta Foundation	25,000,000	102,500,000	25,000,000	102,500,000
	Community Bank Bangladesh PLC	19,392	490,107	-	-
	Citibank N.A	-	940,000,000	-	940,000,000
	Uttara Bank PLC	-	200,000,000	-	200,000,000
	Elimination of inter-company transactions	(44,916,323)	9,266,641	-	-
		<b>2,753,204,377</b>	<b>2,990,442,441</b>	<b>1,856,173,240</b>	<b>1,808,117,860</b>
<b>14.2</b>	<b>Outside Bangladesh</b>				
	International Finance Corporation	6,000,000,000	-	6,000,000,000	-
	Caixa Bank, S.A	5,688,912,583	1,640,216,805	5,688,912,583	1,640,216,805
	British International Investment PLC	3,600,000,000	-	3,600,000,000	-
	The Opec Fund for International Development	3,600,000,000	-	3,600,000,000	-
	Norfund	2,400,000,000	2,200,000,000	2,400,000,000	2,200,000,000
	Commerz Bank AG, Frankfurt, Germany	838,080,000	-	838,080,000	-
	Asian Development Bank	774,599,490	138,145,044	774,599,490	138,145,044
	JP Morgan Chase Bank N.A Singapore	700,140,000	-	700,140,000	-
	The Commercial Bank of Qatar (QSC)	605,202,869	-	605,202,869	-
	Public Bank, Malaysia	1,227,116	1,960,059	-	-
	RAK Bank	-	3,294,673,800	-	3,294,673,800
	CDC Group PLC	-	3,300,000,000	-	3,300,000,000
	Global Climate Partnership Fund S.A.Sicav-Sif (GCPF)	-	1,650,000,000	-	1,650,000,000
	Emirates NBD Bank PJSC, Dubai	-	1,606,000,000	-	1,606,000,000
	HDFC Bank Limited	-	1,100,000,000	-	1,100,000,000
	Emirates Islamic Bank	-	682,000,000	-	682,000,000
	International Islamic Trade Finance Corporation	-	203,317,939	-	203,317,939
		<b>24,208,162,058</b>	<b>15,816,313,647</b>	<b>24,206,934,942</b>	<b>15,814,353,588</b>
<b>14.3</b>	<b>Borrowings secured/unsecured from other banks, financial institutions and agents</b>				
	Secured	-	-	-	-
	Unsecured	26,961,366,435	18,806,756,088	26,063,108,182	17,622,471,448
		<b>26,961,366,435</b>	<b>18,806,756,088</b>	<b>26,063,108,182</b>	<b>17,622,471,448</b>
<b>14.4</b>	<b>Maturity grouping of borrowings from other banks, financial institutions and agents</b>				
	Payable on demand	1,800,000,000	1,640,000,000	1,800,000,000	1,640,000,000
	Up to 1 month	2,191,300,110	1,257,806,798	2,232,278,866	1,244,093,616
	Over 1 month but within 3 months	7,336,748,832	5,606,349,807	7,308,919,672	5,580,054,873
	Over 3 months but within 1 year	9,224,959,622	7,523,229,224	8,716,987,404	6,902,149,719
	Over 1 year but within 5 years	6,397,665,961	2,768,678,350	6,004,922,240	2,256,173,240
	Over 5 years	10,691,910	10,691,909	-	-
		<b>26,961,366,435</b>	<b>18,806,756,088</b>	<b>26,063,108,182</b>	<b>17,622,471,448</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>14.5 Borrowings from central bank &amp; government agencies</b>				
Refinance against export development fund (EDF) loan from Bangladesh Bank	15,357,895,077	21,287,813,990	15,357,895,077	21,287,813,990
Refinance against SME, Corporate and other loan from Bangladesh Bank	13,354,181,470	13,116,151,666	13,354,181,470	13,116,151,666
Refinance against stimulus package from Bangladesh Bank	3,796,920,000	7,477,794,698	3,796,920,000	7,477,794,698
	<b>32,508,996,547</b>	<b>41,881,760,354</b>	<b>32,508,996,547</b>	<b>41,881,760,354</b>
<b>14.6 Borrowings secured/unsecured from central bank &amp; government agencies</b>				
Secured	-	-	-	-
Unsecured	32,508,996,547	41,881,760,354	32,508,996,547	41,881,760,354
	<b>32,508,996,547</b>	<b>41,881,760,354</b>	<b>32,508,996,547</b>	<b>41,881,760,354</b>
<b>14.7 Maturity grouping of borrowings from central bank &amp; government agencies</b>				
Payable on demand	61,378,188	871,996,510	61,378,188	871,996,510
Up to 1 month	3,428,928,238	5,713,841,602	3,428,928,238	5,713,841,602
Over 1 month but within 3 months	6,066,856,802	11,963,628,724	6,066,856,802	11,963,628,724
Over 3 months but within 1 year	15,800,290,843	15,266,568,530	15,800,290,843	15,266,568,530
Over 1 year but within 5 years	6,069,779,660	6,866,379,598	6,069,779,660	6,866,379,598
Over 5 years	1,081,762,816	1,199,345,390	1,081,762,816	1,199,345,390
	<b>32,508,996,547</b>	<b>41,881,760,354</b>	<b>32,508,996,547</b>	<b>41,881,760,354</b>
<b>14.a</b>	City Brokerage Limited is enjoying two overdraft facilities from City Bank Plc and one overdraft loan facilities from NCC Bank PLC for extending margin financing to its customers, supporting prefunding facilities to its foreign clients and investment in secondary market. Rate of interests are currently 12.00% p.a and 6.00% p.a for availed two overdraft facilities from City Bank Plc and 6.00% for overdraft from NCC Bank PLC which is subject to revisions by the Banks' management from time to time.			
<b>14.b</b>	City Bank Capital Resource Limited (CBCRL) has availed term loan facility for ten years to acquire and develop own asset from IPDC Finance Limited at the rate of 13%. CBCRL is enjoying overdraft facilities from Community Bank Bangladesh PLC, One Bank PLC and Bank Asia PLC at rate of 14.5%, 14.5%, 9.75% respectively and a demand loan from One Bank PLC at rate of 9.75% to facilitated the customer by margin financing and investment in secondary market.			
<b>14.c</b>	CBL Money Transfer Sdn Bhd. has taken overdraft facility from City Bank Plc for prefunding support for remitting foreign currency from Malaysia at the rate of 7.85%.			
<b>14.d</b>	City Hong Kong Limited is availing overdraft facilities from City Bank Plc at the rate of 7.35% for extending bills discounting facilities to its customers.			
<b>15 Deposits and other accounts</b>				
Local bank deposits (note 15.1)	14,054,405,485	4,317,986,318	14,054,405,485	4,317,986,318
Customer and other deposits	500,308,662,205	388,279,070,284	500,149,679,038	388,192,342,969
	<b>514,363,067,690</b>	<b>392,597,056,602</b>	<b>514,204,084,523</b>	<b>392,510,329,287</b>
<b>15.1 Local bank deposits</b>				
<b>Current accounts</b>				
First Security Islami PLC		13,937,600	5,282,326	
Sonali Bank PLC		8,732,228	8,010,897	
Probashi Kallyan Bank		3,192,334	-	
Southeast Bank PLC		798,426	713,015	
One Bank PLC		318,524	-	
Prime Bank PLC		263,304	264,144	
Padma Bank PLC		139,730	143,856	
Meghna Bank PLC		15,495	1,092	
Standard Bank PLC		-	196,907	
<b>Sub total</b>		<b>27,397,641</b>	<b>14,612,237</b>	



#### **Short notice deposit accounts**

	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
Shahjalal Islami Bank PLC			1,310,799,331	5,796,440
Al-Arafah Islami Bank PLC			16,740,051	3,131,445
Modhumoti Bank PLC			9,539,975	2,033,692
Islami Bank Bangladesh PLC			3,994,468	3,961,121
Export Import Bank of Bangladesh PLC			3,927,085	3,888,310
Eastern Bank PLC			516,421	-
Agrani Bank PLC			431,561	-
BRAC Bank PLC			431,223	215,315
Jamuna Bank PLC			361,884	362,502
Dutch Bangla Bank PLC			105,335	106,261
Trust Bank PLC			77,190	77,561
Standard Bank PLC			63,572	64,159
Padma Bank PLC			11,560	3,066,334
Social Islami Bank PLC			7,639	8,715
AB Bank PLC			548	359,788
Southeast Bank PLC			-	302,438
	<b>1,347,007,844</b>		<b>23,374,081</b>	

#### **Fixed deposit receipts**

United Commercial Bank PLC		5,000,000,000	-
Southeast Bank PLC		3,120,000,000	-
Eastern Bank PLC		1,800,000,000	850,000,000
Rajshahi Krishi Unnayan Bank		1,200,000,000	-
Trust Bank PLC		1,200,000,000	-
Commercial Bank of Ceylon		360,000,000	1,000,000,000
Prime Bank PLC		-	1,210,000,000
One Bank PLC		-	1,000,000,000
First Security Islami PLC		-	220,000,000
<b>Sub total</b>		<b>12,680,000,000</b>	<b>4,280,000,000</b>
		<b>14,054,405,485</b>	<b>4,317,986,318</b>

#### **15.2 Deposits and other accounts**

##### **Current accounts and other accounts**

Current and islamic current deposits	77,511,187,065	62,198,258,951	76,835,769,572	61,629,268,872
Sundry deposits (note 15.4)	40,720,393,287	35,179,059,212	40,720,393,287	35,179,059,212
Foreign currency deposits	9,911,785,729	7,497,652,484	9,911,785,729	7,497,652,484
Non resident deposits	1,879,195,618	2,078,975,613	1,879,195,618	2,078,975,613
Unclaimed dividend account (note 15.3)	198,886,486	153,590,340	198,886,486	153,590,340
Security deposits receipts	110,331,006	105,410,049	110,331,006	105,410,049
	<b>130,331,779,191</b>	<b>107,212,946,649</b>	<b>129,656,361,698</b>	<b>106,643,956,570</b>

##### **Bills payable**

Pay orders issued	1,716,406,859	3,892,616,719	1,716,406,859	3,892,616,719
Demand draft	83,974,865	77,603,719	83,974,865	77,603,719
Pay slips issued	841,323	958,727	841,323	958,727
	<b>1,801,223,047</b>	<b>3,971,179,165</b>	<b>1,801,223,047</b>	<b>3,971,179,165</b>
<b>Savings bank deposits (note 15.5)</b>	<b>100,956,473,074</b>	<b>87,342,003,454</b>	<b>100,956,473,074</b>	<b>87,342,003,454</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>Fixed deposits</b>				
Fixed deposits, mudaraba fixed deposits	244,681,171,114	161,186,648,634	244,681,171,114	161,668,911,398
Short notice deposits, mudaraba short notice deposits	19,294,022,784	16,495,135,134	19,810,457,110	16,495,135,134
Scheme deposits, mudaraba monthly benefit and deposit scheme (note 15.6)	17,298,398,480	16,389,143,566	17,298,398,480	16,389,143,566
	<b>281,273,592,378</b>	<b>194,070,927,334</b>	<b>281,790,026,704</b>	<b>194,553,190,098</b>
<b>Total deposits and other accounts</b>	<b>514,363,067,690</b>	<b>392,597,056,602</b>	<b>514,204,084,523</b>	<b>392,510,329,287</b>

### 15.3 Unclaimed Dividend Account

Year wise current accounts were opened for distribution of cash dividend and accordingly dividend amount was duly transferred to the relevant current accounts. As on 31 December 2024, an amount of Taka 198,886,486 (2023: Taka 153,590,340) remained unclaimed with several current accounts which are mentioned below:

Account Name	Year wise		
City Bank Cash Dividend Payable Account	2014	9,859,917	9,859,917
Cash Dividend Account -2015	2015	14,630,068	14,640,069
Cash Dividend Distribution Account -2016	2016	15,563,901	15,563,901
Cash and Fractional Share Dividend Distribution Account-2017	2017	12,379,011	12,389,011
Cash and Fractional Share Dividend Distribution Account-2018	2018	6,438,652	6,445,337
Cash Dividend Distribution Account for 2019	2019	18,499,000	18,536,876
Cash and Fractional Share Dividend Distribution Account for 2020	2020	21,268,660	21,312,093
Cash and Fractional Share Dividend Distribution Account for 2021	2021	16,368,441	16,408,996
Cash and Fractional Share Dividend Distribution Account for 2022	2022	15,073,609	38,434,140
Cash and Fractional Share Dividend Distribution Account for 2023	2023	68,805,227	-
		<b>198,886,486</b>	<b>153,590,340</b>

An amount of Taka 101,467,466 as on 31 December 2024 (2023: Taka 89,528,424) in unclaimed cash dividend under Lawsuit according to Company Matter no.112 of 2005 and 79 of 2012.

In compliance with directive issued by the Bangladesh Securities and Exchange Commission Directive dated 14 January 2021, gazette and a letter issued on 27 June 2021 & on 6 July 2021 respectively, we have already transferred Taka 27,694,847 to Capital Market Stabilization Fund (CMSF) as unclaimed dividend for the year 2014 to 2017, excluding unclaimed cash dividend under Lawsuit. Details of transferred to Capital Market Stabilization Fund (CMSF) are mentioned below:

Account Name	Year wise	Account number	Deposited amount
City Bank Cash Dividend Payable Account	2014	1101666157001	7,584,685
Cash Dividend Account -2015	2015	1401818593001	7,234,639
Cash Dividend Distribution Account -2016	2016	1401920447001	6,765,846
Cash and Fractional Share Dividend Distribution Account-2017	2017	1402447912001	6,109,677
			<b>27,694,847</b>

Consolidated		City Bank Plc	
2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>15.4 Sundry deposits</b>			
Foreign bills proceed awaiting remittance		16,297,383,292	12,818,708,331
Margin deposit on facilities (LC, LG, Acceptance etc.)		9,795,566,832	10,255,132,056
Sundry creditors (note 15.4.1)		6,981,584,693	8,801,973,098
Payable against NPSB, RTGS & EFT		5,541,271,995	1,927,098,176
Sundry deposits on card & ATM operation		1,309,944,768	962,011,428
Payable against customers, loan account and others		762,647,670	130,087,486
Sanchaypatra		31,500,000	40,540,000
Lease deposits		427,020	427,020
Imprest fund - cash incentive		67,017	243,081,617
		<b>40,720,393,287</b>	<b>35,179,059,212</b>

15.4.1 Sundry Creditors includes the unreconciled balances of all NOSTRO accounts of Taka 5,056,713,796 (net off debit and credit).



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>15.5 Savings bank deposits</b>				
Savings bank deposits		88,409,913,985		76,323,375,117
Mudaraba savings deposits		12,546,559,089		11,018,628,337
	<b>100,956,473,074</b>		<b>87,342,003,454</b>	
<b>15.6 Scheme deposits</b>				
City shomriddhi		14,817,136,813		14,454,671,281
City projommo		1,452,106,849		192,381,733
Mudaraba monthly deposit scheme		824,408,065		991,778,347
Deposit pension scheme		186,501,147		732,484,140
Three stage scheme deposit		14,653,859		1,443,082
Junior savers scheme		1,274,558		1,274,558
Hajj deposit scheme		1,178,371		13,892,092
Monthly benefit scheme		606,529		350,000
Marriage savings scheme		350,000		606,529
City bank sanchaya scheme		95,208		47,210
Lakpati savings scheme		47,210		174,723
Education savings scheme		39,871		39,871
	<b>17,298,398,480</b>		<b>16,389,143,566</b>	
<b>15.7 Sector-wise deposits</b>				
Private	472,627,109,323	372,466,933,713	472,468,126,156	372,380,206,398
Other public	23,004,063,591	12,500,078,199	23,004,063,591	12,500,078,199
Deposit money banks	14,054,405,485	4,317,986,318	14,054,405,485	4,317,986,318
Government	4,677,489,291	3,312,058,372	4,677,489,291	3,312,058,372
	<b>514,363,067,690</b>	<b>392,597,056,602</b>	<b>514,204,084,523</b>	<b>392,510,329,287</b>
<b>15.8 Maturity analysis of inter-bank deposits</b>				
Payable on demand		1,374,405,485		-
Up to 1 month		6,480,000,000		4,317,986,318
Over 1 month but within 3 months		6,200,000,000		-
Over 3 months but within 1 year		-		-
	<b>14,054,405,485</b>		<b>4,317,986,318</b>	
<b>15.9 Maturity analysis of deposits</b>				
<b>Bills payable:</b>				
Payable on demand	211,823,830	467,010,670	211,823,830	467,010,670
Up to 1 month	197,702,242	435,876,625	197,702,242	435,876,625
Over 1 month but within 6 months	1,059,119,152	2,335,053,349	1,059,119,152	2,335,053,349
Over 6 months but within 1 year	332,577,823	733,238,521	332,577,823	733,238,521
Over 1 year but within 5 years	-	-	-	-
Over 5 years but within 10 years	-	-	-	-
Over 10 years	-	-	-	-
	<b>1,801,223,047</b>	<b>3,971,179,165</b>	<b>1,801,223,047</b>	<b>3,971,179,165</b>
<b>Other deposits:</b>				
Payable on demand	35,666,673,604	30,978,877,094	35,731,750,152	31,030,360,128
Up to 1 month	43,470,515,174	32,764,923,143	42,802,849,683	32,214,219,310
Over 1 month but within 6 months	138,261,778,051	98,333,246,645	138,564,913,691	98,578,164,657
Over 6 months but within 1 year	153,806,894,552	112,187,206,592	153,947,364,688	112,354,782,064
Over 1 year but within 5 years	139,084,272,949	113,430,283,439	139,084,272,949	113,430,283,439
Over 5 years but within 10 years	2,243,416,731	930,144,944	2,243,416,731	930,144,944
Over 10 years	28,293,582	1,195,580	28,293,582	1,195,580
	<b>512,561,844,643</b>	<b>388,625,877,437</b>	<b>512,402,861,476</b>	<b>388,539,150,122</b>
	<b>514,363,067,690</b>	<b>392,597,056,602</b>	<b>514,204,084,523</b>	<b>392,510,329,287</b>





	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>16 Other liabilities</b>				
Provision for loans and advances/investments (note 16.1)	16,129,501,230	13,908,425,635	16,041,828,856	13,889,495,595
Provision for income tax (note 16.6)	13,804,748,067	11,354,048,964	13,306,134,178	10,886,996,658
Interest/profit payable against deposit, borrowing & subordinated bond	12,634,067,164	7,137,043,107	12,605,489,357	7,119,054,611
Settlement obligation	9,838,211,534	5,918,672,277	-	-
Interest suspense account (note 16.3)	9,107,769,021	7,670,834,382	9,107,769,021	7,670,834,382
Payable against office expenses and others	7,274,330,837	5,013,371,773	7,177,676,988	4,953,412,453
Lease liabilities	4,301,726,310	3,906,098,790	4,213,680,182	3,790,240,309
Provision for outstanding off-balance sheet exposures (note 16.2)	1,651,861,930	1,951,861,930	1,651,861,930	1,951,861,930
Other provision (note 16.5)	1,254,472,240	1,581,358,355	1,250,250,919	1,506,570,524
Provision for non banking assets	424,318,859	523,083,602	424,318,859	523,083,602
Branch adjustment account	378,865,380	92,727,036	378,865,380	92,727,036
Provision for balance with other banks & FI	334,379,167	211,879,167	334,379,167	211,879,167
Start-up Fund (note 16.7)	302,653,661	194,143,177	302,653,661	194,143,177
CSR fund retained from foreign exchange (note 16.8)	30,918,129	69,476,859	30,918,129	69,476,859
Deferred tax liabilities	29,506,098	29,762,032	-	-
Provision for nostro account	8,692,635	8,692,635	8,692,635	8,692,635
Elimination of inter-company transactions	(28,794,833)	(38,247,604)	-	-
	<b>77,477,227,429</b>	<b>59,533,232,117</b>	<b>66,834,519,262</b>	<b>52,868,468,938</b>

#### 16.1 Provision for loans and advances/investments

##### Movement in specific provision on classified loans/investments:

Provision held at the beginning of the year	6,233,226,573	5,450,840,130	6,233,226,573	5,450,840,130
Fully provided for loans and advances/investments written off during the year	(3,496,647,137)	(1,999,808,977)	(3,496,647,137)	(1,999,808,977)
Fully waived during the year	(27,926,670)	(25,643,519)	(27,926,670)	(25,643,519)
Recoveries of amounts previously written off	760,864,141	985,690,362	760,864,141	985,690,362
Specific provision made during the year	2,509,431,834	132,602,124	2,509,431,834	132,602,124
Transfer to/from general provision	1,266,825,034	1,689,546,453	1,266,825,034	1,689,546,453
Provision held at the end of the year	<b>7,245,773,775</b>	<b>6,233,226,573</b>	<b>7,245,773,775</b>	<b>6,233,226,573</b>

##### Movement in general provision on unclassified loans/investments:

Provision held at the beginning of the year	7,675,199,062	6,932,359,349	7,656,269,022	6,910,907,396
Transfer to/from specific provision	(1,266,825,034)	(1,689,546,453)	(1,266,825,034)	(1,689,546,453)
Transfer to/from general provision against off-balances sheet exposures	300,000,000	-	300,000,000	-
General provision made during the year	2,175,353,427	2,432,386,166	2,106,611,093	2,434,908,079
Provision held at the end of the year	<b>8,883,727,455</b>	<b>7,675,199,062</b>	<b>8,796,055,081</b>	<b>7,656,269,022</b>
	<b>16,129,501,230</b>	<b>13,908,425,635</b>	<b>16,041,828,856</b>	<b>13,889,495,595</b>

The Bank maintained provision against loans/investments accounts under writ petition of Taka 185.51 million (2023: Taka 407.36 million) against requirement of Taka 185.51 million (2023: Taka 407.36 million) as at 31 December 2024. These required and maintained provisions included in total required and maintained provisions of loans and advances/investments, disclosed above.

#### 16.2 Provision on off-balances sheet exposures

As per BRPD circular no. 06 dated 25 April 2023, banks are advised to maintain general provision against outstanding off balances sheet exposures on the basis of exposures at the rate mentioned in note 3.4.7 and with compliance of the mentioned circular and circular letter, the Bank maintained provision of Taka 1,651,861,930 (31 December 2023: Taka 1,951,861,930) against requirement of Taka 1,535,409,192 (31 December 2023: Taka 1,462,336,557) as at 31 December 2024.

Opening balance	1,951,861,930	1,951,861,930
Addition/transfer during the period	(300,000,000)	-
	<b>1,651,861,930</b>	<b>1,951,861,930</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>16.3 Interest suspense account</b>				
Interest suspense account on classified loans and advances/investments	3,418,112,680	2,725,119,716	3,418,112,680	2,725,119,716
Interest suspense on standard loans and advances/investments	5,531,654,881	4,893,674,591	5,531,654,881	4,893,674,591
Interest suspense on special mention account loans and advances/investments	158,001,460	52,040,075	158,001,460	52,040,075
	<b>9,107,769,021</b>	<b>7,670,834,382</b>	<b>9,107,769,021</b>	<b>7,670,834,382</b>
<b>16.4 Movement of interest suspense account</b>				
Opening balance	7,670,834,382	6,504,273,960	7,670,834,382	6,504,273,960
Amount transferred to "interest suspense" account during the year	4,173,483,066	3,735,876,349	4,173,483,066	3,735,876,349
Amount recovered from "interest suspense" account during the year	(960,930,967)	(1,050,747,404)	(960,930,967)	(1,050,747,404)
Amount waived during the year	(787,218,877)	(1,299,937,214)	(787,218,877)	(1,299,937,214)
Amount written off during the year	(988,398,583)	(218,631,309)	(988,398,583)	(218,631,309)
<b>Closing balance</b>	<b>9,107,769,021</b>	<b>7,670,834,382</b>	<b>9,107,769,021</b>	<b>7,670,834,382</b>
<b>16.5 Other provision</b>				
Provision against employee bonus & others	940,389,441	1,107,707,774	936,168,120	1,107,707,774
Provision against other assets	178,922,173	168,348,803	178,922,173	168,348,803
Provision against investment	79,040,098	226,182,789	79,040,098	151,394,958
Provision against subsidiary company-City Hong Kong Limited	36,009,184	36,009,184	36,009,184	36,009,184
Provision against fixed assets (land of shamoly branch)	10,251,862	10,251,862	10,251,862	10,251,862
Provision against interest receivable	8,857,482	4,545,634	8,857,482	4,545,634
Provision against work-in-progress	1,002,000	1,002,000	1,002,000	1,002,000
Provision against good borrower (note 16.5.1)	-	27,310,309	-	27,310,309
	<b>1,254,472,240</b>	<b>1,581,358,355</b>	<b>1,250,250,919</b>	<b>1,506,570,524</b>
<b>16.5.1 Movement of Provision against good borrower</b>				
Opening balance			27,310,309	27,310,309
Addition during the year			-	-
Release during the year		(27,310,309)		-
<b>Closing balance</b>			<b>-</b>	<b>27,310,309</b>
<b>16.6 Provision for income tax</b>				
Opening balance			10,886,996,658	6,196,663,285
Adjustment for settlement of tax			(3,895,568,917)	-
Provision during the year (note 16.6.1)			6,314,706,437	4,690,333,373
<b>Closing balance</b>			<b>13,306,134,178</b>	<b>10,886,996,658</b>
<b>16.6.1</b>	Provision for current tax of Taka 6,314,706,437 (prior year: Taka 4,690,333,373 has been made at the rate 37.5% of the accounting profit of the bank after considering some of the add backs to income and disallowances of expenditure as per Income Tax Act 2023 and as prescribed by the Finance Act.			
Corporate tax position of the bank has been shown in <b>Annexure-E</b> .				
<b>16.7 Start-up fund</b>				
Opening balance			194,143,177	132,629,978
Addition during the year			108,510,484	61,513,199
<b>Closing balance</b>			<b>302,653,661</b>	<b>194,143,177</b>

As per SMESPD circular no. 04 and circular letter no. 05 dated 29 March 2021 and 26 April 2021 respectively, Bank has kept start up fund under other liabilities for financing potential start-up initiatives in Bangladesh to make a significant contribution to the progress of the country's economy, including employment. This fund is to be built up by transferring 1% of annual audited net profit.



City Bank Plc		
	2024 Taka	2023 Taka

#### 16.8 CSR fund retained from foreign exchange (bank only)

Bank has separated 50% of exchange income for the months of May-June'22 of Taka 245,232,869 (net off tax) as CSR Fund in compliance with Bangladesh Bank letter no. BRPD(CMS)651/9(03)Kha/2022-12036, dated November 29, 2022.

Opening balance	69,476,859	245,232,869
Addition during the year	-	-
Less: Usage during the period	(38,558,730)	(175,756,010)
<b>Closing balance</b>	<b>30,918,129</b>	<b>69,476,859</b>

#### 16.9 Net defined benefit obligation - employees' gratuity fund (bank only)

Defined benefit obligation (note 16.9.1)	3,307,781,240	2,848,182,610
Less: Fair value of plan assets (note 16.9.2)	4,227,751,569	3,439,206,749
<b>Net defined benefit obligation/(Net Planned Asset For Gratuity Fund)</b>	<b>(919,970,329)</b>	<b>(591,024,139)</b>

##### 16.9.1 Defined benefit obligation - gratuity fund

Defined benefit obligation as on 1 January	2,848,182,610	2,881,634,040
Additional defined benefit obligation	-	-
Current service cost	267,856,510	272,934,340
Interest cost	283,550,450	215,110,570
Actual net benefits payments	(295,404,230)	(385,503,830)
Remeasurement (gain)/loss	203,595,900	(135,992,510)
<b>Defined benefit obligation as on 31 December</b>	<b>3,307,781,240</b>	<b>2,848,182,610</b>

##### 16.9.2 Fair value of plan assets - gratuity fund

Fair value of plan assets as on 1 January	3,439,206,749	2,762,916,299
Interest income on plan assets	391,282,870	240,362,420
Actual employer contributions	869,997,770	868,731,770
Actual net benefits payments	(295,404,230)	(385,503,830)
Remeasurement gain/(losses) on plan assets	(177,331,590)	(47,299,910)
<b>Fair value of plan assets as on 31 December</b>	<b>4,227,751,569</b>	<b>3,439,206,749</b>

##### 16.9.3 Remeasurements gain/(loss) of defined benefits liability/assets

Remeasurement gain/(losses) on plan assets	(177,331,590)	(47,299,910)
Remeasurement gain/(losses) on defined benefit obligation	(203,595,900)	135,992,510
	<b>(380,927,490)</b>	<b>88,692,600</b>
Less: Deferred tax (expense)/income	142,847,809	(33,259,725)
	<b>(238,079,681)</b>	<b>55,432,875</b>

Remeasurement gain/(loss) has been recognised as per Actuarial Valuation Report.

#### 17 Share capital

##### 17.1 Authorised:

2,000,000,000 ordinary shares of Taka 10.00 each	<b>20,000,000,000</b>	<b>20,000,000,000</b>
Authorised Share Capital of the Bank has been increase to Taka 20,000,000,000 from Taka 15,000,000,000 by a special resolution dated 04 July 2023.		

##### 17.2 Issued, subscribed and fully paid up:

	No. of shares	
Ordinary shares of Taka 10.00 each issued for cash up to 31 December'16	240,463,470	2,404,634,700
Ordinary shares of Taka 10.00 each issued for cash to IFC during October'17	46,094,633	460,946,330
Ordinary shares of Taka 10.00 each issued as bonus shares up to 31 December'24	1,060,522,661	10,605,226,610
	<b>1,347,080,764</b>	<b>13,470,807,640</b>
		<b>12,246,188,770</b>



City Bank Plc issued 46,094,633 fresh ordinary shares @ Tk. 28.30 each (including a premium of Tk. 18.30 per share) to International Finance Corporation (IFC) on 3 October 2017 after complying with all regulatory requirements.

The Bank offered 1:1 right share during the year 2010 and on the record date the outstanding number of shares was 19,639,125 as the bonus for 2009 was credited before the record date for right share. During the course of right exercise the honourable High Court issued an injunction order against 392,778 shares. The verdict of the Court was to restrain exercise of right shares against the said 392,778 shares and also asked to maintain provision for future dividend, which may be declared on the aforementioned shares. Accordingly, the Bank maintained a reserve of Taka 89,986,189 till 31 December 2024 for subsequent declared stock dividend for the prejudice shares, which is shown under surplus in profit and loss account.

#### **17.3 History of issued, subscribed and fully paid up capital:**

Accounting year	Declaration	No. of share	Value of capital	Cumulative
1983	Opening capital	3,400,000	34,000,000	34,000,000
1985	Further subscription	1,000,000	10,000,000	44,000,000
1987	Initial public offer	3,600,000	36,000,000	80,000,000
1990	1:1 Right issue	8,000,000	80,000,000	160,000,000
2002	1:2 Right issue	8,000,000	80,000,000	240,000,000
2004	1:1 Right issue	24,000,000	240,000,000	480,000,000
2005	50% stock dividend	24,000,000	240,000,000	720,000,000
2006	50% stock dividend	36,000,000	360,000,000	1,080,000,000
2007	10% stock dividend	10,800,000	108,000,000	1,188,000,000
2008	15% stock dividend	17,820,000	178,200,000	1,366,200,000
2009	15% stock dividend	20,493,000	204,930,000	1,571,130,000
2010	25% stock dividend	39,278,250	392,782,500	1,963,912,500
2010	1:1 Right issue	192,463,470	1,924,634,700	3,888,547,200
2011	30% stock dividend	116,656,410	1,166,564,100	5,055,111,300
2012	25% stock dividend	126,377,782	1,263,777,820	6,318,889,120
2013	10% stock dividend	63,188,891	631,888,910	6,950,778,030
2014	20% stock dividend	139,015,560	1,390,155,600	8,340,933,630
2015	5% stock dividend	41,704,668	417,046,680	8,757,980,310
2017	Fresh share issued to IFC	46,094,633	460,946,330	9,218,926,640
2018	5% stock dividend	46,094,633	460,946,330	9,679,872,970
2019	5% stock dividend	48,399,364	483,993,640	10,163,866,610
2021	5% stock dividend	50,819,333	508,193,330	10,672,059,940
2022	12.5% stock dividend	133,400,749	1,334,007,490	12,006,067,430
2023	2% stock dividend	24,012,134	240,121,340	12,246,188,770
2024	10% stock dividend	122,461,887	1,224,618,870	13,470,807,640
		<b>1,347,080,764</b>	<b>13,470,807,640</b>	

Although face value of paid up capital was split into Taka 10 from Taka 100 during the year 2011, we considered face value of share @ Taka 10 from the inception of the bank for this statement.

#### **17.3.a Percentage of shareholdings at the closing date**

Particulars	2024		2023	
	No of Shares	Percentage (%)	No of Shares	Percentage (%)
General public	535,554,563	39.76%	451,957,374	36.91%
Directors and sponsors	412,617,909	30.63%	378,198,111	30.88%
Institutions	321,893,167	23.90%	334,831,554	27.34%
Foreign shareholders	77,015,125	5.72%	59,631,838	4.87%
	<b>1,347,080,764</b>	<b>100.00%</b>	<b>1,224,618,877</b>	<b>100.00%</b>



City Bank Plc						
	2024			2023		
	Number of share holders	No. of Shares	% of total holding	Number of share holders	No. of Shares	% of total holding
<b>17.4 Classification of shareholders by holding</b>						
01 - 500 shares	13,876	1,960,532	0.1%	14,334	1,951,000	0.2%
501 - 5,000 shares	10,857	20,249,807	1.5%	11,324	19,470,045	1.6%
5,001 - 10,000 shares	2,039	14,798,801	1.1%	1,819	12,326,730	1.0%
10,001 - 20,000 shares	1,322	19,049,454	1.4%	1,195	16,226,248	1.3%
20,001 - 30,000 shares	474	11,747,014	0.9%	444	10,735,873	0.9%
30,001 - 40,000 shares	250	8,788,550	0.7%	200	6,817,100	0.6%
40,001 - 50,000 shares	171	7,889,491	0.6%	105	4,669,908	0.4%
50,001 - 100,000 shares	319	22,863,627	1.7%	297	20,043,860	1.6%
100,001 - 1,000,000 shares	336	104,607,618	7.8%	343	109,204,289	8.9%
Over 1,000,000 shares	148	1,135,125,870	84.3%	137	1,023,173,824	83.6%
	<b>29,792</b>	<b>1,347,080,764</b>	<b>100.0%</b>	<b>30,198</b>	<b>1,224,618,877</b>	<b>100.0%</b>
<b>17.5 Capital to risk weighted assets ratio (CRAR)</b>						
As per Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III), all scheduled banks are required to calculate Capital to Risk weighted Assets Ratio (CRAR) based on 'Solo' basis as well as on 'Consolidated' basis. Capital to Risk weighted Assets Ratio (CRAR) is calculated in accordance with the phase-in arrangements for Basel III implementation in 2015. All amounts are stated in Taka except for those, if any, stated otherwise.						
Consolidated				City Bank Plc		
	2024 Taka	2023 Taka		2024 Taka	2023 Taka	
<b>Common equity tier 1 capital (CET1)</b>						
Paid up capital	13,470,807,640	12,246,188,770		13,470,807,640	12,246,188,770	
Non-repayable share premium account	1,504,388,797	1,504,388,797		1,504,388,797	1,504,388,797	
Statutory reserve	11,966,418,843	10,741,799,973		11,966,418,843	10,741,799,973	
General reserve	11,394,928	11,394,928		11,394,928	11,394,928	
Retained earnings	17,477,243,576	12,348,589,771		17,148,904,360	11,345,547,350	
Dividend equalisation reserve	530,786,630	530,786,630		530,786,630	530,786,630	
Capital reserve	181,926,076	160,673,171		-	-	
Minority interest in subsidiaries	143,282	156,891		-	-	
	<b>45,143,109,772</b>	<b>37,543,978,931</b>		<b>44,632,701,198</b>	<b>36,380,106,448</b>	
<b>Regulatory adjustments / deductions from common equity tier 1 capital (CET1)</b>						
Deferred tax assets	(716,532,774)	(1,197,488,623)		(724,541,590)	(1,215,048,987)	
50% of excess investment in other banks, FI and Ins. Co.	(794,430,754)	(794,430,755)		-	-	
Reciprocal crossholdings of capital	(9,175,520)	(287,640)		(9,175,520)	(287,640)	
Book value of goodwill and value of any contingent assets which are shown as assets	(46,013,723)	(40,844,198)		-	-	
<b>Total common equity tier 1 capital</b>	<b>43,576,957,001</b>	<b>35,510,927,715</b>		<b>43,898,984,088</b>	<b>35,164,769,821</b>	
<b>Additional tier 1 capital</b>						
Perpetual bond	4,000,000,000	4,000,000,000		4,000,000,000	4,000,000,000	
<b>Total tier 1 capital</b>	<b>47,576,957,001</b>	<b>39,510,927,715</b>		<b>47,898,984,088</b>	<b>39,164,769,821</b>	
<b>Tier 2 capital</b>						
Tier-II subordinated bond	7,032,000,000	7,400,000,000		7,032,000,000	7,400,000,000	
General provision (note 17.5.2)	10,535,589,385	9,627,060,992		10,447,917,011	9,608,130,952	
	<b>17,567,589,385</b>	<b>17,027,060,992</b>		<b>17,479,917,011</b>	<b>17,008,130,952</b>	



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>Regulatory adjustments / deductions from tier 2 capital</b>				
50% of Excess Investment in other banks, FI and Ins. Co.	(794,430,754)	(794,430,755)	-	-
<b>Total tier 2 capital</b>	<b>16,773,158,631</b>	<b>16,232,630,237</b>	<b>17,479,917,011</b>	<b>17,008,130,952</b>
<b>Total regulatory capital</b>	<b>64,350,115,632</b>	<b>55,743,557,952</b>	<b>65,378,901,099</b>	<b>56,172,900,773</b>
<b>Total assets</b>	<b>709,558,953,422</b>	<b>564,929,461,835</b>	<b>697,348,595,261</b>	<b>555,738,268,460</b>
<b>Total risk weighted assets (RWA) (note 17.5.1)</b>	<b>420,621,843,601</b>	<b>365,566,092,278</b>	<b>409,301,326,251</b>	<b>355,438,023,612</b>
<b>Required capital with capital conservation buffer</b>	<b>52,577,730,450</b>	<b>45,695,761,535</b>	<b>51,162,665,781</b>	<b>44,429,752,951</b>
<b>Surplus</b>	<b>11,772,385,182</b>	<b>10,047,796,417</b>	<b>14,216,235,318</b>	<b>11,743,147,822</b>
<b>Total capital to risk weighted assets ratio (CRAR)</b>	<b>15.30%</b>	<b>15.25%</b>	<b>15.97%</b>	<b>15.80%</b>
<b>Tier-1 capital ratio</b>	<b>11.31%</b>	<b>10.81%</b>	<b>11.70%</b>	<b>11.02%</b>
<b>Leverage ratio</b>	<b>5.69%</b>	<b>5.68%</b>	<b>5.81%</b>	<b>5.70%</b>
<b>17.5.1 Risk weighted assets (RWA)</b>				
<b>A. Credit risk</b>				
On-balance sheet	277,394,685,136	250,318,699,773	271,327,969,503	248,008,019,242
Off-balance sheet	54,620,607,461	52,804,654,659	54,620,607,461	52,804,654,659
	<b>332,015,292,597</b>	<b>303,123,354,432</b>	<b>325,948,576,963</b>	<b>300,812,673,901</b>
<b>B. Market risk</b>	<b>36,466,915,029</b>	<b>19,935,799,584</b>	<b>32,669,829,466</b>	<b>13,927,448,108</b>
<b>C. Operational risk</b>	<b>52,139,635,976</b>	<b>42,506,938,263</b>	<b>50,682,919,822</b>	<b>40,697,901,603</b>
<b>Total risk weighted assets (A+B+C)</b>	<b>420,621,843,601</b>	<b>365,566,092,278</b>	<b>409,301,326,251</b>	<b>355,438,023,612</b>
<b>17.5.2 General provision maintained against</b>				
Unclassified loan/investments (note 16.1)	8,883,727,455	7,675,199,062	8,796,055,081	7,656,269,022
Off balance sheet exposures (note 16.2)	1,651,861,930	1,951,861,930	1,651,861,930	1,951,861,930
	<b>10,535,589,385</b>	<b>9,627,060,992</b>	<b>10,447,917,011</b>	<b>9,608,130,952</b>
<b>18 Statutory reserve</b>				
Opening balance			10,741,799,973	10,501,678,633
Addition during the year (20% of pre-tax profit)			1,224,618,870	240,121,340
<b>Closing balance</b>			<b>11,966,418,843</b>	<b>10,741,799,973</b>
Every scheduled bank is required to build up statutory reserve and before declaring dividend, will transfer profit equivalent to 20.0% of PBT to the said reserve until the sum of the said reserve and share premium account becomes equal to the paid up capital.				
<b>19 Share premium</b>				
Opening balance			1,504,388,797	1,504,388,797
Adjustment for issuance of stock dividend			-	-
<b>Closing balance</b>			<b>1,504,388,797</b>	<b>1,504,388,797</b>
<b>20 Dividend equalisation reserve</b>				
BRPD circular letter no. 18 dated 20 October 2002, states that banks are require to create Dividend Equalisation Fund if declared cash dividend is more than 20%. As per said circular, creation of Dividend Equalisation Fund is to be equal of excess amount of cash dividend over 20%. For the year 2015 and 2016 bank's declared cash dividend rates were 22% and 24% respectively.				
Opening balance			530,786,630	530,786,630
Addition during the year			-	-
<b>Closing balance</b>			<b>530,786,630</b>	<b>530,786,630</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>21 Other reserve</b>				
Revaluation reserve for HFT securities	749,387,348	16,401,309	749,387,348	16,401,309
Revaluation reserve for HTM securities	435,798,201	254,655,656	435,798,201	254,655,656
Capital reserve	181,926,076	160,673,171	-	-
General reserve	11,394,928	11,394,928	11,394,928	11,394,928
Revaluation reserve for equity shares	-	660,620,778	-	569,075,020
	<b>1,378,506,553</b>	<b>1,103,745,842</b>	<b>1,196,580,477</b>	<b>851,526,913</b>
<b>22 Consolidated surplus in profit and loss account</b>				
City Bank Plc (note 22.1)	17,148,904,360	11,345,547,350		
Post acquisition retained surplus from City Brokerage Limited	(273,985,052)	142,895,663		
Non-controlling interest	(7,108)	(10,289)		
	<b>(273,992,160)</b>	<b>142,885,374</b>		
Post acquisition retained surplus from City Bank Capital Resources Limited	745,019,984	1,084,532,781		
Non-controlling interest	(26,174)	(36,602)		
	<b>744,993,810</b>	<b>1,084,496,179</b>		
Post acquisition retained deficit from CBL Money Transfer Sdn. Bhd.	244,411,546	205,945,575		
Non-controlling interest	-	-		
	<b>244,411,546</b>	<b>205,945,575</b>		
Post acquisition retained deficit from City Hong Kong Limited	(911,278)	(17,123,859)		
Non-controlling interest	-	-		
	<b>(911,278)</b>	<b>(17,123,859)</b>		
<b>Inter-company transactions</b>				
City Bank Capital Resources Limited with City Bank Plc	(276,812,532)	(276,812,532)		
City Brokerage Limited with City Bank Plc	(159,340,028)	(164,168,514)		
Foreign exchange revaluation effect	49,989,858	27,820,198		
	<b>17,477,243,576</b>	<b>12,348,589,771</b>		
<b>22.1 Movement of surplus in profit and loss account-City Bank Plc</b>				
Opening balance	11,345,547,350	7,287,614,284		
Profit for the year	10,851,048,401	6,151,319,874		
Transfer to statutory reserve	(1,224,618,870)	(240,121,340)		
Transfer to start up fund	(108,510,484)	(61,513,199)		
Transfer to CSR fund	-	-		
Cash dividend paid	(1,854,555,222)	(1,212,127,597)		
Stock dividend paid	(1,224,618,870)	(240,121,340)		
Coupon/dividend paid on perpetual bond	(400,000,000)	(400,000,000)		
Remeasurements gain/(loss) of defined benefits liability/(assets) (note-16.9.3)	(380,927,490)	88,692,600		
Deferred tax (income)/expense arise from remeasurement loss (note-11.5)	142,847,809	(33,259,725)		
Gain from sale of non-banking asset	2,691,736	5,063,793		
	<b>17,148,904,360</b>	<b>11,345,547,350</b>		

As per BRPD circular no. 11 dated 12 December 2011, Profit arise from deferred tax is not considered as distributable profit for dividend.

Remeasurement gain/(loss) arises from the actuarial valuation report carried out by professional actuary time to time on Bank Employees' Gratuity Fund. The latest actuarial valuation were carried out based on 31 December 2024 and actuarial gain/(loss) was recognised in equity as a component of equity net of any deferred tax impact.



Consolidated		City Bank Plc	
2024 Taka	2023 Taka	2024 Taka	2023 Taka

## 23 Non controlling interest

Share capital	110,000	110,000
Surplus in profit and loss account/retained earnings	33,282	46,891
	<b>143,282</b>	<b>156,891</b>

## 24 Contingent liabilities

### 24.1 Letters of guarantee

Local	1,780,125,092	24,971,071,606	1,780,125,092	24,971,071,606
Foreign	26,433,917,517	873,477,000	26,433,917,517	873,477,000
Shipping guarantee	-	-	-	-
	<b>28,214,042,609</b>	<b>25,844,548,606</b>	<b>28,214,042,609</b>	<b>25,844,548,606</b>
Margin on guarantee	(1,198,977,452)	(951,592,547)	(1,198,977,452)	(951,592,547)
	<b>27,015,065,157</b>	<b>24,892,956,059</b>	<b>27,015,065,157</b>	<b>24,892,956,059</b>

Money for which the Bank is contingently liable in respect of guarantees given favouring:

Government	14,150,529,974	13,193,697,342	14,150,529,974	13,193,697,342
Banks and other financial institutions	11,192,314,527	10,469,513,587	11,192,314,527	10,469,513,587
Others	2,871,198,108	2,181,337,677	2,871,198,108	2,181,337,677
	<b>28,214,042,609</b>	<b>25,844,548,606</b>	<b>28,214,042,609</b>	<b>25,844,548,606</b>
Margin on guarantee	(1,198,977,452)	(951,592,547)	(1,198,977,452)	(951,592,547)
	<b>27,015,065,157</b>	<b>24,892,956,059</b>	<b>27,015,065,157</b>	<b>24,892,956,059</b>

### 24.2 Irrevocable Letters of Credit

General	65,932,359,360	33,239,425,480	65,932,359,360	33,239,425,480
Back to Back LC	2,319,237,175	16,703,461,779	2,319,237,175	16,703,461,779
Inland	4,586,191,896	3,631,296,391	4,586,191,896	3,631,296,391
	<b>72,837,788,431</b>	<b>53,574,183,650</b>	<b>72,837,788,431</b>	<b>53,574,183,650</b>
Margin on LC	(8,596,404,380)	(9,303,354,508)	(8,596,404,380)	(9,303,354,508)
	<b>64,241,384,051</b>	<b>44,270,829,142</b>	<b>64,241,384,051</b>	<b>44,270,829,142</b>

### 24.3 Bills for collection

Outward foreign bills for collection	22,356,328,111	10,591,120,435	21,760,198,791	10,378,023,468
Inward local bills for collection	3,774,643,432	8,332,455,266	3,774,643,432	8,332,455,266
	<b>26,130,971,543</b>	<b>18,923,575,701</b>	<b>25,534,842,223</b>	<b>18,710,478,734</b>
Margin on bill collection	(185,000)	(185,000)	(185,000)	(185,000)
	<b>26,130,786,543</b>	<b>18,923,390,701</b>	<b>25,534,657,223</b>	<b>18,710,293,734</b>

### 24.4 Forward assets purchased and forward deposits placed

Forward sales/contracts	14,847,299,960	17,322,976,740	14,847,299,960	17,322,976,740
	<b>14,847,299,960</b>	<b>17,322,976,740</b>	<b>14,847,299,960</b>	<b>17,322,976,740</b>

### 24.5 Suit filed by the bank

No law suit has been filed by the bank against contingent liabilities.



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>25 Income statement</b>				
<b>Income:</b>				
Interest/profit, discount and similar income (note 25.1)	60,045,441,821	38,095,864,865	59,702,286,331	37,789,279,008
Fees, commission and brokerage (note 25.2)	7,059,999,957	6,430,248,049	6,718,245,495	6,116,088,622
Gains less losses arising from dealing in foreign currencies (note 29)	1,633,101,655	904,485,488	1,433,319,995	724,072,555
Other operating income (note 30)	281,099,686	227,871,701	279,888,246	222,530,990
Gains less losses arising from dealing in securities (note 28)	1,614,310,320	339,351,284	1,613,104,107	339,351,284
Dividend income (note 28)	326,134,464	239,895,972	193,106,826	148,027,798
Gains less losses arising from investment securities (note 28)	172,389,387	300,565,466	113,967,226	226,206,163
	<b>71,132,477,290</b>	<b>46,538,282,825</b>	<b>70,053,918,226</b>	<b>45,565,556,420</b>
<b>Expenses:</b>				
Interest/profit paid on deposits, borrowings etc. (note 27)	30,564,320,048	17,988,539,759	30,517,979,115	17,959,244,662
Administrative expenses (note 25.3)	12,329,785,673	10,680,863,391	11,894,572,730	10,287,815,903
Other operating expenses (note 39)	2,946,444,925	2,346,997,768	2,901,584,677	2,296,701,078
Depreciation on bank's assets (note 38)	1,777,936,231	1,616,261,844	1,687,089,064	1,523,895,809
	<b>47,618,486,877</b>	<b>32,632,662,762</b>	<b>47,001,225,586</b>	<b>32,067,657,452</b>
<b>Income over expenditure</b>	<b>23,513,990,413</b>	<b>13,905,620,063</b>	<b>23,052,692,640</b>	<b>13,497,898,968</b>
<b>25.1 Interest/profit, discount and similar income</b>				
Interest/profit income (note 26)	45,244,214,054	34,064,911,554	45,007,583,768	33,790,155,733
Interest/profit income on treasury bills/reverse repo/bonds (note 28)	14,225,088,953	3,445,405,068	14,166,011,785	3,443,547,041
Interest income on subordinated bond (note 28)	47,021,000	61,057,750	47,021,000	61,057,750
Interest income on non convertible bond (note 28)	167,286,111	217,805,556	167,286,111	217,805,556
Interest income on interest rate swap (note 28)	-	28,372	-	28,372
Interest/profit income on sukuk al istisna'a bond (note 28)	308,190,036	284,272,676	260,742,000	254,300,667
Profit on BBML Sukuk Al Ijarah (note 28)	53,641,667	22,383,889	53,641,667	22,383,889
	<b>60,045,441,821</b>	<b>38,095,864,865</b>	<b>59,702,286,331</b>	<b>37,789,279,008</b>
<b>25.2 Fees, commission and brokerage</b>				
Commission (note 29)	7,059,999,957	6,430,248,049	6,718,245,495	6,116,088,622
	<b>7,059,999,957</b>	<b>6,430,248,049</b>	<b>6,718,245,495</b>	<b>6,116,088,622</b>
<b>25.3 Administrative expenses</b>				
Salary and allowances	9,199,945,591	8,075,416,642	8,905,828,436	7,801,957,623
Rent, taxes, insurance, electricity, etc. (note 32)	964,162,809	830,705,561	927,699,696	803,847,726
Legal expenses (note 33)	103,853,175	86,240,647	101,885,353	84,741,109
Postage, stamp, telecommunication, etc. (note 34)	138,716,770	119,992,457	129,126,569	111,096,326
Stationery, printing, advertisement, etc. (note 35)	668,040,553	653,046,580	618,865,491	603,111,476
Chief executive's salary and fees (note 36)	29,312,139	27,020,490	29,312,139	27,020,490
Directors' fees (note 37)	9,510,077	6,962,439	3,400,470	2,260,800
Auditors' fees	3,861,518	4,322,924	2,990,000	3,435,000
Repair of bank's assets (note 38)	1,212,383,041	877,155,651	1,175,464,576	850,345,353
	<b>12,329,785,673</b>	<b>10,680,863,391</b>	<b>11,894,572,730</b>	<b>10,287,815,903</b>
<b>26 Interest income/profit on investment</b>				
Interest/profit on loans and advances/investments	42,182,260,753	31,733,935,859	41,813,793,612	31,356,966,549
Interest/profit on balance with other banks and financial institutions	3,044,212,792	2,398,658,841	3,027,783,489	2,384,890,260
Interest/profit on call loans	166,006,667	48,298,924	166,006,667	48,298,924
Elimination of inter-company transactions	(148,266,158)	(115,982,070)	-	-
	<b>45,244,214,054</b>	<b>34,064,911,554</b>	<b>45,007,583,768</b>	<b>33,790,155,733</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
27 Interest/profit paid on deposits, borrowings etc.				
Interest/profit paid on deposits:				
Fixed deposits	12,779,483,778	6,906,765,955	12,779,483,778	6,906,765,955
Current bank deposits	2,751,259,429	1,619,647,634	2,751,259,429	1,619,647,634
Mudaraba term deposits	2,092,811,179	1,430,834,634	2,092,811,179	1,430,834,634
Deposits under scheme	2,054,630,958	1,320,811,682	2,054,630,958	1,320,811,682
Savings bank deposits	708,001,377	567,218,795	708,001,377	567,218,795
Short notice deposits	469,634,754	467,262,644	469,634,754	467,262,644
Mudaraba savings deposits	195,768,866	190,161,699	195,768,866	190,161,699
Mudaraba monthly benefit scheme	134,940,497	84,271,231	134,940,497	84,271,231
Al-wadeeah current and other deposit accounts	37,720,238	57,405,369	37,720,238	57,405,369
Mudaraba short notice deposits	17,417,839	9,212,086	17,417,839	9,212,086
<b>Sub-total</b>	<b>21,241,668,915</b>	<b>12,653,591,729</b>	<b>21,241,668,915</b>	<b>12,653,591,729</b>
Interest/profit paid on borrowings and bonds:				
Interest/profit paid on repurchase agreement (REPO)	5,405,458,604	436,566,149	5,405,458,604	436,566,149
Interest paid on borrowings from outside Bangladesh (OBU)	1,572,284,606	2,147,265,307	1,572,284,606	2,147,265,307
Interest/profit paid on borrowing from Bangladesh Bank	1,090,184,598	1,279,149,947	1,090,184,598	1,279,149,947
Interest paid on subordinate bond	775,716,573	907,908,096	775,716,573	907,908,096
Interest/profit paid on local bank accounts & NBFIs	364,313,507	431,876,016	178,333,239	295,700,682
Interest paid for lease obligation	261,424,001	248,085,010	252,797,178	238,983,177
Interest paid on borrowings from others	1,535,402	79,575	1,535,402	79,575
<b>Sub-total</b>	<b>9,470,917,291</b>	<b>5,450,930,100</b>	<b>9,276,310,200</b>	<b>5,305,652,933</b>
<b>Total interest/profit paid on deposits, borrowings etc.</b>	<b>30,712,586,206</b>	<b>18,104,521,829</b>	<b>30,517,979,115</b>	<b>17,959,244,662</b>
Elimination for inter-company transactions	(148,266,158)	(115,982,070)	-	-
	<b>30,564,320,048</b>	<b>17,988,539,759</b>	<b>30,517,979,115</b>	<b>17,959,244,662</b>
28 Investment income				
Interest/profit on treasury bills/reverse repo/bonds	14,225,088,953	3,445,405,068	14,166,011,785	3,443,547,041
Gain on government securities	1,614,310,320	339,351,284	1,613,104,107	339,351,284
Dividend on shares (note 28.1)	326,134,464	239,895,972	193,106,826	148,027,798
Interest income/profit on sukuk al istisna'a bond	308,190,036	284,272,676	260,742,000	254,300,667
Gain on sale of shares and debentures	172,389,387	300,565,466	113,967,226	226,206,163
Interest income/profit on non convertible bond	167,286,111	217,805,556	167,286,111	217,805,556
Profit on BBML Sukuk Al Ijarah	53,641,667	22,383,889	53,641,667	22,383,889
Interest income/profit on subordinated bond	47,021,000	61,057,750	47,021,000	61,057,750
Interest income/profit on interest rate swap	-	28,372	-	28,372
	<b>16,914,061,938</b>	<b>4,910,766,033</b>	<b>16,614,880,722</b>	<b>4,712,708,520</b>
28.1 Dividend income of the bank only includes Taxed Dividend of Taka 4,389,767 on which no further tax will be applicable according to the Sixth Schedule part-A (para-32) of Income Tax Act, 2023.				
29 Commission, exchange and brokerage				
Other fees and charges (note 29.1)	3,672,860,571	3,230,869,575	3,582,163,511	3,123,678,724
Accepted bills	1,684,029,718	1,746,044,770	1,680,583,328	1,746,044,770
Letters of credit	960,648,019	719,373,729	942,261,814	719,373,729
Letters of guarantee	311,864,959	350,574,127	311,864,959	350,574,127
Other business operation	166,170,448	162,070,378	104,857,253	88,091,363
Brokerage commission	167,911,612	132,989,561	-	-
Export related services	63,850,863	55,741,225	63,850,863	55,741,225
PO, DD, TT, TC, etc.	24,175,343	21,681,118	24,175,343	21,681,118
Non Residence Business	8,295,787	10,638,137	8,295,787	10,638,137
OBC, IBC etc.	192,637	254,541	192,637	254,541
Bills purchased	-	10,888	-	10,888
	<b>7,059,999,957</b>	<b>6,430,248,049</b>	<b>6,718,245,495</b>	<b>6,116,088,622</b>
Exchange gain including gain from foreign currency dealings	1,633,101,655	904,485,488	1,433,319,995	724,072,555
	<b>8,693,101,612</b>	<b>7,334,733,537</b>	<b>8,151,565,490</b>	<b>6,840,161,177</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>29.1 Other fees and charges</b>				
Credit card income (note 29.1.1)	2,170,853,468	1,715,009,406	2,170,853,468	1,715,009,406
Service and other charges	1,493,536,945	1,481,606,530	1,387,210,273	1,366,178,835
Structured finance fee	24,099,770	42,490,483	24,099,770	42,490,483
Elimination of inter-company transactions	(15,629,612)	(8,236,844)	-	-
	<b>3,672,860,571</b>	<b>3,230,869,575</b>	<b>3,582,163,511</b>	<b>3,123,678,724</b>
<b>29.1.1 Credit card income (bank only)</b>				
Card issue fees			883,840,042	533,344,682
Merchant commission			565,642,889	557,941,377
Late payment fees			301,074,175	343,502,873
Mark-up, excess limit, cash advance fees etc.			224,190,522	105,891,951
Interchange fees			196,105,840	174,328,523
			<b>2,170,853,468</b>	<b>1,715,009,406</b>
<b>30 Other operating income</b>				
Rebate received from foreign banks	136,091,931	95,423,690	136,091,931	95,423,690
Swift recoveries	67,354,518	60,128,466	67,354,518	60,128,466
Others	34,028,092	18,820,223	33,258,146	17,835,155
Rental income	33,572,168	36,394,143	20,451,474	19,659,300
Income from forfeited provident fund	22,732,177	21,534,709	22,732,177	21,534,709
Profit from sale of fixed assets	-	7,949,670	-	7,949,670
Elimination of inter-company transactions	(12,679,200)	(12,379,200)	-	-
	<b>281,099,686</b>	<b>227,871,701</b>	<b>279,888,246</b>	<b>222,530,990</b>
<b>31 Salaries and allowances</b>				
City Bank Plc	8,905,828,436	7,801,957,623	8,905,828,436	7,801,957,623
City Brokerage Limited	107,067,173	103,127,330	-	-
City Bank Capital Resources Limited	71,148,520	66,673,296	-	-
CBL Money Transfer Sdn. Bhd.	77,425,723	69,017,879	-	-
City Hong Kong Limited	38,475,739	34,640,514	-	-
	<b>9,199,945,591</b>	<b>8,075,416,642</b>	<b>8,905,828,436</b>	<b>7,801,957,623</b>
<b>32 Rent, taxes, insurance, electricity etc.</b>				
Insurance	382,420,218	361,310,630	378,461,993	357,090,541
Power and electricity	214,347,478	162,773,248	203,239,424	153,964,039
Rent*	186,960,872	137,921,720	179,586,059	123,816,525
Rates and taxes	193,113,441	181,079,163	166,412,220	168,976,621
Elimination of inter-company transactions	(12,679,200)	(12,379,200)	-	-
	<b>964,162,809</b>	<b>830,705,561</b>	<b>927,699,696</b>	<b>803,847,726</b>
* While implementing IFRS 16 (leases), the bank recorded interest expense on lease liabilities (note 27) and depreciation on Right of Use (ROU) assets (note 38) instead of charging rental expense of BDT 1,114,427,020 (including VAT) (2023: Taka 1,015,656,299) in 2024, against those rental premises that have been treated as Leased (ROU) assets and shown in the balance sheet under IFRS 16.				
<b>33 Legal expenses</b>				
Legal expenses	102,049,739	83,004,267	100,081,917	81,504,729
Others	1,803,436	3,236,380	1,803,436	3,236,380
	<b>103,853,175</b>	<b>86,240,647</b>	<b>101,885,353</b>	<b>84,741,109</b>
<b>34 Postage, stamps, telecommunication etc.</b>				
Telephone - office	88,593,024	82,212,290	86,337,740	79,954,881
Postage/courier service	27,133,258	16,679,025	26,706,542	16,495,087
Telephone - residence	14,414,106	13,064,323	14,414,106	13,064,323
Telegram, telex, fax & swift charge	8,576,382	8,036,819	1,668,181	1,582,035
	<b>138,716,770</b>	<b>119,992,457</b>	<b>129,126,569</b>	<b>111,096,326</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>35 Stationery, printing and advertisements etc.</b>				
Publicity and advertisement (note 35.1)	355,023,460	446,611,841	311,336,225	400,890,965
Office and security stationery (note 35.2)	300,535,734	199,044,522	295,047,907	194,830,294
Computer consumable stationery	12,481,359	7,390,217	12,481,359	7,390,217
	<b>668,040,553</b>	<b>653,046,580</b>	<b>618,865,491</b>	<b>603,111,476</b>
<b>35.1 Publicity and advertisement</b>				
Advertisement-bill board and material	124,696,405	54,048,898	123,459,135	51,506,293
Advertisement in news paper and magazine	104,566,125	89,183,492	104,440,471	89,124,405
Advertisement in television and radio	66,323,578	121,550,523	23,999,267	78,431,339
Advertisement sponsorship	59,437,352	181,828,928	59,437,352	181,828,928
	<b>355,023,460</b>	<b>446,611,841</b>	<b>311,336,225</b>	<b>400,890,965</b>
<b>35.2 Office and security stationery</b>				
Security stationery	170,426,278	115,067,844	170,426,278	115,067,844
Office stationery	130,109,456	83,976,678	124,621,629	79,762,450
	<b>300,535,734</b>	<b>199,044,522</b>	<b>295,047,907</b>	<b>194,830,294</b>
<b>36 Chief Executive's salary and fees</b>				
Basic salary	14,752,490	13,411,355	14,752,490	13,411,355
Festival bonus and other allowances	14,559,649	13,609,135	14,559,649	13,609,135
	<b>29,312,139</b>	<b>27,020,490</b>	<b>29,312,139</b>	<b>27,020,490</b>
<b>37 Directors' fees</b>				
Meeting fees	<b>9,510,077</b>	<b>6,962,439</b>	<b>3,400,470</b>	<b>2,260,800</b>
As per Bangladesh Bank's Circular, BRPD Circular No. 02, dated 11 February 2024, each director was entitled to have Taka 10,000 as honorarium for attending each meeting and BRPD Circular No. 03, dated 14 February 2024, each independent director was entitled to have Taka 10,000 as honorarium for attending each meeting and also entitled fixed remuneration Taka 50,000 per month.				
<b>38 Depreciation and repair of bank's assets</b>				
<b>Depreciation of property, plant and equipment</b>				
Right of use assets	879,196,865	841,079,584	831,470,400	794,854,913
Office equipment and machinery	336,827,724	266,939,452	331,696,517	259,331,574
IT Hardware	253,670,285	222,458,504	246,516,455	220,543,751
Furniture and fixtures	130,900,601	108,202,076	123,991,005	101,827,779
IT Software	89,819,862	88,423,849	87,906,455	80,533,933
Building	54,431,654	54,781,430	44,405,302	44,755,078
Bank's vehicles	33,089,240	34,376,949	21,102,930	22,048,781
	<b>1,777,936,231</b>	<b>1,616,261,844</b>	<b>1,687,089,064</b>	<b>1,523,895,809</b>
<b>Repairs and maintenance</b>				
Vehicle	793,423,414	562,505,382	790,081,925	560,669,359
Office equipment and machinery	356,776,607	265,531,708	350,691,017	260,210,178
Premises maintenance expense	33,594,904	28,801,212	26,040,423	22,001,493
IT Hardware	18,131,776	11,558,319	-	-
Furniture and fixtures	9,443,282	7,524,805	8,460,128	6,777,218
IT Software	1,013,058	1,234,225	191,083	687,105
	<b>1,212,383,041</b>	<b>877,155,651</b>	<b>1,175,464,576</b>	<b>850,345,353</b>
	<b>2,990,319,272</b>	<b>2,493,417,495</b>	<b>2,862,553,640</b>	<b>2,374,241,162</b>

See **Annexure D** for details of depreciation of City Bank Plc.



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>39 Other expenses</b>				
Business expansion cost	511,740,305	409,290,401	507,229,516	402,523,508
Others (note 39.2)	414,474,714	182,007,412	407,819,472	176,084,875
Credit card (note 39.1)	394,125,632	323,832,535	394,125,632	323,832,535
Amortisation expenses	284,052,242	318,996,930	284,052,242	318,996,930
Guard salary	280,553,603	240,952,532	271,903,107	233,451,095
Donations	209,249,907	335,911,334	209,249,907	335,911,334
Loss on sale of fixed assets	198,388,312	-	198,388,312	-
Professional fees	128,579,991	82,893,777	123,134,788	79,376,924
Travelling expenditure and conveyance - staff	119,892,987	96,882,330	108,827,974	81,043,211
IT support & software maintenance	99,118,006	129,099,023	99,041,681	128,778,773
Security expenses	70,675,927	60,585,120	67,975,777	58,266,041
Staff training and development expenses	58,215,519	22,431,643	57,956,099	22,105,752
Business process outsourcing - online	49,202,804	43,025,161	49,202,804	43,025,161
Entertainment	34,421,771	27,890,467	30,396,635	23,064,855
Washing and cleaning	23,051,698	14,771,092	22,465,243	14,279,505
Fuel	21,486,752	16,508,083	21,141,023	16,142,246
Subscription to institutions	19,736,098	13,972,841	19,512,199	12,159,236
Cash carrying charges	17,379,635	14,485,484	17,379,635	14,485,484
CIB charges	5,070,035	5,550,538	5,070,035	5,550,538
Medical	4,553,105	4,369,588	4,268,133	4,114,148
Books, magazines and newspapers etc.	1,992,183	1,946,088	1,960,764	1,913,538
Annual general meeting	450,895	1,547,866	450,895	1,547,866
Remittance charges	32,804	47,523	32,804	47,523
	<b>2,946,444,925</b>	<b>2,346,997,768</b>	<b>2,901,584,677</b>	<b>2,296,701,078</b>
<b>39.1 Credit card expenses</b>				
VISA international fees	176,408,633	120,049,987	176,408,633	120,049,987
Processing and personalisation fees	122,065,977	64,282,685	122,065,977	64,282,685
Complementary campaign expenses	95,651,022	139,499,863	95,651,022	139,499,863
	<b>394,125,632</b>	<b>323,832,535</b>	<b>394,125,632</b>	<b>323,832,535</b>
<b>39.2 Others include capital raising expenses, staff recruitment expenses, NRB bank charges etc.</b>				
<b>40 Provision for loans and advances/investments</b>				
Provision for unclassified loans and advances/investments	2,175,353,427	2,432,386,166	2,106,611,093	2,434,908,079
Provision for classified loans and advances/investments	2,509,431,834	132,602,124	2,509,431,834	132,602,124
	<b>4,684,785,261</b>	<b>2,564,988,290</b>	<b>4,616,042,927</b>	<b>2,567,510,203</b>
<b>40.1 Provision for diminution in value of investments</b>				
Provision for diminution in value of investments	1,478,144,225	132,429,604	515,039,669	127,122,685
<b>41 Provision for taxation</b>				
Current tax	6,461,460,170	4,856,812,339	6,314,706,437	4,690,333,373
Deferred tax	623,657,774	(155,771,389)	633,355,206	(160,887,167)
	<b>7,085,117,944</b>	<b>4,701,040,950</b>	<b>6,948,061,643</b>	<b>4,529,446,206</b>



City Bank Plc	
2024	2023
Taka	Taka
6,814,706,437	4,690,333,373
(500,000,000)	
<b>6,314,706,437</b>	<b>4,690,333,373</b>

## 41.1 Provision for Taxation

#### **Current tax:**

The charge for taxation is based upon profit for the year comprises:

Current tax on taxable income @ 37.5%	6,814,706,437	4,690,333,373
Adjustment for prior year	(500,000,000)	-
	<b>6,314,706,437</b>	<b>4,690,333,373</b>

Provision for income tax has been made according to Income Tax Act 2023. During the year, an amount of Taka 6,314,706,437 (2023: Taka 4,690,333,373) has been kept as provision for income tax.

Though it appears from the above report that we have two tax files opened since 2003 (for assessment year 2004-2005 and 2005-2006) for various grounds mainly interpretation of laws and the treatment. The appeal filed at different level from Commissioner of Taxes Appeal to Honourable High Court Division. Where, we did not received proper judgement through appeal from tax department, we preferred appeal before Honourable High Court Division. Under the Appeals filed so far, we have both refund claim from Tax office and tax claim from tax department as well. However, we are reviewing all pending tax claim every year and made provision Taka 632,791,678 against tax office claim of Taka 580,424,010 from 2004 to 2023 and the Company believes that its provision for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. Please refer to **Annexure - E** for details.

#### **Deferred tax:**

Deferred tax is provided using the Balance sheet method for timing difference arising between the tax base of assets and liabilities and their carrying values for reporting purposes as per International Accounting Standard (IAS) - 12. During the year, net amount of Taka 633,355,206 has been recognised as deferred tax expense, which was deferred tax income Taka 160,887,167 in prior year.

Net deferred tax liability/(asset) originated for temporary differences		<b>633,355,206</b>		<b>(160,887,167)</b>
	<b>2024</b>		<b>2023</b>	
	<b>Percentage (%)</b>	<b>Taka</b>	<b>Percentage (%)</b>	<b>Taka</b>
<b>Reconciliation of effective tax rate (bank only)</b>				
Profit before income tax as per profit and loss account		17,799,110,044		10,680,766,080
Income tax as per applicable tax rate	37.50%	6,674,666,267	37.50%	4,005,287,280
<b>Factors affecting the tax charge for current year</b>				
Non deductible expenses	4.16%	739,854,018	10.89%	1,162,695,354
Inadmissible expenses/provisions	11.07%	1,970,093,474	9.89%	1,056,424,835
Admissible expenses	(12.06%)	(2,146,644,624)	(12.82%)	(1,369,336,388)
Total exempted income for dividend	(0.01%)	(1,646,163)	(0.07%)	(7,162,375)
Tax savings from reduced tax rates for dividend	(0.19%)	(33,025,485)	(0.16%)	(17,225,923)
Tax savings from reduced tax rates for capital gain	(0.14%)	(25,642,626)	(0.58%)	(62,206,695)
Income from gain on sale of fixed assets	0.00%	-	(0.02%)	(1,788,676)
Income from government securities	(2.04%)	(362,948,424)	(0.71%)	(76,354,039)
Effect of deferred tax (income)/expense	3.56%	633,355,206	(1.51%)	(160,887,167)
Adjustment from prior year provision	(2.81%)	(500,000,000)	-	-
<b>Total income tax expenses</b>	<b>39.04%</b>	<b>6,948,061,643</b>	<b>42.41%</b>	<b>4,529,446,206</b>



#### 42 Cash and cash equivalents

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash in hand and cash at bank (regardless of maturity), highly liquid interest bearing investment/securities.

Cash flow statement can be prepared either in direct method or in indirect method as per IAS 7. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

As per BRPD circular no 14, dated 25 June 2003, cash flows statement has been prepared following a mixture of direct and indirect methods.

	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
The details of cash and cash equivalents are as follows:				
Cash in hand (including foreign currencies) (note 4.1)	10,282,269,640	8,899,078,815	10,280,661,035	8,898,540,782
Balance with Bangladesh Bank and its agent bank(s) (note 4.2)	22,747,902,091	17,187,174,482	22,747,902,091	17,187,174,482
Balance with other banks and financial institutions (note 5)	39,335,947,918	25,790,362,835	38,928,729,121	25,235,126,595
Money at call on short notice (note 6)	3,775,100,000	-	3,775,100,000	-
Government securities	62,015,397,630	7,786,754,090	61,893,397,629	7,786,754,090
	<b>138,156,617,279</b>	<b>59,663,370,222</b>	<b>137,625,789,876</b>	<b>59,107,595,949</b>

#### 43 Receipts from other operating activities

Interest on bonds, debentures and treasury bills	13,333,205,943	2,340,425,627	13,333,205,943	2,340,425,627
Rebate received from foreign banks	136,091,931	95,423,690	136,091,931	95,423,690
Postage/telex/fax/swift charge recoveries	67,354,518	60,128,466	67,354,518	60,128,466
Rent recovered	20,451,474	19,659,300	20,451,474	19,659,300
Income from forfeited provident fund	22,732,177	21,534,709	22,732,177	21,534,709
Miscellaneous earnings	33,258,146	17,835,155	33,258,146	17,835,155
Income from sale of bank's property	-	7,949,670	-	7,949,670
Gain from sale of Non-Banking Asset through OCI	2,691,735	5,063,793	2,691,735	5,063,793
Other payments of subsidiaries	162,743,298	112,194,334	-	-
	<b>13,778,529,222</b>	<b>2,680,214,744</b>	<b>13,615,785,924</b>	<b>2,568,020,410</b>

#### 44 Payments for other operating activities

Rent, taxes, insurance and electricity	1,868,746,744	1,771,277,090	1,868,746,744	1,771,277,090
Other expenses	2,729,249,524	1,029,723,138	2,729,249,524	1,029,723,138
Repair to bank's assets	1,175,464,577	868,374,809	1,175,464,577	868,374,809
Advertisement expenses	311,336,225	429,238,879	311,336,225	429,238,879
Postage, stamp and telecommunication	129,126,569	121,273,378	129,126,569	121,273,378
Legal expenses	101,885,353	86,819,867	101,885,353	86,819,867
Auditors' fees	4,574,568	1,488,500	4,574,568	1,488,500
Directors' fees	4,077,970	2,260,800	4,077,970	2,260,800
Other receipts of subsidiaries	239,866,050	210,812,655	-	-
	<b>6,564,327,580</b>	<b>4,521,269,116</b>	<b>6,324,461,530</b>	<b>4,310,456,461</b>



	Consolidated		City Bank Plc	
	2024 Taka	2023 Taka	2024 Taka	2023 Taka
<b>45 (Increase) / decrease of other assets</b>				
Account receivables	(658,526,362)	(3,875,811,637)	(658,526,362)	(3,875,811,637)
Prepaid expenses	(125,071,605)	124,785,773	(125,071,605)	124,785,773
Intangible assets	(66,700,781)	69,378,890	(66,700,781)	69,378,890
Receivable from provident fund	(22,732,177)	3,241,410	(22,732,177)	3,241,410
Advance rent adjusted for Right of Use (ROU) assets	(55,901,634)	118,686,554	(55,901,634)	118,686,554
Security deposits	(85,134,566)	21,549,642	(85,134,566)	21,549,642
Stationery and stamps	(4,030,816)	(3,565,692)	(4,030,816)	(3,565,692)
Net Fair value of plan assets	(328,946,190)	(591,024,139)	(328,946,190)	(591,024,139)
(Increase) / decrease of subsidiaries other assets	(3,270,350,893)	(663,561,381)	-	-
	<b>(4,617,395,024)</b>	<b>(4,796,320,580)</b>	<b>(1,347,044,131)</b>	<b>(4,132,759,199)</b>
<b>46 Increase/ (decrease) of other liabilities</b>				
Interest suspense account	1,409,007,969	1,166,560,422	1,409,007,969	1,166,560,422
Defined benefit obligation payable	-	(118,717,741)	-	(118,717,741)
Other expenses payable	1,190,843,563	(911,065,341)	1,190,843,563	(911,065,341)
Other provision	(156,654,430)	570,591,336	(156,654,430)	570,591,336
Branch adjustment account	286,138,344	25,028,397	286,138,344	25,028,397
Loans written off and waived	(3,496,647,137)	(2,025,452,496)	(3,496,647,137)	(2,025,452,496)
CSR fund retained from foreign exchange	(38,558,730)	(175,756,010)	(38,558,730)	(175,756,010)
(Increase) / decrease of subsidiaries other liabilities	3,220,070,217	593,645,606	-	-
	<b>2,414,199,796</b>	<b>(875,165,827)</b>	<b>(805,870,421)</b>	<b>(1,468,811,433)</b>
<b>47 Earnings per share (EPS)</b>				
(i) Net profit after tax	10,143,456,592	6,384,657,172	10,851,048,401	6,151,319,874
(ii) Weighted average number of shares	1,347,080,764	1,347,080,764	1,347,080,764	1,347,080,764
<b>Earnings per share -(i/ii)*</b>	<b>7.53</b>	<b>4.74</b>	<b>8.06</b>	<b>4.57</b>
*In computation of EPS for same period of previous year, distributed 10% stock dividend for 2023 was duly considered.				
<b>48 Net operating cash flow per share (NOCFPS)</b>				
(i) Net operating cash flow	89,506,229,245	3,911,939,608	89,004,437,751	3,439,689,056
(ii) Number of shares	1,347,080,764	1,347,080,764	1,347,080,764	1,347,080,764
<b>Net operating cash flow per share - (i/ii)*</b>	<b>66.44</b>	<b>2.90</b>	<b>66.07</b>	<b>2.55</b>
*In computation of NOCFPS for same period of previous year, distributed 10% stock dividend for 2023 was duly considered.				
<b>49 Net Assets Value (NAV) per share</b>				
(i) Shareholders' equity	46,328,152,039	38,475,499,783	45,817,886,747	37,220,238,433
(ii) Number of shares	1,347,080,764	1,347,080,764	1,347,080,764	1,347,080,764
<b>Net Assets Value per Share -(i/ii)*</b>	<b>34.39</b>	<b>28.56</b>	<b>34.01</b>	<b>27.63</b>
*In computation of NAV for previous year, distributed 10% stock dividend for 2023 was duly considered.				



Particulars	2024						Consolidated Taka	
	City Bank Plc	City Brokerage Limited	City Bank Capital Resources Limited	CBL Money Transfer Sdn. Bhd.	City Hong Kong Limited	Elimination of inter-company transactions		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Net interest income/profit on investments	14,489,604,653	40,539,173	147,204,719	(23,198,860)	25,744,321	-	14,679,894,006	
Add: Other operating income	25,046,334,458	390,397,358	174,412,128	262,043,004	45,511,396	(30,435,108)	25,888,263,236	
<b>Total operating income</b>	<b>39,535,939,111</b>	<b>430,936,531</b>	<b>321,616,847</b>	<b>238,844,144</b>	<b>71,255,717</b>	<b>(30,435,108)</b>	<b>40,568,157,242</b>	
Less: Total operating expenses	16,483,246,471	205,819,167	125,610,570	200,986,238	51,183,583	(12,679,200)	17,054,166,829	
<b>Operating profit</b>	<b>23,052,692,640</b>	<b>225,117,364</b>	<b>196,006,277</b>	<b>37,857,906</b>	<b>20,072,134</b>	<b>(17,755,908)</b>	<b>23,513,990,413</b>	
Less: Total provision	5,253,582,596	552,650,937	479,195,953	-	-	-	6,295,429,486	
<b>Profit before tax (PBT)</b>	<b>17,799,110,044</b>	<b>(327,533,573)</b>	<b>(283,189,676)</b>	<b>37,857,906</b>	<b>20,072,134</b>	<b>(17,755,908)</b>	<b>17,228,560,927</b>	
Less: Provision for taxation	6,948,061,643	83,249,313	41,168,041	9,726,922	2,912,025	-	7,085,117,944	
<b>Profit after tax (PAT)</b>	<b>10,851,048,401</b>	<b>(410,782,886)</b>	<b>(324,357,717)</b>	<b>28,130,984</b>	<b>17,160,109</b>	<b>(17,755,908)</b>	<b>10,143,442,983</b>	
<b>Segment loans &amp; advances/investments</b>	<b>444,977,689,760</b>	<b>289,303,202</b>	<b>851,900,061</b>	<b>-</b>	<b>1,767,168,114</b>	<b>(2,125,682,251)</b>	<b>445,760,378,886</b>	
<b>Segment assets</b>	<b>697,348,595,261</b>	<b>4,752,009,502</b>	<b>4,647,442,539</b>	<b>10,304,915,923</b>	<b>1,821,151,749</b>	<b>(9,315,161,552)</b>	<b>709,558,953,422</b>	
<b>Segment Deposits &amp; other accounts</b>	<b>514,204,084,523</b>	<b>607,447,802</b>	<b>233,741,862</b>	<b>134,243</b>	<b>123,651</b>	<b>(682,464,391)</b>	<b>514,363,067,690</b>	
<b>Segment liabilities and shareholders' equity</b>	<b>697,348,595,261</b>	<b>4,752,009,502</b>	<b>4,647,442,539</b>	<b>10,304,915,923</b>	<b>1,821,151,749</b>	<b>(9,315,161,552)</b>	<b>709,558,953,422</b>	
							<b>564,929,461,885</b>	

## 50.a Segment reporting - City Bank Plc

Particulars	2024						2023 Taka	
	Conventional	Islamic	Off-Shore	Total	Conventional	Islamic		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Net interest income/profit on investments	11,862,484,894	2,340,280,295	286,839,464	14,489,604,653	13,998,673,022	1,711,230,392	121,007,657	
Add: Other operating income	24,194,543,162	617,840,285	233,951,011	25,046,334,458	11,016,882,895	595,892,005	15,830,911,071	
<b>Total operating income</b>	<b>36,057,028,056</b>	<b>2,958,120,580</b>	<b>520,790,475</b>	<b>39,535,939,111</b>	<b>25,015,555,917</b>	<b>2,307,122,397</b>	<b>283,633,444</b>	
Less: Total operating expenses	16,180,052,758	296,744,284	6,449,429	16,483,246,471	14,025,154,950	83,257,840	-	
<b>Operating profit</b>	<b>19,876,975,298</b>	<b>2,661,376,296</b>	<b>514,341,046</b>	<b>23,052,692,640</b>	<b>10,990,400,967</b>	<b>2,223,864,557</b>	<b>283,633,444</b>	
Less: Total provision	5,049,339,487	79,506,321	124,736,788	5,253,582,596	2,750,545,111	169,840,868	(103,253,091)	
<b>Profit before tax (PBT)</b>	<b>14,827,635,811</b>	<b>2,581,869,975</b>	<b>389,604,258</b>	<b>17,799,110,044</b>	<b>8,239,855,856</b>	<b>2,054,023,689</b>	<b>386,886,535</b>	
Less: Provision for taxation				6,948,061,643			4,529,446,206	
<b>Profit after tax (PAT)</b>					<b>10,851,048,401</b>		<b>6,151,319,874</b>	
<b>Segment loans &amp; advances/investments</b>	<b>356,338,994,852</b>	<b>45,704,391,665</b>	<b>42,934,303,243</b>	<b>444,977,689,760</b>	<b>330,859,300,548</b>	<b>35,790,846,089</b>	<b>29,428,220,343</b>	
<b>Segment total assets</b>	<b>576,287,264,397</b>	<b>70,144,300,226</b>	<b>50,917,030,638</b>	<b>697,348,595,261</b>	<b>472,141,304,803</b>	<b>52,533,324,903</b>	<b>31,063,638,754</b>	
<b>Segment Deposits &amp; other accounts</b>	<b>439,669,407,166</b>	<b>63,395,144,012</b>	<b>11,135,533,345</b>	<b>514,204,084,523</b>	<b>343,089,443,083</b>	<b>47,656,970,382</b>	<b>1,763,915,822</b>	
<b>Segment liabilities and shareholders' equity</b>	<b>576,287,264,397</b>	<b>70,144,300,226</b>	<b>50,917,030,638</b>	<b>697,348,595,261</b>	<b>472,141,304,803</b>	<b>52,533,324,903</b>	<b>31,063,638,754</b>	



## 51 Related party disclosures

i) Particulars of Directors of the Bank as on 31 December 2024

Sl. no.	Name of the persons	Designation	Present Address	Percentage (%) of shareholding
1	Mr. Aziz Al Kaiser	Chairman	Bloomingdale 24 Dutabas Road Baridhara, Dhaka-1212	2.77%
2	Mr. Hossain Khaled	Vice-Chairman	House No-20, Road No-6 Dhanmondi R/A, Dhaka-1205	2.20%
3	Mr. Rubel Aziz	Director	"Stone House" House no.8, Road no.62, Gulshan-2, Dhaka-1212	2.02%
4	Mr. Hossain Mehmood (Nominated Director of A-One Polymer Limited)	Nominated Director	House No-20, Road No-6 Dhanmondi R/A, Dhaka-1205	2.00%
5	Mr. Rajibul Huq Chowdhury	Director	688/3, Boro Mogbazar Dhaka-1217	2.01%
6	Mrs. Syeda Shaireen Aziz	Director	"Stone House" House no.8, Road no.62, Gulshan-2, Dhaka-1212	2.00%
7	Mrs. Saveria H. Mahmood (Nominated Director of Partex Corporate Limited)	Nominated Director	House no.12, Road no.01, Baridhara, Dhaka.	2.00%
8	Ms. Rebecca Brosnan (Nominated Director of International Finance Corporation (IFC))	Nominated Director	Flat 2D, Kam Yuen Mansion, 3 Old Peak Road, Mid levels, Hong Kong SAR	4.95%
9	Mr. Matiul Islam Nowshad	Independent Director	Apartment B4, House No.9 Road No 59, Gulshan-2, Dhaka.	Nil
10	Mr. Mashrur Arefin	MD & CEO	City Bank PLC 28 Gulshan Avenue, Gulshan-1 Dhaka-1212	Nil

For directors interest in different entities refer to **Annexure-F**.



### ii) Related party transactions

During the year 1 January 2024 to 31 December 2024, the Bank concluded business deals with the following organizations in which the directors had interest:

Name of organization	Relationship	Nature of transactions	Transaction value for the year ended		Balance outstanding as at	
			31 Dec 2024 Taka	31 Dec 2023 Taka	31 Dec 2024 Taka	31 Dec 2023 Taka
City Brokerage Ltd.	Subsidiary company	Share capital	-	-	3,400,000,000	3,400,000,000
City Brokerage Ltd.	Subsidiary company	Loan	63,217,511	36,425,539	410,442,541	410,442,541
City Brokerage Ltd.	Subsidiary company	Interest on loan	33,137,548	26,948,003	-	-
City Brokerage Ltd.	Subsidiary company	Deposits	112,599,755	97,919,513	300,689,067	188,089,312
City Brokerage Ltd.	Subsidiary company	Interest on deposits	8,028	18,206	-	-
City Brokerage Ltd.	Subsidiary company	Inter company payable	5,223,793	2,368,373	-	-
City Brokerage Ltd.	Subsidiary company	Inter company expenses	25,333,623	14,574,950	-	-
City Bank Capital Resources Ltd.	Subsidiary company	Share capital	-	-	2,550,000,000	2,550,000,000
City Bank Capital Resources Ltd.	Subsidiary company	Deposits	88,672,892	78,538,882	220,931,988	309,604,880
City Bank Capital Resources Ltd.	Subsidiary company	Interest on deposits	8,374,961	5,377,846	-	-
City Bank Capital Resources Ltd.	Subsidiary company	Inter company payable	-	-	-	-
City Bank Capital Resources Ltd.	Subsidiary company	Inter company expenses	2,975,189	6,043,594	-	-
CBL Money Transfer Sdn. Bhd.	Subsidiary company	Share capital	34,872,821	47,434,227	99,702,332	99,702,332
CBL Money Transfer Sdn. Bhd.	Subsidiary company	Interest on loan	20,445,252	10,054,173	128,236,079	93,363,258
CBL Money Transfer Sdn. Bhd.	Subsidiary company	Inter company payable	6,366,724,147	808,273,450	-	-
CBL Money Transfer Sdn. Bhd.	Subsidiary company	Cash dividend	17,755,908	30,494,288	-	-
CBL Hong Kong Ltd.	Subsidiary company	Share capital	-	-	66,982,609	66,982,609
CBL Hong Kong Ltd.	Subsidiary company	Loan	889,370,170	161,157,223	1,650,221,141	760,850,971
CBL Hong Kong Ltd.	Subsidiary company	Interest on loan	86,300,369	73,583,841	-	-
CBL Hong Kong Ltd.	Subsidiary company	Deposits	450,522	182,332,673	5,355,793	4,905,271
CBL Hong Kong Ltd.	Subsidiary company	Interest on deposits	-	-	-	-
International Finance Corporation (IFC)	Inter company payable	Borrowings	-	-	6,000,000,000	6,000,000,000
International Finance Corporation (IFC)	Director	Interest on borrowings	17,361,094	-	17,361,094	-
International Finance Corporation (IFC)	Director	Fixed assets	5,088,105	5,088,105	14,840,306	14,840,306
International Finance Corporation (IFC)	Director	Professional service	31,527,000	-	-	37,000,000
Janata Insurance Company Ltd.	Director	Insurance coverage	12,560,152	13,083,992	265,612	-
City General Insurance Company Ltd.	Director	Insurance coverage	12,033,115	11,739,857	33,514	-
Phoenix Insurance Company Ltd.	Director	Insurance coverage	14,169,184	13,023,757	94,286	-
Mr. Hossain Khaled	Vice-Chairman	Rent expenses	10,729,746	10,932,179	-	-
Mr. Rubel Aziz	Director	Rent expenses	1,366,868	1,440,829	36,303	252,614
Partex Beverage Limited	Director	Rent expenses	256,732	250,470	90,757	-
MS. Hossain Dyeing & Printing Mills Ltd.	Director	Rent expenses	579,526	462,990	158,728	249,496
Hosne Ara Aziz	Director's relative	Rent expenses	741,286	789,144	98,319	143,697
Mr. Rajibul Huq Chowdhury	Director	Rent expenses	11,216,862	11,171,971	4,647,043	5,650,641
Munira Mozaher Hosne Aziz Foundation	Director	Rent expenses	4,400,599	4,418,010	2,888,160	3,465,792
Mr. Zoynal Abedin Chowdhury	Ex-director	Rent expenses	2,404,926	2,404,926	1,868,400	2,029,963

iii) Statement of debts due by companies or firms in which the Directors (including Ex-Directors) of the Bank have interests as on 31 December 2024

A) Statement of funded debts due by the Directors of the bank company as at 31 December 2024

Sl. No.	Names of Directors	Present status with the bank	Name of the institution	Types of facility	Outstanding	Classification status	Amount in Taka
1	Mr. Aziz Al Kaiser	Chairman	Self	Credit Card	332,935	Unclassified	Marked as lien of \$ 10,000 in RFCD A/C & Tk. 1,000,000 in FDR
2	Mr. Hossain Khaled	Vice Chairman	Self	Credit Card	61,821	-Do-	Marked as lien of \$ 5,000 in ERQ A/C
3	Mrs. Syeda Shaireen Aziz	Director	Self	Credit Card	736,984	-Do-	Marked as lien of Tk. 2,500,000 in FDR A/C
4	Mrs. Savera H. Mahmood	Director	Self	Credit Card	418,989	-Do-	Marked as lien of Tk. 890,000 in FDR A/C
5	Mr. Hossain Mehmood	Director	Self	Credit Card	3,444	-Do-	Marked as lien of \$ 5,000 in ERQ A/C
6	Mr. Rajibul Huq Chowdhury	Director	Self	Credit Card	2,399	-Do-	Marked as lien of Tk. 500,000 in FDR
7	Mr. Rubel Aziz	Director	Self	Credit Card	985,109	-Do-	Marked as lien of Tk. 1,550,000 in FDR
8	Mr. Aziz Al Mahmood	Director's Relative	Self	Credit Card	100,910	-Do-	Marked as lien of \$ 9,000 in ERQ A/C & Tk. 660,000 in FDR
9	Mr. Manwar Hossain	Director's Relative	Self	Credit Card	18,072	-Do-	Marked as lien of \$ 14,000 in ERQ A/C
10	Mr. Zoynal Abedin Chowdhury	Director's Relative	Self	Credit Card	5,230	-Do-	Marked as lien of Tk. 500,000 in FDR
11	Mr. Showkat Aziz Russell	Director's Relative	Self	Credit Card	204,337	-Do-	Marked as lien of \$ 26,000 in ERQ A/C & Tk. 850,000 in FDR
12	Mr. Aziz Al Masud	Director's Relative	Self	Credit Card	-	-Do-	Marked as lien of \$ 6,000 in RFCD A/C
13	Mr. Asif Aziz	Director's Relative	Self	Credit Card	19,579	-Do-	Marked as lien of \$ 170 in RFCD A/C
14	Ms. Hosne Ara Aziz	Director's Relative	Self	Credit Card	23,735	-Do-	Marked as lien of Tk. 500,000 in FDR
15	Ms. Shamayeen Ahmed Chowdhury	Director's Relative	Self	Credit Card	-	-Do-	Marked as lien of Tk. 500,000 in FDR
16	Ms. Saneyha Chowdhury	Director's Relative	Self	Credit Card	-	-Do-	Marked as lien of Tk. 500,000 in FDR
17	Ms. Fabiana Aziz	Director's Relative	Self	Credit Card	44,159	-Do-	Marked as lien of Tk. 1,000,000 in FDR
18	Mr. Shafoyat Aziz Chowdhury	Director's Relative	Self	Credit Card	-	-Do-	Marked as lien of Tk. 500,000 in FDR
19	Mr. Amman Al Aziz	Director's Relative	Self	Credit Card	294,216	-Do-	Marked as lien of Tk. 555,556 in saving deposit
20	Mr. Amid Al Aziz	Director's Relative	Self	Credit Card	283,755	-Do-	Marked as lien of Tk. 555,556 in saving deposit
21	Ms. Faziah Mehmood	Director's Relative	Self	Credit Card	34,865	-Do-	Marked as lien of \$ 5,556 in ERQ A/C
22	Tanuja Mehmood	Director's Relative	Self	Credit Card	-	-Do-	Marked as lien of \$ 5,600 in ERQ A/C
23	Zainah Mehmood	Director's Relative	Self	Credit Card	8,970	-Do-	Marked as lien of \$ 5,600 in ERQ A/C
<b>3,580,510</b>							

B) Statement of other funded debts due by the Directors of the bank company as at 31 December 2024

Sl. No.	Name of Director	Present status with the bank	Name of the institution	Types of facility	Outstanding	Classification status	Amount in Taka
1	Nil	Nil	Nil	Nil	Nil	N/A	N/A

C) Statement of non-funded debts due by the companies or firms in which the Directors of the bank company have interests as at 31 December 2024

Sl. No.	Names of Directors	Present status with the bank	Name of the institution	Types of Facility	Outstanding	Classification Status	Amount in Taka
1	Nil	Nil	Nil	Nil	Nil	N/A	N/A



## D) Statement of funded debts due by the companies or firms in which the Ex-Director of the banking company have interests as at 31 December 2024

Sl.	Names of Ex-Directors	Present status with the bank	Names of the institutions	Types of facility	Outstanding	Amount of provision created	Status of classification	Amount of share holding	Nature of security with value	Amount in Taka	
										Remarks	
1	Mr. Zakaria Hossain Choudhury and Mrs. Hosne Ara Begum	Ex. Director	A M Traders	CC (Pledge)	12,028,000	-	BLW	-	-	Money Suit No. 60/2006 Stayed as per Order of the Honorable High Court in FAT No. 568/06 filed by the Bank. Bank filed FA 95/11 (old 568/06 dated 06.09.06) before the High Court against Judgment dt. 04.07.06 & decree dt 10.07.06 in AR No 60/06. The Court released the defendant No.3 (Ex. Hon'ble Director Mr. Zakaria Hossain Chowdhury) from Bank's liability. Written Off	
2	Mr. A.B.M. Feraj	Ex. Director	Ahsan Traders	CC (Pledge)	3,504,000	-	BLW	-	-	Artha Execution Case No. 152/05 is continuing, last date of Artha Execution 152/2005 was fixed on 04.05.2020 for return of warrant of arrest. Next date yet to receive.	
3	Mr. Saleh Ahmed Chowdhury	Ex. Director	M/s R.P.Electrical Industries	Term Loan	19,115,000	-	BLW	-	-20 post dated cheque	Artha Ex. 372/04 & 93/05 dated: 30.11.04 & 28.04.05. The Court has passed an order regarding detention of the convict borrower in civil jail for 6(six) months from the date of Arrest.	
4	Mr. Azizul Haque Chowdhury	Ex. Director	M/s Hasan Enterprise	LIM	53,023,000	-	BLW	-	-	The liabilities of Saleh Fashion Ltd. was adjusted on 21.06.2017 at Tk. 175.92 lac through Booking of the vested properties under section 33(7) of Artha Rin Adalat Ain,2003 as Non Banking Asset of the Bank. CR Case 1372/06, N.I. Act. U/S 138 dated: 14.05.06 filed and last date was fixed for W/A. Next date yet to receive.	
5	Mr. Anwar Hossain	Ex. Director	M/s Shahida Trading Corporation	BG	411,371	4,114	UC	-	-100% (Cash Tk. 41,137 & FDR Tk. 369,863)	In Artha Exe. Case No. 196/04, the Learned Court issued Warrant of Arrest. Proceedings of the said Artha Execution Suit file will be stayed until execution of warrant of arrest.	
6	Mr. Anwar Hossain	Ex. Director	Monowar Industries (Pvt) Ltd	BG	12,500	125	UC	-	-100% (Cash Tk.1,250 & FDR Tk.11,250)	The BG was issued at 100% margin favoring Customs with the validity for perpetual period.	
			Yulon Plastic (Pvt.) Ltd.	BG	562,913	5,629	UC	-	-100% (Cash TK 41,137 & FDR Tk. 521,776)	The BG was issued at 100% margin favoring Customs with the validity for perpetual period.	

## E) Compensation of key management personnel

Amount incurred by the bank for the provision of key management personnel services is given below:

Particulars	2024 Taka	2023 Taka	190,836,452	162,849,192
Total employee benefit				

Key management personnel are those persons having direct or indirect authority and responsibility for planning, directing and controlling the activities of the entity. Key management personnel includes, Managing Director & CEO, 04 no. Additional Managing Directors and 05 no. Deputy Managing Directors.



## 52 Events after reporting period

Board of Directors in its 680th meeting held on 29 April 2025 decided to recommend 12.50% cash and 12.50% stock dividend subject to approval of shareholders and regulatory authorities.

## 53 General

### 53.1 Core risk management

BRPD circular no.17 (7 October 2003) and BRPD circular no.4 (5 March 2007) require the Bank's to put in place an effective risk management system. Bangladesh Bank monitors the progress of implementation of these guidelines by its on-site inspection teams through routine inspection. The risk management systems in place at the Bank are discussed below.

#### 53.1.1 Credit risk

It arises mainly from lending, trade finance, leasing and treasury businesses. This can be described as potential loss arising from the failure of a counter party to perform as per contractual agreement with the Bank. The failure may result from unwillingness of the counter party or decline in his/her financial condition. Therefore, the Bank's credit risk management activities have been designed to address all these issues.

The Bank has segregated duties of the officers/executives, involved in credit related activities. Separate Corporate/SME/Retail divisions have been formed at Head Office which are entrusted with the duties of maintaining effective relationship with customers, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed . These are (a) Credit Risk Management Division (b) Credit Administration Division and (c) Special Asset Management Division. Credit Risk Management Division is entrusted with the duties of maintaining asset quality, assessing risk in lending, sanctioning credit, formulating policy/strategy for lending operation, etc. For retail lending, a separate Credit & Collection (C&C) has been formed to assess risk, approve and monitor retail loans.

A thorough risk assessment is done before the sanction of any credit facility at Credit Risk Management Division. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the relationship level and ends at Credit Risk Management Division when it is approved/declined by the competent authority. Credit approval authority has been delegated to the individual executives. Proposals beyond their delegation are approved/declined by the Executive Committee and/or the Board of Directors of the Bank.

In determining Single borrower/Large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at regular intervals to ensure compliance of Bank's and Regulatory polices. Loans are classified as per Bangladesh Bank's guidelines.

#### 53.1.2 Asset liability management risk

For better management of asset and liability risk, the Bank has an established Assets Liability Committee (ALCO) which meets at least once a month. The members of ALCO as at 31 December 2024 were as follows:

Mr. Mashrur Arefin	Managing Director & Chief Executive Officer
Mr. Mohammad Mahbubur Rahman	AMD & Chief Financial Officer
Mr. Nurullah Chaudhury	DMD & Head of Corporate Banking
Mr. Mesbaul Asif Siddiqui	DMD & Chief Risk Officer
Mr. Md Arup Haider	DMD & Head of Retail Banking
Mr. Mohammad Mahmud Gony	Head of Commercial Banking
Mr. Muhammed Shah Alam	Head of Treasury
Md. Afzalul Islam	Head of Islamic Banking
Mahbub Jamil	Head of Structured Finance & Off-Shore Banking
Mohammad Shahazardul Alam Khan	Head of ALM (Asset Liability Management Committee)

The ALCO's primary function is to formulate policies and guidelines for the strategic management of the Bank using pertinent information that has been provided through the ALCO process together with knowledge of the individual businesses managed by members of the committee. ALCO regularly reviews the Bank's overall asset and liability position, forward looking asset and liability pipeline, overall economic position, the Banks' liquidity position, capital adequacy, balance sheet risk, interest risk and makes necessary changes in its mix as and when required.

The Bank maintains specified liquidity and funding ratio limits to ensure financial flexibility to cope with unexpected future cash demands. ALCO monitors the liquidity and funding ratios on an ongoing basis and ascertains liquidity requirements under various stress situations. In order to ensure liquidity against all commitments, the Bank reviews the behaviour patterns of liquidity requirements. The Bank has an approved Liquidity Contingency Plan (LCP) which is reviewed and updated on an annual basis by ALCO. All regulatory requirements including CRR, SLR and RWA are reviewed by ALCO.

#### 53.1.3 Foreign exchange risk

Foreign exchange risk is defined as the potential change in earnings due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying L/C commitments and other remittance requirements.



Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. The Bank maintains various nostro accounts in order to conduct operations in different currencies including TK. The senior management of the Bank sets limits for handling nostro account transactions. All Nostro accounts are reconciled on a monthly basis and outstanding entries beyond 30 days are reviewed by the management for its settlement.

As at 31 December 2024, no debit entry was unreconciled for 6 months or more, therefore no provision is kept in accordance with BRPD circular no. 04 (12 April 2022) and FEPD circular no. 677 (13 September 2005).

#### **53.1.4 Internal control and compliance**

Effective internal controls are the foundation of safe and sound banking. A properly designed and consistently enforced system of operational and financial internal control helps the Bank's management safeguard the Bank's resources, produce reliable financial reports and comply with laws and regulations. Effective internal control also reduces the possibility of significant errors and irregularities and assists in their timely detection when they do occur.

Internal Control and Compliance (ICC) operates independently as a division consisting three units (Audit & Inspection, Monitoring and Compliance) with prime responsibility to determine risks by evaluating overall Business, Operations & Credit Portfolios of the Bank. The key objective of ICC is to assist and guide in all aspects of the Bank using adequate resources for identification of weaknesses and taking appropriate measures to overcome the same to be a compliant bank.

ICC has a unique reporting line to the Bank's Board of Directors through the Audit Committee and Managing Director & CEO. Thus it acts as a bridge between the board and the Bank's management. An effective organizational structure has been established by exercising durable Internal Control culture within the Bank.

#### **53.1.5 Reputation risk arising from money laundering incidences**

Money laundering risk is defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. For mitigating the risks, the Bank has a designated Head of Internal Control & Compliance at Head Office and Compliance Officers at branches, who independently review the transactions of the accounts to verify suspicious transactions. Manuals for prevention of money laundering have been established and Transaction profile has been introduced. Training is continuously given to all the category of Officers and Executives for developing awareness and skill for identifying suspicious activities/transactions.

#### **53.1.6 Information technology**

The Bank's IT has gone through a gigantic transformation from where it started. After several years of continuous efforts, standardization of both back-end as well as front-end operations of bank is complete. Now through wide array of customizable products and services, IT can bring about equivalent contribution to profits.

Relevant hardware, software and networking equipment is in place to support operations of online branches, internet banking, SMS service, call centre, Tele Banking, POS and ATM network. These devices are providing superior performance resulting in better end-user satisfaction. To ensure uninterrupted and smooth customer service in all branches and SME centres, IT division continuously work on performance tuning for database and application, networking and server hardware on regular basis. Continuous investments are going on to do the necessary upgradation on hardware and software to increase the Bank's centralised online banking and other peripheral service requirements.

#### **53.2 Audit committee**

According to BRPD Circular no. 02 dated 11 February 2024, all banks are advised to constitute an audit committee comprising members of the Board. The audit committee will assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

The Bank, being a listed entity bank, have a board of directors from whom to select an audit committee. The Audit Committee of the Board of Directors consist of maximum 05 (five) members with minimum 02 (two) independent director. Chairman of the Audit Committee will be selected from the Independent Directors for the tenor of 03 (three) year at a time. The Committee will meets on a regular basis with the senior management of the Bank, and with the internal and external auditors to consider and review the nature and scope of the reviews and the effectiveness of the systems of internal control and compliance as well as the financial statements of the Bank. All audit reports issued by internal and external auditors and all inspection/audit reports issued by Bangladesh Bank are sent to the Audit Committee.

#### **53.2.1 Particulars of audit committee**

Pursuant to the BRPD Circular no. 02 dated 11 February 2024, the Board's Audit Committee of the Board of Directors as at 31 December 2024 consisted of the following 3 (three) members of the Board's Audit Committee:

Name	Status with bank	Status with committee	Educational qualification
Mr. Matiul Islam Nowshad	Independent Director	Convener	MBA
Mrs. Syeda Shaireen Aziz	Director	Member	BBA
Mrs. Saveria H. Mahmood	Nominated Director	Member	MSS



### **53.2.2 Meetings held by the Audit Committee with senior management to consider and review the Bank's Financial Statements:**

During the period under review the Audit Committee held several meetings to oversee/review various functions including reviewing the quarterly financial statements in compliance with the Bangladesh Bank circular.

#### **Meetings held by the committee during the year by date:**

- 111th Board's Audit Committee Meeting held on 11 March 2024
- 112th Board's Audit Committee Meeting held on 27 March 2024
- 113th Board's Audit Committee Meeting held on 21 April 2024
- 114th Board's Audit Committee Meeting held on 8 May 2024
- 115th Board's Audit Committee Meeting held on 8 August 2024
- 116th Board's Audit Committee Meeting held on 17 September 2024
- 117th Board's Audit Committee Meeting held on 29 October 2024
- 118th Board's Audit Committee Meeting held on 30 December 2024

### **53.2.3 Steps taken for implementation of an effective internal control procedure of the Bank**

Through circular the Audit Committee place its report regularly to the Board of Directors of the Bank for mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of good governance within stipulated time.

#### **53.3 Interest rate risk**

Interest rate risk may arise either from trading portfolio or from non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills and bonds of different maturities. Interest rate risk arises from mismatches between the future yield of an asset and their funding cost. Asset Liability Committee (ALCO) monitors the interest rate movement on a regular basis and Treasury Division actively manages the Balance Sheet gap profitably on a regular basis.

#### **53.4 Equity risk**

Equity risk arises from movement in market value of equities held. The risks are monitored by investment committee and governed by a well designed policy framework.

#### **53.5 Operational risk**

Operational risk may arise not only from internal control lapses and poor compliance but also from external threats. Bank ensures periodical assessment of material risk and monitoring associated with the control environment for business and support functions through operational risk management team. Operational risk management committee discuss the process improvisation to mitigate the lapses by engaging all relevant stakeholders.

Internal Control and Compliance Division undertakes periodic and special audit of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements. The Audit Committee of the Board subsequently reviews the reports of the Internal Control and Compliance Division.

#### **53.6 Implementation of BASEL-III**

Basel III reforms are the response of Basel Committee on Banking Supervision (BCBS) to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy.

The Committee introduced transitional arrangements to implement the new standards that help to ensure that the banking sector can meet the higher capital standards through reasonable earnings retention and capital raising, while still supporting lending to the economy. In line with the Basel framework, Bangladesh Bank issued transitional arrangements for Basel III implementation in Bangladesh. The phase-in arrangements for Basel III implementation in Bangladesh has been effective from 1 January 2015 in accordance with BRPD Circular no- 18 dated 21 December 2014.

#### **Internal Capital Adequacy Assessment Process (ICAAP)**

Internal Capital Adequacy Assessment Process (ICAAP) represents the Bank's own assessment of its internal capital requirements. The Bank's approach to calculate its own internal capital requirement has been to take the minimum capital required for credit risk, market risk and operational risk under Pillar-I as the starting point, assess whether this is sufficient to cover those risks and then identify other risks (Pillar-II) and assess prudent level of capital to meet them.

The assessment is undertaken using time series of data and Bangladesh Bank's guidelines on Risk Based Capital Adequacy to assess the likelihood of occurrence and potential impact. Purposes of Internal Capital Adequacy Assessment Process are to:

##### **i) inform the Board of Directors about**

- assessing risks;
- initiatives to mitigate identified risks; and
- capital requirement to support the operations in light of identified risks

##### **ii) comply with Bangladesh Bank's requirement.**



### 53.7 Disclosure on Country Risk Exposure

Country risk refers to the potential inability or unwillingness of a foreign obligor to meet their obligations due to economic, political, social, or ecological conditions specific to that country. This risk may arise from factors such as exchange controls, currency devaluation, government actions, or significant socio-political changes in the country where placements, lending, and investments are made.

The major categories of country risk include sovereign risk, contagion risk, currency risk, indirect country risk, macroeconomic risk, and transfer risk. The Bank actively manages and monitors its country risk exposure in line with the guidelines issued by Bangladesh Bank, as outlined in BRPD Circular No. 07, dated April 13, 2021.

In compliance with this regulatory framework, the Bank has assessed its position and determined that its net funded exposure to any single country remains below 2% of its total assets. Consequently, no additional provision or capital requirement is necessary for exposure to any single country.

### 53.8 Exchange rates

The assets and liabilities as at 31 December in foreign currencies have been converted to TK at the following rates:

	2024 TAKA	2023 TAKA
USD 1 =	120.0000	110.0000
ACU 1 =	120.0000	110.0000
GBP 1 =	150.9240	140.9485
AUD 1 =	74.8920	75.4325
EUR 1 =	125.0820	122.3200
CHF 1 =	133.0598	130.8978
JPY 1 =	0.7604	0.7781
SAR 1 =	31.9659	29.3318
MYR 1 =	26.8486	23.8250
KWD 1 =	389.3828	358.3996
SGD 1 =	88.3652	83.5010
AED 1 =	32.6717	29.9499
HKD 1 =	15.4564	14.0779
SEK 1 =	10.9074	11.0969
CAD 1 =	83.3420	83.3491

### 53.9 Credit rating of the Bank

As per the BRPD instruction circular no.6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Agency of Bangladesh Limited (CRAB) based on the financial statements dated 31 December 2023.

Particulars	Date of Rating	Long term	Short term	Rating Valid
Entity Rating	9-Jun-24	AA1 Very strong capacity & very high quality	ST-1 Highest capacity for timely repayment	30-Jun-25

### 53.10 Fraud and administrative error

In the year 2024, total number & amount of fraud forgeries detected/attempted in the Bank were 42 & Taka 109.78 million respectively. Out of these 42 incidences, total 27 instances have already been closed and remaining 15 instances are open for partial recovery. Out of the total fraud amount of Taka 109.78 million, an amount of Taka 66.80 million was recovered from the fraudsters and the remaining amount of Taka 42.98 million is under processes for recovery. Out of the 42 incidences, 22 instances were occurred by external fraudsters, 20 instances were occurred by internal fraudster and Bank Agent Owners. To prevent fraud and administrative errors, the Bank has taken appropriate administrative actions against officials responsible for lapses in due diligence to encourage them to follow the Bank's policies and regulatory guidelines meticulously. Also, upon detection of fraud incidences, appropriate corrective measures have been taken so that the same incidences can be prevented in future.

### 53.11 Number of employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of TK 36,000 p.a. or above were 5,321 at the end of December 2024 as against 4,963 at the end of December 2023.

53.12 Previous year's figures have been rearranged, wherever necessary, to conform with the current year's presentation.

M. A. M. A. M. A.  
Managing Director & CEO

Director

Director

Chairman

Dhaka, 29 April 2025



**City Bank Plc and its subsidiaries**

## **Consolidated Liquidity Statement (Analysis of maturity of assets and liabilities)**

as at 31 December 2024

Annexure-A

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
<b>Assets</b>						
Cash	11,664,889,664	-	-	-	21,365,282,067	33,030,171,731
Balance with other banks and financial institutions	17,170,668,751	15,435,000,000	5,493,000,000	1,237,279,167	-	39,335,947,918
Money at call on short notice	3,775,100,000	-	-	-	-	3,775,100,000
Investments	10,594,008,121	4,519,217,910	12,300,572,522	35,115,092,731	76,196,371,943	138,725,263,227
Loans and advances/investments	45,205,054,649	89,671,182,300	118,299,273,364	148,893,035,521	43,691,833,052	445,760,378,886
Fixed assets including premises, furniture and fixtures	161,875,193	323,729,514	1,456,782,815	7,638,361,455	2,172,094,343	11,752,843,320
Other assets	5,498,750,592	19,765,513,532	10,409,300,839	746,405,340	183,158,369	36,603,128,672
Non banking assets	-	-	-	-	576,119,668	576,119,668
<b>Total assets (A)</b>	<b>94,070,346,970</b>	<b>129,714,643,256</b>	<b>147,958,929,540</b>	<b>193,630,174,214</b>	<b>144,184,859,442</b>	<b>709,558,953,422</b>
<b>Liabilities</b>						
Bond	80,000,000	-	760,000,000	6,030,000,000	5,050,000,000	11,920,000,000
Borrowings from other banks, financial institutions and agents	3,991,300,110	7,336,748,832	9,224,959,622	6,397,665,961	10,691,910	26,961,366,435
Borrowings from central bank & government agencies	3,490,306,427	6,066,856,802	15,800,290,843	6,069,779,660	1,081,762,815	32,508,996,547
Deposits	68,697,480,539	68,430,758,702	192,440,159,975	139,084,272,949	2,271,710,313	470,924,382,478
Other accounts	10,849,234,311	8,525,455,232	24,063,995,669	-	-	43,438,685,212
Provision and other liabilities	2,719,700,349	13,947,754,452	10,001,407,161	30,799,154,179	20,009,211,288	77,477,227,429
<b>Total liabilities (B)</b>	<b>89,828,021,736</b>	<b>104,307,574,020</b>	<b>252,290,813,270</b>	<b>188,380,872,749</b>	<b>28,423,376,326</b>	<b>663,230,658,101</b>
<b>Net liquidity gap (A - B)</b>	<b>4,242,325,234</b>	<b>25,407,069,236</b>	<b>(104,331,883,730)</b>	<b>5,249,301,465</b>	<b>115,761,483,116</b>	<b>46,328,295,321</b>

as at 31 December 2023

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
<b>Assets</b>						
Cash	9,858,728,984	-	-	-	16,227,524,313	26,086,253,297
Balance with other banks and financial institutions	21,418,683,668	3,295,000,000	497,700,000	578,979,167	-	25,790,362,835
Money at call on short notice	-	-	-	-	-	-
Investments	884,441,957	4,155,782,282	9,294,972,233	30,491,759,143	33,659,177,711	78,486,133,326
Loans and advances/investments	62,023,560,637	79,765,128,411	80,263,866,926	129,609,813,219	45,783,463,082	397,445,832,274
Fixed assets including premises, furniture and fixtures	149,979,883	299,959,765	1,349,783,362	7,086,403,053	2,172,423,363	11,058,549,425
Other assets	4,132,634,343	10,755,851,392	9,231,437,707	1,227,250,655	80,607,708	25,427,781,805
Non banking assets	-	-	-	-	634,548,873	634,548,873
<b>Total assets (A)</b>	<b>98,468,029,472</b>	<b>98,271,721,849</b>	<b>100,637,760,228</b>	<b>168,994,205,237</b>	<b>98,557,745,049</b>	<b>564,929,461,835</b>
<b>Liabilities</b>						
Bond	80,000,000	-	1,635,000,000	4,770,000,000	7,150,000,000	13,635,000,000
Borrowings from other banks, financial institutions and agents	2,897,806,798	5,606,349,807	7,523,229,224	2,768,678,350	10,691,909	18,806,756,088
Borrowings from central bank & government agencies	6,585,838,111	11,963,628,724	15,266,568,530	6,866,379,599	1,199,345,390	41,881,760,354
Deposits	54,846,936,798	45,386,110,567	140,039,982,554	113,430,283,439	931,340,524	354,634,653,882
Other accounts	9,799,750,734	7,367,397,182	20,795,254,804	-	-	37,962,402,720
Provision and other liabilities	1,881,988,291	7,396,373,226	7,099,801,824	25,512,796,582	17,642,272,193	59,533,232,117
<b>Total liabilities (B)</b>	<b>76,092,320,732</b>	<b>77,719,859,506</b>	<b>192,359,836,936</b>	<b>153,348,137,970</b>	<b>26,933,650,016</b>	<b>526,453,805,161</b>
<b>Net liquidity gap (A - B)</b>	<b>22,375,708,740</b>	<b>20,551,862,343</b>	<b>(91,722,076,708)</b>	<b>15,646,067,268</b>	<b>71,624,095,033</b>	<b>38,475,656,674</b>



City Bank Plc

**Liquidity Statement****(Analysis of maturity of assets and liabilities)**

as at 31 December 2024

Annexure-A/1

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
<b>Assets</b>						
Cash	11,663,281,059	-	-	-	21,365,282,067	33,028,563,126
Balance with other banks and financial institutions	16,763,449,954	15,435,000,000	5,493,000,000	1,237,279,167	-	38,928,729,121
Money at call on short notice	3,775,100,000	-	-	-	-	3,775,100,000
Investments	10,549,166,382	3,092,809,028	11,938,187,662	34,506,764,363	73,557,005,546	133,643,932,981
Loans and advances/investments	44,596,650,599	91,559,648,359	116,239,829,963	148,889,727,788	43,691,833,051	444,977,689,760
Fixed assets including premises, furniture and fixtures	154,828,474	309,656,949	1,393,456,268	7,431,766,765	1,201,422,030	10,491,130,486
Other assets	5,371,278,047	9,580,948,818	10,010,436,691	724,908,059	6,239,758,504	31,927,330,119
Non banking assets	-	-	-	-	576,119,668	576,119,668
<b>Total assets (A)</b>	<b>92,873,754,515</b>	<b>119,978,063,154</b>	<b>145,074,910,584</b>	<b>192,790,446,142</b>	<b>146,631,420,866</b>	<b>697,348,595,261</b>
<b>Liabilities</b>						
Bond	80,000,000	-	760,000,000	6,030,000,000	5,050,000,000	11,920,000,000
Borrowings from other banks, financial institutions and agents	4,032,278,866	7,308,919,672	8,716,987,404	6,004,922,240	-	26,063,108,182
Borrowings from central bank & government agencies	3,490,306,427	6,066,856,802	15,800,290,843	6,069,779,660	1,081,762,815	32,508,996,547
Deposits	68,823,656,897	68,560,911,799	192,753,612,654	139,084,272,949	2,271,710,314	471,494,164,613
Other accounts	10,120,469,009	8,525,455,232	24,063,995,669	-	-	42,709,919,910
Provision and other liabilities	2,716,137,748	4,026,901,581	9,969,343,729	30,237,398,156	19,884,738,048	66,834,519,262
<b>Total liabilities (B)</b>	<b>89,262,848,947</b>	<b>94,489,045,086</b>	<b>252,064,230,299</b>	<b>187,426,373,005</b>	<b>28,288,211,177</b>	<b>651,530,708,514</b>
<b>Net liquidity gap (A - B)</b>	<b>3,610,905,568</b>	<b>25,489,018,068</b>	<b>(106,989,319,715)</b>	<b>5,364,073,137</b>	<b>118,343,209,689</b>	<b>45,817,886,747</b>

as at 31 December 2023

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	More than 5 years	Total
	Taka	Taka	Taka	Taka	Taka	Taka
<b>Assets</b>						
Cash	9,858,190,951	-	-	-	16,227,524,313	26,085,715,264
Balance with other banks and financial institutions	20,963,447,428	3,195,000,000	497,700,000	578,979,167	-	25,235,126,595
Money at call on short notice	-	-	-	-	-	-
Investments	884,441,957	2,814,152,218	9,173,457,053	30,024,243,758	30,165,243,097	73,061,538,083
Loans and advances/investments	61,586,059,063	79,788,571,305	79,437,187,586	129,483,085,946	45,783,463,081	396,078,366,980
Fixed assets including premises, furniture and fixtures	142,631,254	285,262,509	1,283,681,289	6,846,300,207	1,270,687,047	9,828,562,306
Other assets	4,122,344,946	4,501,435,245	8,820,957,240	1,215,048,987	6,154,623,941	24,814,410,359
Non banking assets	-	-	-	-	634,548,873	634,548,873
<b>Total assets (A)</b>	<b>97,557,115,598</b>	<b>90,584,421,277</b>	<b>99,212,983,167</b>	<b>168,147,658,065</b>	<b>100,236,090,352</b>	<b>555,738,268,460</b>
<b>Liabilities</b>						
Bond	80,000,000	-	1,635,000,000	4,770,000,000	7,150,000,000	13,635,000,000
Borrowings from other banks, financial institutions and agents	2,884,093,616	5,580,054,873	6,902,149,719	2,256,173,240	-	17,622,471,448
Borrowings from central bank & government agencies	6,585,838,111	11,963,628,724	15,266,568,530	6,866,379,599	1,199,345,390	41,881,760,354
Deposits	54,946,673,845	45,489,076,635	140,349,509,969	113,430,283,439	931,340,525	355,146,884,413
Other accounts	9,200,792,888	7,367,397,182	20,795,254,804	-	-	37,363,444,874
Provision and other liabilities	1,872,613,635	1,450,851,954	7,068,554,757	24,965,870,731	17,510,577,862	52,868,468,938
<b>Total liabilities (B)</b>	<b>75,570,012,095</b>	<b>71,851,009,368</b>	<b>192,017,037,779</b>	<b>152,288,707,009</b>	<b>26,791,263,777</b>	<b>518,518,030,027</b>
<b>Net liquidity gap (A - B)</b>	<b>21,987,103,504</b>	<b>18,733,411,909</b>	<b>(92,804,054,611)</b>	<b>15,858,951,056</b>	<b>73,444,826,575</b>	<b>37,220,238,433</b>

# Balance with other banks - outside Bangladesh (Nostro Accounts)

as at 31 December 2024

Annexure-B

Name of the Banks	Account type	Currency type	FC amount	31 December 2024		31 December 2023	
				Exchange rate	Equivalent Taka	FC amount	Exchange rate
Standard Chartered Bank, New York, USA	CD	USD	32,823,303	120.00	3,938,796,350	13,769,189	110.00
Citibank N.A. New York, USA	CD	USD	5,684,271	120.00	682,112,532	5,381,211	110.00
Mashreq Bank, New York, USA	CD	USD	2,674,325	120.00	320,919,055	8,651,080	110.00
JP Morgan Chase Bank, New York	CD	USD	1,542,264	120.00	185,071,645	1,407,164	110.00
MCB Bank Limited, Karachi, Pakistan	CD	ACU	898,561	120.00	107,827,380	734,905	110.00
Habib American Bank, New York, USA	CD	USD	783,119	120.00	93,974,296	1,549,643	110.00
Mashreq Bank, Mumbai, India	CD	ACU	514,697	120.00	61,763,690	425,499	110.00
Commerz Bank AG, Frankfurt, Germany	CD	USD	382,283	120.00	45,873,954	352,806	110.00
Standard Chartered Bank, Frankfurt, Germany	CD	EUR	364,922	125.08	45,645,182	205,421	122.32
Standard Chartered Bank, London	CD	GBP	285,464	150.92	43,083,331	244,974	140.95
Kookmin Bank, Korea	CD	USD	334,542	120.00	40,145,089	180,974	110.00
Commerz Bank AG, Frankfurt, Germany	CD	EUR	311,270	125.08	38,934,273	1,418,942	122.32
Zhejiang Chouzhou Commercial Bank, China	CD	USD	301,938	120.00	36,232,618	277,647	110.00
Agricultural Bank Of China, China	CD	CNY	2,045,998	16.44	33,638,662	309,576	15.45
Standard Chartered Bank, Mumbai, India	CD	ACU	259,061	120.00	31,087,274	2,380,707	110.00
AB Bank PLC., Mumbai, India	CD	ACU	258,255	120.00	30,990,568	191,225	110.00
HDFC Bank Ltd, Mumbai, India	CD	ACU	233,798	120.00	28,055,749	410,066	110.00
Standard Chartered Bank, Nepal	CD	ACU	113,870	120.00	13,664,357	13,870	110.00
Standard Chartered Bank, Japan	CD	JPY	13,239,088	0.76	10,067,003	6,870,477	0.78
Sonali Bank PLC., Kolkata, India	CD	ACU	63,305	120.00	7,596,654	63,305	110.00
Commerz Bank AG, Frankfurt, Germany	CD	AUD	92,764	74.89	6,947,255	73,806	75.43
Commerz Bank AG, Frankfurt, Germany	CD	CHF	49,080	133.06	6,530,602	43,137	130.90
Mashreq Bank, Dubai	CD	ABD	181,813	32.67	5,940,153	329,043	29.95
Commercial Bank of Ceylon, Colombo, Sri Lanka	CD	ACU	14,198	120.00	1,703,767	14,198	110.00
Bank of Bhutan, Bhutan	CD	ACU	10,366	120.00	1,243,902	78,066	110.00
Bank of Tokyo Mitsubishi Limited., New Delhi, India	CD	ACU	8,709	120.00	1,045,028	8,709	110.00
Sonali Bank, Kolkata, India	TD	ACU	8,646	120.00	1,037,567	8,646	110.00
Saudi National Bank, Riyadh	CD	SAR	29,639	31.97	947,436	5,414	29.33
Zhejiang Chouzhou Commercial Bank, China	CD	CNY	50,470	16.44	829,781	1,154,803	15.45
Mashreq Bank, Mumbai, India	CD	EUR	-	-	-	2,039	122.32
Mashreq Bank, New York, USA (For OBU Operation)	CD	USD	5,008,773	120.00	601,052,722	3,943,823	110.00
Commerz Bank AG, Frankfurt, Germany (For OBU Operation)	CD	USD	407,944	120.00	48,953,227	530,520	110.00
ICICI Bank Limited, India (For OBU Operation)	CD	ACU	257,361	120.00	30,883,327	469,778	110.00
Commerz Bank AG, Frankfurt, Germany (For OBU Operation)	CD	EUR	95,858	125.08	11,990,124	118,365	122.32

**6,514,584,553****4,789,887,272**



# City Bank Plc

## Investment in Shares

as at 31 December 2024

Annexure-C

Sl. No.	Name of the company	Type of shares	Face value Taka	Number of shares	Cost of holding Taka	Average cost Taka	Quoted rate per share Taka	Total market value Taka							
						Taka									
<b>Quoted ordinary share</b>															
<b>NBFIs</b>															
1	IDLC Finance PLC	A	10	37,413,141	462,133,670	12.35	32.70	1,223,409,711							
<b>Pharmaceuticals &amp; Chemicals</b>															
1	Square Pharmaceuticals PLC	A	10	75,000	16,687,934	222.51	217.70	16,327,500							
2	Perfume Chemical Ind. Limited	NA	100	28	3,500	125.00	33.50	938							
3	Orion Pharma Limited	A	10	188,384	23,728,564	125.96	37.90	7,139,754							
4	Marico Bangladesh Limited	A	10	24,813	59,110,091	2,382.22	2,282.80	56,643,116							
5	Orion Infusion Ltd.	A	10	1,492,000	447,600,000	300.00	426.70	636,636,400							
6	BD Paints Ltd.	NA	10	957,000	58,281,300	60.90	29.60	28,327,200							
<b>Food &amp; Allied</b>															
1	Rangamati Food Products Limited	NA	10	64,500	645,000	10.00	15.00	967,500							
2	German Bangla Joint Venture Foods Limited	NA	10	21,000	210,000	10.00	3.60	75,600							
3	British American Tobacco Bangladesh Co. Limited	A	10	528,918	283,456,170	535.92	367.60	194,430,257							
4	Taufika Foods and Lovello Ice-cream PLC	A	10	4,013,301	333,687,314	83.15	86.60	347,551,867							
5	Fine Foods Limited	B	10	1,118,154	203,689,273	182.17	225.30	251,920,096							
<b>Travel &amp; Leisure</b>															
1	Sea Pearl Beach Resort & SPA Limited	A	10	4,001,131	816,845,803	204.15	34.70	138,839,246							
<b>Telecommunication</b>															
1	Bangladesh Submarine Cable PLC	A	10	117,000	25,841,351	220.87	126.10	14,753,700							
<b>Banks</b>															
1	AB Bank PLC	B	10	641,153	32,232,188	50.27	7.70	4,936,878							
2	Dhaka Bank PLC	A	10	2,608,035	54,456,970	20.88	10.90	28,427,582							
3	Mercantile Bank PLC	A	10	1,083,657	21,641,093	19.97	10.30	11,161,667							
4	Pubali Bank PLC	A	10	513,265	23,140,398	45.08	29.30	15,038,665							
5	Standard Bank PLC	B	10	1,826,953	23,965,596	13.12	6.00	10,961,718							
6	Prime Bank PLC	A	10	3,790,603	102,399,947	27.01	23.40	88,700,110							
7	Midland Bank PLC	B	10	11,848,408	399,217,320	33.69	31.20	369,670,330							
<b>Miscellaneous</b>															
1	Beximco Limited	B	10	1,636,659	222,530,747	135.97	110.10	180,196,156							
2	Samorita Hospital Limited	B	10	195	-	-	51.90	10,121							
3	Raspit Inc. (BD) Limited	NA	10	366,000	6,153,414	16.81	1.90	695,400							
4	Bangladesh Shipping Corporation	A	10	45,000	5,238,543	116.41	94.70	4,261,500							
<b>Engineering</b>															
1	Walton Hi-Tech Industries PLC	A	10	24,307	29,499,501	1,213.62	487.50	11,849,663							
<b>Cement &amp; Ceramics</b>															
1	LafargeHolcim Bangladesh PLC.	A	10	1,950,000	149,056,114	76.44	53.90	105,105,000							
2	Premier Cement Mills PLC	A	10	150,000	9,282,251	61.88	47.90	7,185,000							
<b>Insurance</b>															
1	Popular Life Insurance Co. Ltd.	A	10	150,000	13,844,264	92.30	51.00	7,650,000							
2	Central Insurance Company Ltd.	A	10	2,112,212	122,052,708	57.78	41.20	87,023,134							
3	Sunlife Insurance Company Limited	B	10	2,269,853	128,242,362	56.50	69.80	158,435,739							
4	Karnaphuli Insurance Company Ltd.	A	10	2,139,637	119,316,557	55.76	31.00	66,328,747							
<b>IT Sector</b>															
1	ADN Telecom Limited	A	10	1,387,363	154,415,363	111.30	85.20	118,203,328							
2	Genex Infosys Limited	B	10	104,000	10,035,363	96.49	29.10	3,026,400							
3	Agni Systems Ltd.	B	10	1,505,994	52,722,021	35.01	24.00	36,143,856							
<b>Textile</b>															
1	Dragon Sweater and Spinning Limited	B	10	850,879	16,184,343	19.02	11.10	9,444,757							
<b>Total</b>						<b>4,427,547,034</b>		<b>4,241,478,636</b>							

Sl. No.	Name of the company	Type of shares	Face value Taka	Number of shares	Cost of holding Taka	Average cost Taka	
						Taka	Taka

**Quoted (Under Special fund and Investment Policy)**

1	Shahjibazar Power Co. Limited	A	10	100,000	12,041,703	120.42
<b>Total</b>						

Sl. No.	Name of the company	Type of shares	Face value Taka	Number of shares	Cost of holding Taka	Average cost Taka	NAV per share Taka
						Taka	

**Unquoted ordinary shares**

1	Industrial & Infrastructural Development Finance Company Limited		10	13,380,903	71,770,260	5.36	(19.51)
2	Venture Investment Partners Bangladesh Limited		100	134,784	12,000,000	89.03	129.50
3	KARMA Sangsthan Bank		100	100,000	10,000,000	100.00	311.40
4	Central Depository Bangladesh Limited		10	2,284,721	6,277,770	2.75	40.31

**Total****100,048,030**

## Schedule of fixed assets including premises, furniture and fixtures)

as at 31 December 2024

Annexure-D

Particulars	Cost		Disposals during the year	Balance as at 31 Dec 2024	Balance as at 1 Jan 2024	Depreciation/Amortisation	Disposals/ adjustments during the year	Balance as at 31 Dec 2024	Written down value as at 31 Dec 2024
	Taka	Taka							
<b>Own assets</b>									
Land	351,484,347	-	-	-	351,484,347	-	-	-	351,484,347
Work in progress (Land)	-	-	39,736,588	(287,102,438)	1,542,837,286	557,751,583	44,405,302	(105,270,893)	496,885,992
Building	1,790,203,136	6,000,000	(39,736,588)	-	367,314,577	-	-	-	1,045,951,294
Work in progress (Building)	401,051,165	54,300,834	(35,148,763)	1,689,567,871	826,390,194	123,991,005	(32,318,079)	918,063,120	367,314,577
Furniture and fixtures	1,592,606,420	77,809,380	-	-	32,824,591	-	-	-	771,504,751
Work in progress (Furniture and fixtures)	25,452,948	61,672,477	(54,300,834)	-	-	-	-	-	32,824,591
Office equipment and machinery	2,625,658,635	170,295,795	111,494,327	(10,482,919)	2,896,965,838	1,599,097,228	331,696,517	(10,231,838)	1,920,561,907
Work in progress (Office equipment and machinery)	64,714,702	78,267,174	(111,494,327)	-	31,487,549	-	-	-	976,403,931
IT Hardware	1,655,211,902	245,227,119	182,010,452	(3,113,683)	2,079,335,790	1,056,362,250	246,516,455	(2,896,414)	1,299,982,291
Work in progress (IT Hardware)	113,269,671	113,269,671	(182,010,452)	-	17,808,531	-	-	-	31,487,549
Software	86,549,312	91,336,642	42,446,559	-	1,208,741,958	517,170,225	87,906,455	-	779,353,499
Work in progress (Software)	1,074,958,757	461,439,396	(42,896,559)	-	639,127,878	-	-	-	17,808,531
Bank's vehicles	220,585,041	372,688,825	44,533,353	(9,315,280)	407,906,898	324,615,096	21,102,930	(9,315,280)	605,076,680
<b>Sub-total</b>	<b>10,261,165,190</b>	<b>1,349,851,007</b>	<b>(450,000)</b>	<b>(345,163,083)</b>	<b>11,265,403,114</b>	<b>4,881,386,576</b>	<b>855,618,664</b>	<b>(160,032,504)</b>	<b>5,576,972,736</b>
<b>Leased assets</b>									
Right of use assets	7,352,040,540	1,199,037,336	-	(13,650,520)	8,537,427,356	2,903,256,848	831,470,400	-	4,802,700,108
<b>Sub-total</b>	<b>7,352,040,540</b>	<b>1,199,037,336</b>	<b>-</b>	<b>(13,650,520)</b>	<b>8,537,427,356</b>	<b>2,903,256,848</b>	<b>831,470,400</b>	<b>-</b>	<b>4,802,700,108</b>
<b>Grand total</b>	<b>17,613,205,730</b>	<b>2,548,888,343</b>	<b>(450,000)</b>	<b>(358,813,603)</b>	<b>19,802,830,470</b>	<b>7,784,643,424</b>	<b>1,687,089,064</b>	<b>(160,032,504)</b>	<b>9,311,699,984</b>
									<b>10,491,130,486</b>

**City Bank Plc and its subsidiaries**  
**Schedule of fixed assets including premises, furniture and fixtures)**  
as at 31 December 2023

Particulars	Cost			Depreciation/Amortisation			Written down value as at 31 Dec 2023
	Taka	Taka	Taka	Balance as at 31 Dec 2023	Balance as at 1 Jan 2023	Charged during the year	
<b>Own assets</b>							
Land	300,373,236	-	51,111,111	-	351,484,347	-	-
Work in progress (Land)	-	-	-	-	-	-	-
Building	1,790,203,136	-	-	-	1,790,203,136	512,996,505	44,755,078
Work in progress (Building)	227,633,027	(51,111,111)	-	-	401,051,165	-	557,751,583
Furniture and fixtures	1,243,606,520	119,036,448	239,294,558	(9,331,106)	1,592,606,420	731,948,380	101,827,779
Work in progress (Furniture and fixtures)	80,213,803	184,533,703	(239,294,558)	-	25,452,948	-	(7,385,965)
Office equipment and machinery	2,078,229,389	228,315,465	337,556,012	(18,442,231)	2,625,658,635	1,358,128,354	259,331,574
Work in progress (Office equipment and machinery) IT Hardware	310,575,080	91,695,634	(337,556,012)	-	64,714,702	(18,362,700)	1,599,097,228
IT Hardware	1,423,613,200	99,169,004	134,274,498	(1,844,800)	1,655,211,902	837,658,829	220,543,751
Work in progress (IT Hardware)	98,603,357	122,220,453	(134,274,498)	-	86,549,312	(1,840,330)	1,056,362,250
Software	956,420,830	44,736,587	73,801,340	-	1,074,958,757	436,636,292	598,849,652
Work in progress (Software)	133,139,660	161,246,721	(73,801,340)	-	220,585,041	-	64,714,702
Bank's vehicles	351,505,075	21,183,750	-	-	372,688,825	302,566,315	22,048,781
<b>Sub-total</b>	<b>8,991,012,535</b>	<b>1,299,770,792</b>	<b>-</b>	<b>(29,618,137)</b>	<b>10,261,165,190</b>	<b>4,179,934,675</b>	<b>729,040,896</b>
<b>Leased assets</b>							
Right of use assets	7,046,485,597	670,484,300	-	(364,929,357)	7,352,040,540	2,108,401,935	794,854,913
<b>Sub-total</b>	<b>7,046,485,597</b>	<b>670,484,300</b>	<b>-</b>	<b>(364,929,357)</b>	<b>7,352,040,540</b>	<b>2,108,401,935</b>	<b>794,854,913</b>
<b>Grand total</b>	<b>16,037,498,132</b>	<b>1,970,255,092</b>	<b>-</b>	<b>(394,547,494)</b>	<b>17,613,205,730</b>	<b>6,288,336,610</b>	<b>1,523,895,809</b>
							<b>(27,588,995)</b>
							<b>7,784,643,424</b>
							<b>5,379,778,614</b>



**City Bank Plc**

## **Statement of tax position**

as at 31 December 2024

Annexure-E

Accounting year	Assessment year	Tax provision made on the basis of accounts		Tax as per assessment	Present status
		Taka	Taka		
2003	2004-2005	190,000,000	264,849,327	Reference application filed to High Court Division of the Supreme Court.	
2004	2005-2006	442,791,678	315,574,683	Reference application filed to High Court Division of the Supreme Court.	
2023	2024-2025	4,690,333,373	3,974,438,613	Tax return submitted	

**City Bank Plc**

## **Name of Directors and their interest in different entities**

as at 31 December 2024

Annexure-F

Sl. no.	Name of Directors	Status with CBL	Entities where they have interest	% of Interest
1	Mr. Aziz Al Kaiser	Chairman	<b>Director</b> Voice Tel Limited Partex Housing Limited Suburna Bhumi Housing Limited <b>Managing Director</b> Star Particle Board Mills Limited Partex PVC Industries Limited New Light Star Apparels Limited Corvee Maritime Company Limited Partex Furniture Industries Limited Partex Builders Limited Partex Laminates Limited Partex Limited Fairhope Housing Limited Partex Cables Limited Partex Aeromine Logistics Limited Star Gypsum Board Mills Limited Partex MDF Board Mills Limited Partex Star Properties Limited Star Furniture Limited <b>Chairman</b> Star Adhesives Limited (Listed Company) Triple Apparels Limited	25.00% 50.00% 50.00% 82.22% 45.00% 85.00% 90.00% 88.71% 85.00% 83.33% 75.00% 85.00% 21.30% 66.67% 82.61% 82.00% 37.50% 83.33% 22.50% 88.57%
2	Mr. Hossain Khaled	Vice-Chairman	<b>Director</b> Anwar Group of Industries Hossain Dyeing & Printing Mills Ltd. Mehmod Industries (Pvt.) Limited Anwar Silk Mills Limited Anwar Printex A-One Printex Limited Anwar Denim Limited <b>Managing Director</b> Anwar Galvanizing Limited Anwar Ispat Limited Anwar Cement Limited	- 33.33% 1.65% 5.97% 8.00% 16.67% 0.86% 5.85% 0.11% 0.82%





Sl. no.	Name of Directors	Status with CBL	Entities where they have interest	% of Interest
			Anwar Cement Sheet Limited Anwar Landmark A-One Polymer Anwar Jute Spinning Mills Limited AG Automobiles Limited AG Motors Euro Cars Limited Toledo Motors Limited Anwar Intregrated Steel Plant Limited	16.06% 20.00% 23.82% 4.84% 33.34% 32.17% 32.26% 33.33% 0.34%
3	Mr. Hossain Mehmood (Nominated by A-One Polymer Limited)	Nominated Director	<b>Director</b> AG Automobiles Limited Anwar Jute Spinning Mills Limited AG Motors Euro Cars Limited Toledo Motors Limited Anwar Ispat Limited Anwar Cement Limited Anwar Cement Sheet Limited Anwar Landmark A-One Polymer Anwar Intregrated Steel Plant Limited <b>Managing Director</b> Hossain Dyeing & Printing Mills Ltd. Mehmood Industries (Pvt.) Limited Anwar Silk Mills Limited Anwar Printex Limited A-One Printex Limited Anwar Denim Limited	33.33% 4.84% 33.92% 32.26% 33.33% 0.11% 2.46% 16.06% 20.00% 23.82% 0.34% 33.33% 1.65% 5.97% 8.00% 16.67% 0.86%
4	Mr. Rubel Aziz	Director	<b>Director</b> Partex Beverage Ltd. Partex Plastics Ltd. Fotoroma Ltd. Hashem Corp. Ltd. Kings School Dhaka Ltd. Partex Properties Ltd. Plastic Accessories Ltd. Partex Foundry Ltd. Star Foods Ltd. Partex Jute Mills Ltd. Partex Corporate Ltd. Partex Aviation Ltd. Partex Petro Ltd. Sattar Glass Factory Ltd. Sakhi Fisheries Ltd.	1.04% 35.00% 15.00% 15.00% 15.00% 92.50% 37.50% 40.00% 40.00% 75.00% 50.00% 50.00% 33.73% 83.33% 90.00%
5	Mr. Rajibul Huq Chowdhury	Director	<b>Director</b> Ejogajog Ltd. <b>Managing Director</b> Aziz Super Garments Limited <b>Proprietor</b> R.H. Corporation	0.00005% - -



Sl. no.	Name of Directors	Status with CBL	Entities where they have interest	% of Interest
6	Mrs. Syeda Shaireen Aziz	Director	<b>Director</b> Partex Corporate Limited Sattar Glass Factory Limited Partex Petro Limited Sakhi Fisheries Limited J B International Kushiara International The New Dhamai Tea Estate Limited The Sona Rupa Tea Company Limited Plantation & Industries Ltd. Partex Properties Ltd.	20.00% 16.67% 6.17% 10.00% 100.00% 100.00% 9.00% 12.00% 9.00% 7.50%
7	Mrs. Savera H. Mahmood (Nominated by Partex Corporate Limited)	Nominated Director	<b>Director</b> Partex Agro Limited Partex Tissue Limited Danish Multipurpose Firm Limited Danish Condensed Milk (BD) Limited Danish Foods Limited Rubel Steel Mills Limited Danish Distribution Network Limited Danish Milk Bangladesh Limited Danish Dairy Farm Limited Ferotechnic Ltd.	50.00% 15.00% 15.00% 10.00% 3.40% 10.00% 10.00% 10.00% 10.00% 25.00%
8	Ms. Rebecca Brosnan (Nominated by International Finance Corporation)	Nominated Director	<b>Owner</b> The HALO Planner Company Limited	100.00%
9	Mr. Matiul Islam Nowshad	Independent Director	<b>Co-Founder and Partner</b> ZUNOKS Consulting <b>Managing Director</b> Renao Executive Search Limited	25.00% 25.00%



## City Bank Plc

Annexure-G

### A. Disclosure regarding outstanding REPO as at 31 December 2024

Sl. no.	Counterparty name	Agreement date	Reversal date	Amount (1st leg cash consideration)
1	Bangladesh Bank	24 July 2024	20 January 2025	19,859,340,000
2	Bangladesh Bank	20 August 2024	16 February 2025	3,974,340,000
3	Bangladesh Bank	14 October 2024	13 April 2025	23,513,143,000
4	Bangladesh Bank	29 December 2024	29 June 2025	2,568,382,000
5	Bangladesh Bank	29 August 2024	25 February 2025	3,334,592,000
6	Bangladesh Bank	04 November 2024	04 May 2025	15,811,471,000
7	Bangladesh Bank	03 December 2024	01 January 2025	6,644,270,000
8	Bangladesh Bank	17 December 2024	01 January 2025	9,163,750,000
9	Bangladesh Bank	17 December 2024	14 January 2025	9,827,379,975
10	Bangladesh Bank	24 December 2024	01 January 2025	994,043,928
11	Bangladesh Bank	24 December 2024	21 January 2025	10,833,489,128

### B. Disclosure regarding outstanding Reverse REPO as at 31 December 2024

Sl. no.	Counterparty name	Agreement date	Reversal date	Amount (1st leg cash consideration)
1	Midland Bank PLC	29 December 2024	02 January 2025	1,514,281,392
2	Midland Bank PLC	30 December 2024	06 January 2025	993,451,000
3	Janata Bank PLC	29 December 2024	02 January 2025	5,542,429,101
4	Janata Bank PLC	30 December 2024	01 January 2025	1,933,120,000

### C. Disclosure regarding overall transactions of REPO and Reverse REPO as at 31 December 2024

Sl. no.	Securities sold under REPO	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
1	with Bangladesh Bank	842,495,928	106,729,444,619	61,536,826,105
2	with other Banks & Financial Institutions	457,872,979	9,510,897,295	1,466,443,158

Sl. no.	Securities purchased under Reverse REPO	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
1	with Bangladesh Bank	1,000,000,000	16,500,000,000	382,240,437
2	with other Banks & Financial Institutions	98,953,573	20,832,929,269	3,093,303,203

# Geographical Segment Reporting

as at 31 December 2024

Annexure-H

	Division	Dhaka Division	Chittogram Division	Rajshahi Division	Khulna Division	Sylhet Division	Rangpur Division	Bardhaman Division	Mymensingh Division	Total
Interest income		38,876,375,687	3,316,309,020	863,797,807	1,115,409,454	188,386,412	336,313,142	180,012,648	130,979,598	45,007,583,768
Interest expenses		24,512,737,910	4,122,230,757	437,309,982	402,089,532	546,960,257	215,178,409	73,786,794	107,685,474	30,517,979,115
<b>NII</b>	<b>14,263,637,777</b>	<b>(805,921,737)</b>	<b>426,487,825</b>	<b>713,319,922</b>	<b>(358,573,845)</b>	<b>121,134,733</b>	<b>106,225,854</b>	<b>23,294,124</b>	<b>14,489,604,653</b>	
Pool income		47,334,869,074	5,527,537,734	698,898,647	491,299,011	1,040,880,288	299,670,835	98,130,253	129,948,130	55,621,233,972
Pool expenses		52,760,216,670	1,346,402,773	615,317,308	524,958,181	41,596,798	172,452,261	107,485,714	52,804,267	55,621,233,972
<b>NPI</b>	<b>(5,425,347,596)</b>	<b>4,181,134,961</b>	<b>83,581,339</b>	<b>(33,659,170)</b>	<b>999,283,490</b>	<b>127,218,574</b>	<b>(9,355,461)</b>	<b>77,143,863</b>		-
Interest income on investments		16,614,880,722	-	-	-	-	-	-	-	16,614,880,722
Commission income		6,019,090,634	413,419,217	51,668,575	152,662,842	32,955,232	21,560,333	15,016,383	11,872,279	6,718,245,495
Exchange gain / loss		1,426,820,742	1,279,713	4,503,995	280,925	279,821	80,840	22,337	51,622	1,433,319,995
Fees and other income		269,520,305	8,532,390	844,424	621,674	269,745	29,272	45,402	25,034	279,888,246
<b>Total other income</b>	<b>24,330,312,403</b>	<b>423,231,320</b>	<b>57,016,994</b>	<b>153,565,441</b>	<b>33,504,798</b>	<b>21,670,445</b>	<b>15,084,122</b>	<b>11,948,935</b>	<b>25,046,334,458</b>	
<b>Operating income</b>	<b>33,168,602,584</b>	<b>3,798,444,544</b>	<b>567,086,158</b>	<b>833,226,193</b>	<b>674,214,443</b>	<b>270,023,752</b>	<b>111,954,515</b>	<b>112,386,922</b>	<b>39,535,939,111</b>	
Staff cost		7,677,592,051	614,058,052	174,570,286	164,069,435	147,431,576	87,550,392	33,690,611	36,178,172	8,935,140,575
Other cost		6,952,149,316	319,216,807	72,699,437	65,064,967	68,008,403	35,263,670	16,738,768	18,964,528	7,548,105,896
<b>Total operating expenses</b>	<b>14,629,741,367</b>	<b>933,274,859</b>	<b>247,269,723</b>	<b>229,134,402</b>	<b>215,439,979</b>	<b>122,814,062</b>	<b>50,429,379</b>	<b>55,142,700</b>	<b>16,483,246,471</b>	
<b>Operating profit</b>	<b>18,538,861,217</b>	<b>2,865,169,685</b>	<b>319,816,435</b>	<b>604,091,791</b>	<b>458,774,464</b>	<b>147,209,690</b>	<b>61,525,136</b>	<b>57,244,222</b>	<b>23,052,692,640</b>	
Provision for loans & others		4,531,080,080	1,272,709,578	(49,667,890)	(632,922,962)	33,540,227	80,193,813	14,652,890	3,996,860	5,253,582,596
<b>Profit before tax (PBT)</b>	<b>14,007,781,137</b>	<b>1,592,460,107</b>	<b>369,484,325</b>	<b>1,237,014,753</b>	<b>425,234,237</b>	<b>67,015,877</b>	<b>46,872,246</b>	<b>53,247,362</b>	<b>17,799,110,044</b>	
Provision for taxation		-	-	-	-	-	-	-	-	6,948,061,643
<b>Net profit after tax (PAT)</b>										<b>10,851,048,401</b>
<b>Segment wise loans &amp; advances/ Investments</b>										
	<b>380,098,807,448</b>	<b>32,546,218,448</b>	<b>11,867,782,425</b>	<b>11,332,794,337</b>	<b>2,068,335,033</b>	<b>3,485,349,696</b>	<b>1,939,916,751</b>	<b>1,638,485,622</b>	<b>444,977,689,760</b>	
<b>Segment wise deposits</b>										
	<b>390,699,081,552</b>	<b>79,480,896,298</b>	<b>12,638,984,345</b>	<b>8,909,740,972</b>	<b>13,396,629,277</b>	<b>5,016,701,700</b>	<b>1,805,414,371</b>	<b>2,256,636,008</b>	<b>514,204,084,523</b>	



# City Bank Plc

## Balance Sheet of Islamic Banking Branch

as at 31 December 2024

Annexure-I(1)

	Notes	2024 Taka	2023 Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand (including foreign currencies)	1	36,545,175	37,766,025
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)		2,170,877,385	1,922,190,383
		<b>2,207,422,560</b>	<b>1,959,956,408</b>
<b>Balance with other banks and financial institutions</b>	2		
In Bangladesh		15,974,644,828	8,450,463,858
Outside Bangladesh		-	-
		<b>15,974,644,828</b>	<b>8,450,463,858</b>
<b>Placement with banks &amp; other financial institutions</b>			
<b>Investments in shares &amp; securities</b>	3		
Government		3,895,564,000	2,618,570,000
Others		500,000,000	2,000,000,000
		<b>4,395,564,000</b>	<b>4,618,570,000</b>
<b>Investments</b>	4		
General investments etc.		45,704,391,665	35,790,846,089
Bills purchased		-	-
		<b>45,704,391,665</b>	<b>35,790,846,089</b>
<b>Fixed assets including premises, furniture and fixtures</b>	5		
<b>Other assets</b>	6		
<b>Non-banking assets</b>			
Total assets		<b>70,144,300,226</b>	<b>52,533,324,903</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities:</b>			
<b>Placements from banks and other financial institutions and agents</b>	7		
		<b>519,071,401</b>	<b>357,666,667</b>
<b>Deposits and other Accounts</b>			
Mudaraba savings deposits		12,546,559,089	11,018,628,337
Mudaraba term deposits		43,941,125,533	27,956,305,079
Al-wahdia current deposits and other accounts		6,661,370,678	6,735,244,686
Bills payable		246,088,712	1,946,792,280
		<b>63,395,144,012</b>	<b>47,656,970,382</b>
<b>Other liabilities</b>	8		
		<b>6,230,084,813</b>	<b>4,518,687,854</b>
<b>Total liabilities</b>		<b>70,144,300,226</b>	<b>52,533,324,903</b>
<b>Capital/shareholders' equity</b>			
Paid up capital		-	-
Statutory reserve		-	-
Share premium		-	-
Other reserve		-	-
Surplus in profit and loss account/Retained earnings		-	-
		-	-
<b>Total shareholders' equity</b>		<b>70,144,300,226</b>	<b>52,533,324,903</b>
<b>Total liabilities and shareholders' equity</b>		<b>70,144,300,226</b>	<b>52,533,324,903</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements		2,137,402,669	5,068,912,335
Letters of guarantee		480,043,493	449,905,450
Irrevocable letters of credit		1,124,166,790	2,326,372,629
Bills for collection		2,863,471	2,863,471
Other contingent liabilities		-	-
<b>Total</b>		<b>3,744,476,423</b>	<b>7,848,053,885</b>
<b>Other commitments</b>			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Other commitments		-	-
<b>Total</b>		<b>3,744,476,423</b>	<b>7,848,053,885</b>
<b>Total Off-Balance Sheet items including contingent liabilities</b>		<b>3,744,476,423</b>	<b>7,848,053,885</b>



**City Bank Plc**

# **Profit and Loss Account of Islamic Banking Branch**

for the year ended 31 December 2024

Annexure-I(2)

Notes	2024 Taka	2023 Taka
Profit on investment	4,900,438,966	3,551,148,733
Profit paid on deposits and placement etc.	2,560,158,671	1,839,918,341
<b>Net investment income</b>	<b>2,340,280,295</b>	<b>1,711,230,392</b>
Income from investments in shares & securities	294,473,875	265,778,512
Commission, exchange and brokerage income	319,450,639	326,594,606
Other operating income	3,915,771	3,518,887
	<b>617,840,285</b>	<b>595,892,005</b>
<b>Total operating income (A)</b>	<b>2,958,120,580</b>	<b>2,307,122,397</b>
Salaries and allowances	93,978,038	36,951,031
Rent, taxes, insurance, electricity etc.	72,919,632	28,083,699
Legal expenses	1,434,981	1,868,800
Postage, stamp, telecommunication etc.	2,931,436	140,826
Stationery, printing, advertisement etc.	13,639,451	3,960,130
Depreciation and repair of Bank's assets	76,587,725	8,253,296
Shariah Supervisory Committee's Fees & Expenses	1,674,254	479,592
Other expenses	33,578,767	3,520,466
	<b>296,744,284</b>	<b>83,257,840</b>
<b>Total operating expenses (B)</b>	<b>2,661,376,296</b>	<b>2,223,864,557</b>
<b>Net operating profit (C = A-B)</b>		
Provision for investments	111,718,200	196,236,558
Provision for Off-Balance Sheet exposures	(32,211,879)	(26,395,690)
<b>Total provision (D)</b>	<b>79,506,321</b>	<b>169,840,868</b>
<b>Total profit before taxes (E = C-D)</b>	<b>2,581,869,975</b>	<b>2,054,023,689</b>



## City Bank Plc

# Notes to the Balance Sheet and Profit and Loss Account of Islamic Banking Branch

as at and for the year ended 31 December 2024

	2024 Taka	2023 Taka
<b>1. Cash</b>		
<b>1.1 Cash in hand</b>		
In local currency	36,545,175	37,766,025
In foreign currency	-	-
	<b>36,545,175</b>	<b>37,766,025</b>
<b>1.2 Balance with Bangladesh Bank and its agent bank(s)</b>		
In local currency	2,170,877,385	1,922,190,383
In foreign currency	-	-
	<b>2,170,877,385</b>	<b>1,922,190,383</b>
<b>2. Balance with other banks and financial institutions</b>		
In Bangladesh (Note - 2.1)	15,974,644,828	8,450,463,858
Outside Bangladesh	-	-
	<b>15,974,644,828</b>	<b>8,450,463,858</b>
<b>2.1 In Bangladesh</b>		
<b>Mudaraba Short Notice Deposits</b>		
Social Islami Bank PLC	1,500,033,071	36,345
NCC Bank PLC (Islamic banking branch)	18,779,740	-
Pubali Bank PLC (Islamic banking branch)	3,787,344	1,200,000,000
Mercantile Bank PLC (Islamic banking branch)	1,990,074	-
Standard Bank PLC	50,587	-
Jamuna Bank PLC (Islamic banking branch)	1,347	650,000,000
Prime Bank PLC (Islamic banking branch)	1,054	1,250,322,959
Export Import Bank of Bangladesh PLC	912	600
AB Bank PLC (Islamic banking branch)	697	102,699
Bank Alfalah Limited (Islamic banking branch)	2	255
Southeast Bank PLC (Islamic banking branch)	-	1,000
	<b>1,524,644,828</b>	<b>3,100,463,858</b>
<b>Mudaraba term deposit accounts</b>		
Islami Bank Bangladesh PLC	4,950,000,000	3,000,000,000
First Security Islami Bank PLC	3,500,000,000	-
Export Import Bank of Bangladesh PLC	3,000,000,000	800,000,000
Social Islami Bank PLC	3,000,000,000	-
One Bank PLC (Islamic banking branch)	-	1,250,000,000
Al-Arafah Islami Bank PLC	-	300,000,000
	<b>14,450,000,000</b>	<b>5,350,000,000</b>
	<b>15,974,644,828</b>	<b>8,450,463,858</b>
<b>3 Investments in shares &amp; securities</b>		
<b>Government Sukuk and Bond (Note-3.1)</b>		
Bangladesh Government Investment Sukuk (BGIS)	3,395,564,000	1,518,570,000
Bangladesh Government Islami Investment Bond (BGIIB)	500,000,000	1,100,000,000
	<b>3,895,564,000</b>	<b>2,618,570,000</b>
<b>Investment in other Securities</b>		
Beximco Green Sukuk Al Istisna'A	-	1,500,000,000
BBML Sukuk AL Ijarah	500,000,000	500,000,000
	<b>500,000,000</b>	<b>2,000,000,000</b>
	<b>4,395,564,000</b>	<b>4,618,570,000</b>



		2024 Taka	2023 Taka
<b>3.1</b>	<b>Government Sukuk and Bond</b>		
	3 months Bangladesh Government Islami Investment Bond (BGIIB)	500,000,000	1,100,000,000
	5 years Bangladesh Government Investment Sukuk (BGIS)	3,395,564,000	1,518,570,000
		<b>3,895,564,000</b>	<b>2,618,570,000</b>
<b>4</b>	<b>Investments</b>		
	<b>i) Investments</b>		
	<b>Inside Bangladesh</b>		
	Hire purchase shirkatul melk (HPSM)	22,052,942,045	16,471,357,288
	Bai - Salam	15,680,814,262	13,480,431,349
	Bai - Murabaha	7,337,820,835	5,388,479,797
	Islamic Credit Card	569,793,995	368,504,667
	Musharaka	63,020,528	82,072,988
		<b>45,704,391,665</b>	<b>35,790,846,089</b>
	<b>Outside Bangladesh</b>		
		<b>45,704,391,665</b>	<b>35,790,846,089</b>
	<b>ii) Bills purchased</b>		
	<b>Payable Inside Bangladesh</b>		
	Inland Bill Purchased (IBP)	-	-
	<b>Payable Outside Bangladesh</b>		
	Foreign Bill Purchased (FBP)	-	-
		<b>45,704,391,665</b>	<b>35,790,846,089</b>
<b>5</b>	<b>Fixed assets including premises, furniture and fixtures</b>		
	<b>Cost</b>		
	Furniture and fixtures	3,911,070	3,911,070
	Office equipment and machinery	12,347,578	11,683,197
	Software	37,252,305	36,779,305
		<b>53,510,953</b>	<b>52,373,572</b>
	<b>Accumulated depreciation</b>		
		(19,764,982)	(14,970,224)
		<b>33,745,971</b>	<b>37,403,348</b>
<b>6</b>	<b>Other assets</b>		
	Profit receivable from investment	1,460,907,180	946,516,777
	Sundry debtors	187,503,004	173,635,253
	Advance tax	177,030,799	14,360,206
	Advance deposits and advance rent	2,902,334	4,419,005
	Stationery and stamps	187,885	126,526
	Branch adjustment account	-	537,027,433
		<b>1,828,531,202</b>	<b>1,676,085,200</b>
<b>7</b>	<b>Placements from banks and other financial institutions and agents</b>		
	In Bangladesh (Note- 7.1)	519,071,401	357,666,667
	Outside Bangladesh	-	-
		<b>519,071,401</b>	<b>357,666,667</b>
<b>7.1</b>	<b>In Bangladesh</b>		
	IsDB Fund in the basis of restricted Mudarabah	519,071,401	357,666,667
		<b>519,071,401</b>	<b>357,666,667</b>
<b>7.2</b>	<b>Maturity grouping of placement from other banks, financial institutions and agents</b>		
	Payable on demand	-	-
	Up to 1 month	11,714,946	-
	Over 1 month but within 3 months	7,333,333	158,333,333
	Over 3 months but within 1 year	57,144,839	53,000,000
	Over 1 year but within 3 years	152,386,237	86,666,667
	Over 3 year but within 5 years	103,052,904	59,666,667
	Over 5 years	187,439,142	-
		<b>519,071,401</b>	<b>357,666,667</b>



		2024 Taka	2023 Taka
<b>8</b>	<b>Other liabilities</b>		
Profit Payable to head office		2,581,869,975	2,054,023,689
Profit mark up account		1,315,463,123	1,155,854,807
Profit payable account		855,490,917	419,287,878
Provision for investment		586,225,154	493,497,236
Branch adjustment account		567,977,792	-
Others (Payable to Govt., MFS & other organization)		214,940,275	268,535,257
Provision for off-balance sheet exposures		42,214,834	74,426,713
Realised compensation		31,128,339	12,890,199
Profit suspense account		17,986,157	15,124,760
Expense payable		13,319,453	20,384,750
Unrealised compensation		3,088,491	1,029,683
Compensation Suspense		380,303	3,632,882
		<b>6,230,084,813</b>	<b>4,518,687,854</b>
<b>9</b>	<b>Commission, exchange and brokerage income</b>		
Other fees and charges (Note - 9.1)		198,091,371	160,504,409
Commission on letters of credit		60,659,146	75,850,982
Commission on accepted bills		56,853,381	77,391,799
Commission on letters of guarantee		2,801,308	12,407,834
Commission on OBC, IBC etc.		174,967	226,249
Commission on PO, DD, TT, TC, etc.		145,727	91,045
Other commission		1,100	122,288
		<b>318,727,000</b>	<b>326,594,606</b>
	Exchange gain including gain from foreign currency dealings	723,639	-
		<b>319,450,639</b>	<b>326,594,606</b>
<b>9.1</b>	<b>Other fees and charges</b>		
Islamic credit card income		132,076,820	93,915,066
Service charges on deposits		31,544,032	17,019,564
Investment processing fees		22,302,018	27,593,724
Supervision Fees		8,862,115	18,409,083
Cheque book issue fees		2,786,702	3,230,012
Clearing return		212,684	186,282
Charges on account closing		195,000	145,678
Fund transfer process fees		112,000	5,000
		<b>198,091,371</b>	<b>160,504,409</b>
<b>10</b>	<b>Other operating income</b>		
Locker rent		1,090,050	752,761
Miscellaneous earnings (Note - 10.1)		1,897,721	1,675,600
Postage/telex/swift/fax recoveries		928,000	1,090,526
		<b>3,915,771</b>	<b>3,518,887</b>
<b>10.1</b>	Miscellaneous earnings includes earning from issuing various certificate and bank statements on demand of customers.		
<b>11</b>	<b>Other expenses</b>		
Miscellaneous expenses		10,376,875	140,316
Business expansion cost		9,142,057	17,550
Security expenses		7,276,428	386,929
Subscription to institutions		3,490,187	1,471,403
Islamic Credit card expenses		906,095	786,141
Conveyance		777,045	33,937
Online communication expenses		633,683	82,304
Newspapers		426,241	8,724
Training, seminar and workshop		356,529	472,913
Entertainment		193,627	120,249
		<b>33,578,767</b>	<b>3,520,466</b>



**City Bank Plc**

# **Balance Sheet of Off-Shore Banking Unit**

as at 31 December 2024

Annexure-J(1)

Notes	2024		2023
	USD	Taka	Taka
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>			
Cash in hand (including foreign currencies)	-	-	-
Balance with Bangladesh Bank and its agent bank(s)	-	-	-
(Including foreign currencies)	-	-	-
<b>Balance with other banks and financial institutions</b>			
In Bangladesh	51,500,000	6,180,000,000	1,034,000,000
Outside Bangladesh	5,773,995	692,879,400	558,331,745
	<b>57,273,995</b>	<b>6,872,879,400</b>	<b>1,592,331,745</b>
<b>Money at call and short notice</b>			
<b>Investments in shares &amp; securities</b>			
Government	-	-	-
Others	-	-	-
	-	-	-
<b>Loans and advances</b>			
Loans, cash credits, overdrafts, etc.	109,330,456	13,119,654,745	7,341,478,654
Bills purchased and discounted	248,455,404	29,814,648,498	22,086,741,689
	<b>357,785,860</b>	<b>42,934,303,243</b>	<b>29,428,220,343</b>
<b>Fixed assets including premises, furniture and fixtures</b>			
<b>Other assets</b>			
<b>Non-banking assets</b>	<b>9,248,733</b>	<b>1,109,847,995</b>	<b>43,086,666</b>
<b>Total assets</b>	<b>424,308,589</b>	<b>50,917,030,638</b>	<b>31,063,638,754</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities:</b>			
Borrowings from other banks, financial institutions and agents	201,724,458	24,206,934,942	15,814,353,588
<b>Deposits and other Accounts</b>			
Other liabilities	92,829,445	11,139,533,345	1,763,915,822
Total liabilities	129,754,686	15,570,562,351	13,485,369,344
	<b>424,308,589</b>	<b>50,917,030,638</b>	<b>31,063,638,754</b>
<b>Capital/shareholders' equity</b>			
Paid up capital	-	-	-
Statutory reserve	-	-	-
Share premium	-	-	-
Other reserve	-	-	-
Surplus in profit and loss account	-	-	-
	-	-	-
<b>Total liabilities and shareholders' equity</b>	<b>424,308,589</b>	<b>50,917,030,638</b>	<b>31,063,638,754</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
Acceptances and endorsements	27,772,745	3,332,729,355	3,133,880,590
Letters of guarantee	-	-	-
Irrevocable letters of credit	26,287,909	3,154,549,133	2,376,560,158
Bills for collection	4,642,424	557,090,845	2,739,177,494
Other contingent liabilities	95,026,106	11,403,132,673	12,771,271,839
	<b>153,729,183</b>	<b>18,447,502,006</b>	<b>21,020,890,081</b>
<b>Other commitments</b>			
<b>Total off-balance sheet items including contingent liabilities</b>	<b>153,729,183</b>	<b>18,447,502,006</b>	<b>21,020,890,081</b>



**City Bank Plc**

## **Profit and Loss Account of Off-Shore Banking Unit**

for the year ended 31 December 2024

Annexure-J(2)

Notes	2024		2023
	USD	Taka	Taka
Interest income	6	28,211,798 25,821,469	3,385,415,772 3,098,576,308
Interest paid on borrowings			3,572,752,701 3,451,745,044
<b>Net interest income</b>		<b>2,390,329</b>	<b>286,839,464</b>
Commission and exchange	7	1,865,988 83,603	223,918,598 10,032,413
Other operating income			157,326,519 5,299,268
<b>Total operating income (A)</b>		<b>1,949,592</b>	<b>233,951,011</b>
		<b>4,339,921</b>	<b>520,790,475</b>
Rent, taxes, insurance, electricity, etc.			-
Legal expenses			-
Other operating expenses		53,745	6,449,429
<b>Total operating expenses (B)</b>		<b>53,745</b>	<b>6,449,429</b>
<b>Profit before provision (C = A-B)</b>		<b>4,286,175</b>	<b>514,341,046</b>
Provision for loans and advances/investments		1,125,507	135,060,829
Provision for off-balance sheet exposures		(86,034)	(10,324,041)
Provision for diminution in value of investments		-	-
Other provision		-	-
<b>Total provision (D)</b>		<b>1,039,473</b>	<b>124,736,788</b>
<b>Total profit before taxes (E = C-D)</b>		<b>3,246,702</b>	<b>389,604,258</b>
			<b>386,886,535</b>

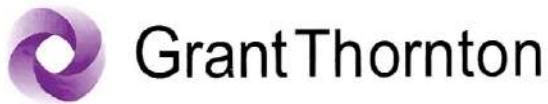


**City Bank Plc**

# **Notes to the Balance Sheet and Profit and Loss Account of Off-Shore Banking Unit**

as at and for the year ended 31 December 2024

	2024		2023 Taka
	USD	Taka	
<b>1 Balance with other banks and financial institutions</b>			
In Bangladesh	51,500,000	6,180,000,000	1,034,000,000
Outside Bangladesh	5,773,995	692,879,400	558,331,745
	<b>57,273,995</b>	<b>6,872,879,400</b>	<b>1,592,331,745</b>
OBU maintain its own account relating Offshore Banking business separately.			
<b>2 Loans and advances</b>			
Loans, cash credits, overdrafts, etc.			
Term loan	56,381,452	6,765,774,221	3,388,553,610
Short term loan	35,914,457	4,309,734,832	2,811,060,241
Over draft loan	17,034,547	2,044,145,692	1,141,864,803
	<b>109,330,456</b>	<b>13,119,654,745</b>	<b>7,341,478,654</b>
Bills purchased and discounted			
	248,455,404	29,814,648,498	22,086,741,689
	<b>357,785,860</b>	<b>42,934,303,243</b>	<b>29,428,220,343</b>
<b>3 Other assets</b>			
Interest receivable from loans & advances	8,237,499	988,499,909	10,214,413
Prepaid expenses	646,138	77,536,534	407,440
Interest receivable from Placement	342,774	41,132,833	31,322,281
Advance payment of tax	22,323	2,678,719	1,142,533
	<b>9,248,733</b>	<b>1,109,847,995</b>	<b>43,086,666</b>
<b>3 Borrowings from other banks, financial institutions and agents</b>			
In Bangladesh	-	-	-
Outside Bangladesh	201,724,458	24,206,934,942	15,814,353,588
	<b>201,724,458</b>	<b>24,206,934,942</b>	<b>15,814,353,588</b>
<b>5 Other liabilities</b>			
Payable to main operation	119,335,045	14,320,205,362	12,646,151,464
Provision for loans and advances	3,577,859	429,343,032	294,282,203
Interest payable	3,194,019	383,282,234	134,854,359
Government levy and vat payable	1,777,437	213,292,480	195,483,154
Others	977,395	117,287,360	106,911,900
Provision for off balance sheet exposure	892,932	107,151,883	107,686,264
	<b>129,754,686</b>	<b>15,570,562,351</b>	<b>13,485,369,344</b>
<b>6 Interest income</b>			
Interest on bills purchased and discounted	19,519,842	2,342,381,024	756,996,086
Interest on loans and advances	8,321,090	998,530,809	2,753,864,953
Interest on balance with other banks and financial institutions	370,866	44,503,939	61,891,662
	<b>28,211,798</b>	<b>3,385,415,772</b>	<b>3,572,752,701</b>
<b>7 Commission, exchange and brokerage</b>			
Commission income	1,865,988	223,918,598	157,326,519
Exchange gain	-	-	-
	<b>1,865,988</b>	<b>223,918,598</b>	<b>157,326,519</b>



**Howladar Yunus & Co.**  
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## To whom it may concern

This is to certify that as detailed in the Annexure K, City Bank Plc made the custodian transactions on account of custodian services provided during the year ended 31 December 2024, which have been verified with the books of account, invoices and other related documents as produced to us for our verification.

We also certify that management of the Bank prepared and fairly presented of the income and expenses in accordance with the requirement of the Securities and Exchange Commission (Securities Custodian Service) Rules 2003, and made necessary disclosures in the Bank's audited financial statements for the year ended 31 December 2024.

Chartered Accountants

Dhaka, 29 April 2025

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**Chartered Accountants**

Member firm of Grant Thornton International Ltd

Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered independently by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

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**City Bank Plc**

## **Profit and Loss Account of Custodian Service**

for the year ended 31 December 2024

Annexure-K(1)

	2024 Taka	2023 Taka
<b>Operating income</b>		
Commission, exchange and brokerage	368,824	154,405
Other operating income	-	-
<b>Total operating income</b>	<b>368,824</b>	<b>154,405</b>
Salaries and allowances	67,767	36,143
Rent, taxes, insurance, electricity etc.	-	-
Legal expenses	-	-
Postage, stamp, telecommunication etc.	-	-
Stationery, printing, advertisement etc.	-	-
Auditors' fees	-	-
Depreciation and repair of bank's assets	-	-
Other expenses	230,000	115,000
<b>Total operating expenses</b>	<b>297,767</b>	<b>151,143</b>
<b>Operating profit</b>	<b>71,057</b>	<b>3,262</b>

**City Bank Plc**

## **Statement of Total Capital Computation**

### **Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019, Schedule-C (Part A)**

as at 31 December 2024

Annexure-K(2)

Amount in Taka					
SL.	Components	Balance Sheet Amount	Haircut	Eligible Amount	Amount
a.	Paid-up-capital	13,470,807,640	0%	13,470,807,640	
b.	Share premium	1,504,388,797	0%	1,504,388,797	
c.	General reserve	12,508,600,401	0%	12,508,600,401	
d.	Capital reserve	-	0%	-	
e.	Retained earnings	17,148,904,360	0%	17,148,904,360	
<b>Sum of core capital</b>		<b>44,632,701,198</b>		<b>44,632,701,198</b>	
f.	General provision	10,447,917,011	20%	8,358,333,609	
g.	Specific provision	7,245,773,775	30%	5,072,041,643	
<b>h. Revaluation Surplus or unrealized gain on:</b>					
i.	Fixed assets (property, plant & equipments other than Intangible assets)	-	30%	-	
ii.	Investment in listed securities	-	20%	-	
iii.	Investment in non-listed securities (other than closed end mutual fund)	-	35%	-	
iv.	Investment in strategic holding	-	25%	-	
i.	Preference share	-	25%	-	
j.	Subordinated debt/ Perpetual Bond	11,920,000,000		12,160,000,000	
Sum of supplementary capital				25,590,375,251	25,590,375,251
<b>Total Capital</b>				<b>70,223,076,449</b>	<b>70,223,076,449</b>
<b>Total Regulatory Capital as per Bangladesh Bank Basel-III Guidelines (note-17.5)</b>					<b>65,378,901,099</b>

**City Bank Plc****Schedule of Non - banking assets**

as at 31 December 2024

Annexure-L

City Bank Plc has been awarded absolute ownership on 38 mortgage properties through verdict of honourable Court under section 33 (7) of Artha Rin Adalat Ain, 2003. At the end of 2024, recorded value of non-banking assets was Taka 576,119,668.

Sl. No.	Name of Parties	Type of assets	Booking Date	Year of holding	2024 Taka	2023 Taka
1	M/S Overseas Liner Agency	953 decimal land	29/Dec/11	13 Years	11,436,000	11,436,000
2	M/S Habib Bastra Bitan	16.50 decimal land	29/Dec/11	13 Years	1,485,000	1,485,000
3	M/S Silva Synthetic Fabrics	21.50 decimal land in Narayangonj	29/Dec/11 & 29/Dec/15	13 & 9 Years	788,300	27,017,500
4	L.J.S Enterprise	181.96 decimal land	29/Dec/11	13 Years	3,677,959	3,677,959
5	M/S Sikder Construction	14 decimal land	29/Dec/11	13 Years	12,131,206	12,131,206
6	M/s. Nan Business Associates	261 decimal land & 1,518 sft floor	27-12-2012 & 28-12-2015	12 & 9 Years	63,521,250	63,521,250
7	Shibpur Rice Mill	150.75 decimal land	27/Dec/12	12 Years	2,563,633	2,563,633
8	M/s. Chand & Sons	6.60 decimal land	10/Oct/13	11 Years	1,850,139	1,850,139
9	M/s. Ashraf Traders	12 decimal land	20/Oct/13	11 Years	3,352,735	3,352,735
10	M/s. Rafique Repairing & Motor Machinery Parts	8 decimal land along with two storied building	20/Oct/13	11 Years	1,371,088	1,371,088
11	Friends International	225.35 decimal land	3/Mar/14	11 Years	14,888,087	14,888,087
12	M/s General Services	375.5 decimal land	20/Dec/15	9 Years	2,074,764	2,074,764
13	M/s Galeeb International	8.25 decimal land	22/Dec/15	9 Years	3,507,045	3,507,045
14	M/s Balaka Industries	7 katha land	22/Dec/15	9 Years	6,390,367	6,390,367
15	Alif Builders & Co.	4.51 decimal land	22/Dec/15	9 Years	13,647,649	13,647,649
16	M/s Amin Engineering	2.50 katha and 8.25 decimal land	23/Dec/15	9 Years	2,340,929	2,340,929
17	M/s S S Poultry Feed	12.32 decimal land	23/Dec/15	9 Years	4,292,867	4,292,867
18	M/s Sathi Foods & Oil Industries	15 decimal land	23/Dec/15	9 Years	10,683,879	10,683,879
19	M/s MIM Pictures International	51.5 decimal land	24/Dec/15	9 Years	1,763,421	1,763,421
20	M/s Shaans Denim	1670 sft flat	24/Dec/15	9 Years	34,880,000	34,880,000
21	M/s Apparel King Limited	16.34 decimal land	24/Dec/15	9 Years	7,189,924	7,189,924
22	M/s Suchi Enterprise	50.24 decimal land	24/Dec/15	9 Years	3,602,354	3,602,354
23	M/s A B Traders	3.63 acre land	24/Dec/15	9 Years	899,503	899,503
24	M/s The Media Advertising	17.50 decimal and 5 katha land	24/Dec/15	9 Years	1,627,948	1,627,948
25	M/s Mondira Medico	12.20 decimal and 3 acre land	24/Dec/15	9 Years	4,496,291	4,496,291
26	M/s Tajco Limited	1.60 acre land	30/Dec/15	9 Years	15,049,194	15,049,194
27	Atlas food and Beverage Limited	233.68 decimal land	29/Jun/16	8 Years	65,366,934	65,366,934
28	Rafly Sweaters Limited	100 decimal land and 02 storied building measuring +42,000 sft	29/Dec/16	8 Years	71,140,000	71,140,000
29	Saleh Fashion Limited	14.56 decimal and 30 decimal land	21/Jun/17	6 Years	17,592,323	17,592,323
30	M/S Hasnat Enterprise	4.587 decimal land with building and 4.125 decimal land	30/Dec/17	6 Years	21,055,559	21,055,559
31	M/s. Noor Enterprise	84.87 decimal land	30/Dec/17	6 Years	80,034,010	80,034,010
32	M/s. McCoy Knitwear	22.50 decimal land and 5.00 decimal land	30/Dec/17	6 Years	2,625,000	2,625,000
33	M/s. Unique Steel	75.5 decimal land	30/Dec/17	6 Years	36,476,810	36,476,810
34	Mohd. Elias Bros (Pvt.) Limited	18.92 decimal land	28/Jun/18	5 Years	41,800,000	69,300,000
35	M/s Momin Monu Auto Rice Mill	117.50 decimal land at Jamalpur	28/Jun/18	5 Years	4,699,995	9,400,000
36	S. M Enterprise		26/Dec/18	5 Years	667,555	667,555
37	M/s Rabeya Bastraly	7.0 decimal and 5.5 decimal land	27/Dec/18	5 Years	2,853,626	2,853,626
38	Emdadul Haque Bhuiyan	10.90 decimal land	30/Jun/19 & 29/Dec/19	4 Years	2,296,324	2,296,324
					<b>576,119,668</b>	<b>634,548,873</b>



# City Bank Plc

## HIGHLIGHTS

Annexure - M

Sl. no.	Particulars		Figures in million unless specified	
			As at 31 December 2024	As at 31 December 2023
1	Paid-up capital	Taka	13,470.81	12,246.19
2	Total capital	Taka	65,378.90	56,172.90
3	Capital surplus/(deficit)	Taka	14,216.24	11,743.15
4	Total assets	Taka	697,348.60	555,738.27
5	Total deposits	Taka	514,204.08	392,510.33
6	Total loans and advances/investments	Taka	444,977.69	396,078.37
7	Total contingent liabilities and commitments	Taka	233,513.67	209,349.35
8	Credit deposit ratio *	%	74.72%	83.74%
	Advance Deposit Ratio (Conventional including OBU)	%	76.79%	72.13%
	Investment Deposit Ratio (Islamic)	%		
9	Percentage of classified loans/investments against total loans and advances/investments	%	3.72%	3.63%
10	Amount of classified loans/investments during the period	Taka	16,569.10	14,385.09
11	Provisions kept against classified loans/investments	Taka	7,245.77	6,233.23
12	Provision surplus/(deficit) against classified loans/investments	Taka	1.60	19.34
13	Cost of fund	%	5.94%	3.93%
14	Interest earning assets	Taka	597,959.87	474,453.60
15	Non-interest earning assets	Taka	99,388.72	81,284.67
16	Return on investment (ROI)	%	15.73%	7.12%
17	Return on assets (ROA)	%	1.73%	1.16%
18	Liquidity coverage ratio (LCR)	%	193.95%	174.58%
19	Net stable funding ratio (NSFR)	%	108.54%	106.52%
20	Net asset value per share**	Taka	34.01	27.63
21	Profit after tax and provision	Taka	10,851.05	6,151.32
22	Income from investment	Taka	16,614.88	4,712.71
23	Earnings per share**	Taka	8.06	4.57
24	Net income per share**	Taka	8.06	4.57
25	Price earning ratio	Times	2.78	4.69

\* As per Bangladesh Bank Reporting

\*\* Amount are presented in Taka actual

# CITY BROKERAGE LTD.





# Independent Auditor's Report To the Shareholders of City Brokerage Ltd.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of City Brokerage Ltd. (the Company), which comprise the statement of financial position (balance sheet) as at 31 December 2024, and the statement of profit or loss and other comprehensive income (profit and loss statement), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future



events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on other legal and regulatory requirements**

In accordance with the Companies Act 1994, we also report the following:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- the statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account.

Auditor's Signature

Name of Engagement Partner

: Md. Moktar Hossain, FCA, Senior Partner

Enrollment No.

: 728

Firm's Name

: S. F. AHMED & CO., Chartered Accountants

Firm's Reg. No.

: 10898 E.P. under Partnership Act 1932



**Document Verification Code (DVC)**

**: 2502120728AS682784**

Dhaka, Bangladesh

Dated, 12 Feb 2025



**City Brokerage Ltd.**

# **Statement of Financial Position (Balance Sheet)**

as at 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	291,702,709	307,745,333
Intangible assets	9	2,588,854	3,271,644
Right-of-use (ROU) assets	10	28,307,733	32,044,554
Investment in bangladesh bank treasury bond	15	177,634,980	27,525,480
Investment in stock exchanges	11	557,370,431	557,370,431
		<b>1,057,604,706</b>	<b>927,957,442</b>
<b>Current assets</b>			
Margin loan to clients	12	286,813,204	792,869,390
Investment in securities	13	2,343,925,093	2,382,981,312
Investment in bangladesh bank treasury bill	14	732,532,610	209,225,210
Investment in bangladesh bank treasury bond	15	29,703,040	-
Accounts receivable	16	139,433,125	118,052,428
Advance income tax	17	137,217,749	179,915,969
Advances, deposits and prepayments	18	15,758,890	26,642,997
Cash and cash equivalents	19	595,068,283	483,045,948
		<b>4,280,451,995</b>	<b>4,192,733,254</b>
<b>Total assets</b>		<b>5,338,056,701</b>	<b>5,120,690,697</b>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	20	3,400,000,000	3,400,000,000
Capital reserve	21	56,924,753	50,826,926
Retained earnings		194,657,700	142,895,663
		<b>3,651,582,453</b>	<b>3,593,722,590</b>
<b>Non current liabilities</b>			
Lease liabilities-non current portion	22	17,246,277	22,922,383
Deferred tax liabilities	23	26,846,073	27,711,939
		<b>44,092,350</b>	<b>50,634,322</b>
<b>Current liabilities</b>			
Short term loan	24	629,124,530	662,748,994
Lease liabilities- current portion	22	6,708,132	9,642,014
Payable to clients	25	607,447,802	465,123,939
Accounts payable	26	13,307,763	13,731,670
Accrued expenses		1,718,948	3,638,000
Provision for loans loss - margin loan	27	2,868,132	7,928,693
Provision for diminution in value of investment	28	117,404,447	28,335,700
Provision for corporate income tax	29	263,802,146	285,184,778
		<b>1,642,381,899</b>	<b>1,476,333,785</b>
<b>Total liabilities</b>		<b>1,686,474,248</b>	<b>1,526,968,108</b>
<b>Total shareholders' equity and liabilities</b>		<b>5,338,056,701</b>	<b>5,120,690,697</b>

These financial statements should be read in conjunction with annexed notes.

For and on behalf of the Board of Directors of City Brokerage Limited

Company Secretary

Managing Director & CEO

Director

Chairman  
See annexed report of the date

Dhaka, Bangladesh  
Dated, 12 Feb 2025

S. F. AHMED & CO.  
Chartered Accountants  
DVC : 2502120728AS682784



**City Brokerage Ltd.**

# **Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)**

for the year ended 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>Operating income</b>			
Brokerage commission	30	190,781,361	151,260,712
Interest income	31	176,584,499	145,329,652
Capital gains/(losses)	32	54,533,555	27,625,344
Dividend income		70,708,773	57,670,365
Other operating income	33	805,618	576,845
<b>Total operating income</b>		<b>493,413,805</b>	<b>382,462,919</b>
Non- operating income	34	12,788,985	13,348,917
<b>Total income</b>		<b>506,202,790</b>	<b>395,811,836</b>
<b>Expenses</b>			
Direct cost	35	21,144,448	16,610,419
Operating expenses	36	207,544,467	199,862,586
Interest expenses	37	52,396,511	43,561,507
<b>Total expenses</b>		<b>281,085,427</b>	<b>260,034,512</b>
<b>Profit before provision and taxation</b>		<b>225,117,363</b>	<b>135,777,324</b>
Provision/(write back of provision) for loan loss-margin loan	27	(5,060,561)	(2,521,913)
Provision/(write back of provision) for diminution in value of investment	28	89,068,747	(2,318,081)
<b>Profit before tax</b>		<b>141,109,177</b>	<b>140,617,318</b>
<b>Income tax expense</b>			
Current tax	29	(84,115,180)	(79,760,841)
Deferred tax (expenses)/ income	30	865,866	121,795
		<b>(83,249,313)</b>	<b>(79,639,046)</b>
<b>Profit for the year</b>		<b>57,859,864</b>	<b>60,978,273</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>57,859,864</b>	<b>60,978,273</b>

These financial statements should be read in conjunction with annexed notes.

For and on behalf of the Board of Directors of City Brokerage Limited

Company Secretary

Managing Director & CEO

Director

Chairman  
See annexed report of the date

Dhaka, Bangladesh  
Dated, 12 Feb 2025

S. F. AHMED & CO.  
Chartered Accountants  
DVC : 2502120728AS682784



# City Brokerage Ltd.

## Statement of Changes in Equity

for the year ended 31 December 2024

Particulars	Share capital	Capital reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka
<b>Year ended 31 December 2024</b>				
Balance at 1 January 2024	3,400,000,000	50,826,926	142,895,663	3,593,722,590
Profit for the year	-	-	57,859,864	57,859,864
Capital reserve	-	6,097,827	(6,097,827)	-
<b>Balance at 31 December 2024</b>	<b>3,400,000,000</b>	<b>56,924,754</b>	<b>194,657,700</b>	<b>3,651,582,453</b>
<b>Year ended 31 December 2023</b>				
Balance at 1 January 2023	3,400,000,000	38,307,621	94,436,696	3,532,744,317
Profit for the year	-	-	60,978,273	60,978,273
Capital reserve	-	12,519,305	(12,519,305)	-
<b>Balance at 31 December 2023</b>	<b>3,400,000,000</b>	<b>50,826,926</b>	<b>142,895,663</b>	<b>3,593,722,590</b>

For and on behalf of the Board of Directors of City Brokerage Limited

Company Secretary

Managing Director & CEO

Director

Chairman  
See annexed report of the date

Dhaka, Bangladesh  
Dated, 12 Feb 2025



**City Brokerage Ltd.**  
**Statement of Cash Flows**  
for the year ended 31 December 2024

	2024 Taka	2023 Taka
<b>A Cash flows from operating activities</b>		
Profit before provision and taxation	225,117,363	135,777,324
<b>Adjustment for non-cash item:</b>		
Depreciation and amortisation	30,572,139	36,046,515
	<b>255,689,502</b>	<b>171,823,839</b>
<b>Changes in working capital components:</b>		
(Increase)/decrease in current assets-		
Accounts receivable	(21,380,697)	(34,805,629)
Advances, deposits and prepayments	10,884,107	(16,642,542)
<b>Increase/(decrease) in current liabilities-</b>		
Payable to clients	142,323,863	(92,671,813)
Account payable	(2,342,960)	(19,834,016)
Accrued expenses	(1,919,053)	-
	<b>127,565,261</b>	<b>(163,954,000)</b>
<b>Cash generated from operations</b>	<b>383,254,763</b>	<b>7,869,839</b>
Income tax paid	(62,799,590)	(54,386,556)
<b>Net cash from/(used in) operating activities</b>	<b>320,455,173</b>	<b>(46,516,717)</b>
<b>B Cash flows from investing activities</b>		
Investment in securities	39,056,218	(67,201,868)
Investment in bangladesh bank treasury bill	(523,307,400)	(209,225,210)
Investment in bangladesh bank treasury bond	(179,812,540)	(27,525,480)
Investment in stock exchanges	-	4,750,252
Acquisition of property, plant and equipment	(2,450,161)	(282,105)
Acquisition of intangible assets	-	(800,000)
Investment in margin loan	506,056,186	252,191,276
Acquisition of right-of-use (ROU) assets	(10,146,524)	(566,956)
<b>Net cash from/(used in) investing activities</b>	<b>(170,604,221)</b>	<b>(48,660,091)</b>
<b>C Cash flows from financing activities</b>		
Short term loan	(33,624,464)	(17,087,864)
Lease liability	(4,204,154)	(9,192,756)
<b>Net cash from/(used in) financing activities</b>	<b>(37,828,618)</b>	<b>(26,280,620)</b>
<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b>112,022,334</b>	<b>(121,457,428)</b>
Opening cash and cash equivalents	483,045,948	604,503,375
<b>Closing cash and cash equivalents</b>	<b>595,068,283</b>	<b>483,045,948</b>

For and on behalf of the Board of Directors of City Brokerage Limited

Company Secretary

Managing Director & CEO

Director

Chairman  
See annexed report of the date

Dhaka, Bangladesh  
Dated, 12 Feb 2025



# City Brokerage Ltd.

## Notes to the Financial Statements

for the year ended 31 December 2024

### 1. Reporting entity

#### 1.1 Company profile

City Brokerage Ltd. (the company) was incorporated in Bangladesh on 31 March 2010 as a private limited company under the Companies Act 1994 vide certificate of incorporation no. C-83616/10. Subsequently, the company obtained Broker and Dealer licenses from Dhaka Stock Exchange PLC. (DSE) and Chittagong Stock Exchange PLC. (CSE) bearing broker license number 3.1/DSE-145/2010/433 dated 25 October 2010 and 3.2/CSE-133/2010/250 dated 4 November 2010 and dealer license number 3.1/DSE-145/2010/434 dated 25 October 2010 and 3.2/CSE-133/2010/251 dated 4 November 2010. It is a subsidiary company of City Bank PLC, a banking company incorporated in Bangladesh under the Banking Companies Act 1991. Though the company was incorporated on 31 March 2010 but it started its operations from 15 November 2010. The Head Office of the company is situated at Taj Castilina Sw(1) 4, Flat 4/D (3rd Floor), 25 Gulshan Avenue, Gulshan 1, Dhaka-1212 and registered office is situated at City Centre, Unit # 12A & 12B (12th floor) Level-13, 90/1, Motijheel Commercial Area, Dhaka 1000. The company has two branches inside Dhaka each located at Dhanmondi and Nikunja and two other branches at Chattogram and Sylhet. The legal status of the company has been converted into public limited company from private limited company in June 2012 in compliance with Bangladesh Securities and Exchange Commission (Stock Dealer, Stock Broker and Authorised Representatives) Rules 2000.

#### 1.2 Nature of the business

The principal objectives of the company are to act as a member of Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. to carry on the business of Stock brokers/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Article of Association of the company.

### 2 Basis of accounting

#### 2.1 Statement of compliance

The financial statements have been prepared in compliance with the requirement of the International Financial Reporting Standards (IFRSs) which also cover International Accounting Standards (IASs), the Companies Act 1994, Bangladesh Securities and Exchange Commission (Stock Dealers, Stock Brokers and Authorised Representatives) Rules 2000, Securities & Exchange Rules, 2020 and other applicable laws and regulations.

Details of the company's accounting policies are included in Note 6.

#### 2.2 Basis of measurement

These financial statements have been prepared on accrual basis of accounting following going concern concept under historical cost convention.

#### 2.3 Reporting period

These financial statements cover a period of one year from 1 January 2024 to 31 December 2024.

#### 2.4 Functional and presentational currency and level of precision

These financial statements have been presented in Bangladeshi Taka (Taka/Tk/BDT), which is both the functional and presentation currency of the company.

#### 2.5 Authentication of financial statements

Section 189 (1) (ii) of Companies Act 1994 states that financial statements of a private limited company shall be signed by its Managing Agent, Manager or Secretary, if any, and by not less than two Directors of the company one of whom shall be the Managing Director where there is one. Financial statements of the company for the year under reporting have been signed by executives of the company in compliance with this provision.

#### 2.6 Components of financial statements

According to International Accounting Standard (IAS)- 1, "Presentation of financial statements" the complete set of financial statements includes the following components:

- i. Statement of Financial Position (Balance Sheet) as at 31 December 2024;
- ii. Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement) for the year ended 31 December 2024;
- iii. Statement of Changes in Equity for the year ended 31 December 2024;
- iv. Statement of Cash Flows for the year ended 31 December 2024; and
- v. Explanatory notes to the financial statements which also describe accounting policies adopted and followed by the company.

### 3 Use of judgments and estimates

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



### 3.1 Assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statement is included in the following notes:

- Note	8	Property, plant and equipment
- Note	9	Intangible assets
- Note	10	Right-of-use (ROU) assets
- Note	11	Investment in Stock Exchanges
- Note	24	Accounts payable

When measuring the fair value of an asset or a liability, the company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 4 Employee benefits

### 4.1 Employees provident fund

Provident fund benefits are given to the permanent employees of the company in accordance with the Provident Fund Rules which are recognised by National Board of Revenue (NBR). The fund is operated by a Board of Trustees consisting of four members. All confirmed employees of the company are contributing 10% of their basic salary as subscription to the Fund. The company also contributes equal amount of the employees' contribution.

### 4.2 Employees gratuity fund

Gratuity fund benefits are given to the permanent employees of the company in accordance with the Gratuity Fund Rules which are recognised by National Board of Revenue (NBR). The fund is operated by a Board of Trustees consisting of four members.

## 5 Other disclosures

### 5.1 Comparatives

Comparative information have been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/restated/reclassified whenever considered necessary to conform to current year's presentation.

### 5.2 Events after the reporting period

In accordance with IAS 10: Events after the Reporting Period, amounts recognised in the financial statements are adjusted for events after the reporting period that provide additional evidence of conditions that existed at the end of the reporting period. No material events had occurred after the reporting period to the date of issue of these financial statements, which could affect the values stated in the financial statements. Material non-adjusting events are disclosed in the financial statements.

No material events have occurred from the Statement of Financial Position date to the date of issue of these Statements which could affect the values stated in the Financial Statement Position.

## 6 Significant accounting policies

The company has applied the following accounting policies to these financial statements.

See out below is an index of the significant accounting policies, the details of which are available on the pages that follow:

- A. Statement of cash flows
- B. Cash and cash equivalents
- C. Share capital
- D. Provisions
- E. Foreign currency transactions
- F. Income tax
- G. Revenue
- H. Intangible assets
- I. Lease
- J. Property, plant and equipment
- K. Financial instruments

**A Statement of cash flows**

The statement of cash flows has been prepared in accordance with IAS 7: Statement of Cash Flows under indirect method.

**B Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, bank deposits and other short term highly liquid investments with original maturity of three months or less and overdrafts which were held and available for use by the company without any restriction, and there is insignificant risk of changes in value of these current assets.

**C Share capital**

Ordinary shares are classified as equity. Incremental costs, if any directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Paid up capital represents total amount contributed by the shareholders issued by the company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

**D Provisions**

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are not required to settle the obligation, the provisions are reversed.

**E Foreign currency transactions**

Transactions in foreign currencies are recorded and translated in accordance with IAS 21: The effects of changes in foreign exchange rates. Transactions in foreign currencies are recorded in BDT at the exchange rates prevailing on the respective dates of transactions. All monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the statement of financial position date. Foreign currency differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are generally recognised in profit or loss.

**F Income tax**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income in accordance with IAS 12: Income taxes.

**G Revenue**

IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when an entity fulfils the performance obligations regarding the contract of supplying the goods or rendering of service. The standard replaces all existing requirements of IAS 18: Revenue and IAS 11: Construction contracts and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2021 thus the company adopted IFRS 15 with a date of the said initial application.

It has been assessed that the implementation of IFRS 15 is not likely to have any significant impact on the financial statements. Management has assessed impact of IFRS 15 on the different agreement types that are used in company's business areas, most of the components are long-term in nature. Revenue from the contracts are recognised over the time as the service obligation satisfies over the time. No retrospective application has been made as due impact of adopting IFRS 15 does not affect the revenue recognised till date.

**Brokerage commission**

Brokerage commission is recognised on an actual basis. Such income is calculated based on trading of share and securities.

**Interest income**

Interest income comprises:

- 1) interest income on margin loan which is recognised on an accrual basis and calculated based on daily margin loan balance of the respective margin loan holder's account.
- 2) interest income on bank deposit which is recognised as it accrues, using the effective interest method.
- 3) interest income on prefunding is recognised on an accrual basis which is charged on foreign investors at a specified fees.
- 4) interest income from treasury- bill, treasury-bond and sukuk bond which is recognised as it accrues, using the effective interest/coupon method.

**Dividend income**

Dividend income is recognised when the right to receive dividend is established. Usually this is the record date for entitlement of dividend against equity securities.

**Capital gain**

Capital gain arises from sale of quoted securities which is recognised on an actual basis at the time of sale.



## **H Intangible assets**

Intangible assets are accounted in accordance with IAS 38: Intangible assets. Intangible assets acquired separately are initially recognised at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The amortisation rate of intangible asset is @5% and @20%.

## **I Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of short-term.

## **J Property, plant and equipment**

### **Recognition**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if;

- a) it is probable that future economic benefits will flow to the entity; and
- b) the cost of the item can be measured reliably.

### **Measurement**

An item of property, plant and equipment qualifying for recognition is initially measured at its cost. Cost comprises expenditure that is directly attributable to the acquisition of the assets. The cost of self-constructed asset includes the following: the cost of materials and direct labour; any other costs directly attributable to bring the asset to a working condition for their intended use; and when the company has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

### **Subsequent costs**

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred. In compliance with the provisions of the Companies Act 1994, adjustment is made to the original cost of fixed assets acquired through foreign currency loan at the end of each financial year by any change in liability arising out of expressing the outstanding foreign loan at the rate of exchange prevailing at the reporting date.

### **Depreciation**

Depreciation is commenced when the asset is in the location and condition necessary for it to be capable of operating in the manner intended. Property plant and equipment of City Brokerage Ltd. are depreciated using straight line method. Depreciation is charged for an asset from the date of purchase. Each significant part of an item of property, plant and equipment is depreciated separately, using their useful lives. If any residual value is considered for an asset on its expiry of expected life, the value is deducted from the cost to arrive at the depreciable amount. The residual value and useful life of the assets are reviewed in each year end. Depreciation is expressed in terms of percentage of cost of the related assets.



The annual depreciation rates applicable for different category of assets are:

	2024	2023
Furniture and fixtures	10%	10%
Office equipment	20%	20%
Office decoration	10%	10%
Motor vehicles	20%	20%
Building	2.5%	2.5%
OMS software	10%	10%

#### K **Financial instruments:**

Financial instruments are measured and recognised at cost and maintained required provision as per BSEC directives and DSE guidelines.

##### i **Financial assets**

The company initially recognises receivables and deposits on the date when they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or it transfers the contractual rights to receive the cash flows of the financial assets in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets as presented in these financial statements include cash and cash equivalents, accounts receivables, margin loans and investment in quoted securities.

##### **Accounts receivable**

Accounts receivable are recognised at original invoiced amount. They are stated at netted off provision for bad and doubtful debts and written-off, if any.

##### **Margin loan**

Margin loan is provided to clients to facilitate investment in equity securities. They are initially classified as financial assets at fair value and subsequently measured at amortised cost.

##### ii **Financial liability**

Financial liabilities refer to the contractual obligation to deliver cash or other financial assets to another entity or to exchange financial instruments with another entity under conditions that are potentially unfavourable.

The company initially recognises financial liabilities on the transaction date at which the entity becomes a party to the contractual provisions of the liability. The entity recognises such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

The entity derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. Financial liabilities as presented in these financial statements comprise loans and borrowings, accounts payables and other payables.

##### **Loans and borrowings**

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequently these borrowings are stated at amortised cost using the effective interest method.

##### **Accounts payable**

Accounts payables are recognised at cost.

##### iii **Offsetting and derecognition of assets**

###### **Offsetting :**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

###### **Derecognition of assets :**

Particulars	Derecognition
Property, plant and equipment	An item of property, plant and equipment is derecognised: a) upon disposal; or b) when no future economic benefits are expected from its use or disposal Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in statement of profit or loss and other comprehensive income.



Particulars	Derecognition
Financial assets	The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. In the case the company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.
Financial Liabilities	The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

## 7 Departure from IFRS

IFRS 9 - Financial Instruments outlines the classification, measurement, and recognition of financial assets and liabilities. Under IFRS 9, a financial asset is measured at fair value through profit or loss (FVTPL), unless it is classified for measurement at amortized cost or at fair value through other comprehensive income (FVTOCI). The classification is determined based on the company's business model for managing the financial assets and the contractual cash flow characteristics of the asset.

Notwithstanding the above, the company recognizes and presents its financial instruments at cost and maintains the required provisions in compliance with directives issued by the Bangladesh Securities and Exchange Commission (BSEC), including ref: BSEC/SRI/NE/2020/333 dated 27 March 2023; BSEC/SRI/NE/2020/605 dated 28 December 2022; BSEC/CMRRC/2009-193/203 dated 28 December 2017; and SEC/CMRRC/2009-193/196 dated 28 December 2016. Additionally, the company adheres to the guidelines of the Dhaka Stock Exchange Ltd. (ref no: DSE/COM/TAD/CLR/AFS\_2022/647 dated March 13, 2023), which also allow for the recognition and presentation of financial instruments at cost while maintaining the required provisions in accordance with BSEC directives.

## 8 Property, plant and equipment

### Cost:

	2024 Taka	2023 Taka
Opening balance	460,039,170	459,757,065
Add: Addition during the year	2,450,161	282,105
	462,489,331	460,039,170
Less: Disposal during the year	-	-
Closing balance (a)	462,489,331	460,039,170

### Accumulated depreciation:

	2024 Taka	2023 Taka
Opening balance	152,293,837	130,983,352
Add: Charge for the year	18,492,785	21,310,485
	170,786,622	152,293,837
Less: Adjustment during the year	-	-
Closing balance (b)	170,786,622	152,293,837
<b>Written down value (a-b)</b>	<b>291,702,709</b>	<b>307,745,333</b>

Details are shown in **Annex A**.

## 9 Intangible assets

	2024 Taka	2023 Taka
Opening balance	3,271,644	3,901,549
Add: Addition during the year	-	800,000
	3,271,644	4,701,549
Less: Amortisation during the year	682,790	1,429,905
Closing balance	<b>2,588,854</b>	<b>3,271,644</b>



	2024 Taka	2023 Taka
<b>10 Right-of-use (ROU) assets</b>		
<b>Cost:</b>		
Opening balance	67,984,591	67,417,635
Add: Addition during the year	13,024,370	566,956
	<hr/>	<hr/>
Less: Disposal during the year	81,008,961	67,984,591
Closing balance (a)	10,382,068	-
	<hr/>	<hr/>
	70,626,893	67,984,591
<b>Accumulated depreciation:</b>		
Opening balance	35,940,037	22,633,912
Add: Depreciation for the year	11,396,564	13,306,125
	<hr/>	<hr/>
Less: Adjustment made during this year	47,336,601	35,940,037
Closing balance (b)	5,017,440	-
	<hr/>	<hr/>
<b>Written down value (a - b)</b>	42,319,160	35,940,037
	<hr/>	<hr/>
	<b>28,307,733</b>	<b>32,044,554</b>

Details are shown in **Annex B**.

IFRS-16, Right-of-use (RoU) assets has been adopted by City Brokerage Limited in the year 2019 considering the monthly rent amount with 15% VAT and prepared the Right-of-use (RoU) assets calculation and Schedule accordingly which has been continued till 2023. Whereas the Schedule of Right-of-use (RoU) assets should be prepared with only monthly rent and not considering the VAT, as VAT is typically recoverable and is not part of the lease liability or asset recognition. In year 2024, we have rescheduled the IFRS-16, Right-of-use assets schedule by removing the VAT from the calculation, ensuring that only the monthly base rent is considered in the asset schedule going forward.

## 11 Investment in Stock Exchanges

Dhaka Stock Exchange PLC.	543,119,683	543,119,683
Chittagong Stock Exchange PLC.	14,250,748	14,250,748
	<hr/>	<hr/>
	<b>557,370,431</b>	<b>557,370,431</b>

City Brokerage Limited has acquired the membership of Dhaka Stock Exchange PLC. for BDT 580,999,000 in 2010. As per the scheme of Demutualization of DSE, City Brokerage Limited being the initial Shareholders of DSE, is entitled to receive 7,215,106 number of shares of BDT 10 each, totalling BDT 72,151,060.

Under section 14(ka) of Demutualization Act 2013, Share Purchase Agreement (SPA) executed between Dhaka Stock Exchange Limited and its Strategic investors namely Shenzhen Stock Exchange Limited (SZSE) and Shanghai Stock Exchange Limited (SSE) and completed the sale of 25% (twenty five percent) of DSE Shares to SZSE and SSE. In this connection, City Brokerage Limited sold 1,803,777 number of shares at the rate of BDT 21 per share totalling BDT 37,879,317. Currently City Brokerage Limited is holding 5,411,329 number of shares at a cost of totalling BDT 543,119,683.

The Scheme is not yet completed and these shares are also currently not traded in stock exchanges, hence the actual value is not readily ascertainable. However, management expect the fair value to be similar or more than the current revalued amount. Once more clarity about the scheme and related factors are available, a determination of fair value and related adjustments including impairment assessment, if any shall be made at that time.

City Brokerage Limited has acquired the membership of Chittagong Stock Exchange PLC. for BDT 19,001,000 in 2010. Under section 14(ka) of Demutualization Act 2013, Chittagong Stock Exchange PLC. (CSE) sold 25% ordinary shares (1,071,833 number of share) of the total paid up capital from the block account at BDT 15 per share to ABG Limited. Currently City Brokerage Limited is holding 3,215,498 number of shares at a cost of totalling BDT 14,250,748.

## 12 Margin loan to clients

Opening balance	792,869,390	1,045,060,666
Increase/(Decrease) during the year	(506,056,186)	(252,191,276)
	<hr/>	<hr/>
Closing balance	<b>286,813,204</b>	<b>792,869,390</b>

The above loan was distributed to individual and institutional clients for investing in securities.

## 13 Investment in securities

Investment in listed securities (note 13.1)	2,337,185,893	2,376,242,112
Investment in non-listed securities	6,739,200	6,739,200
	<hr/>	<hr/>
	<b>2,343,925,093</b>	<b>2,382,981,312</b>

### 13.1 Investment in listed securities

Investment in listed shares	1,896,363,854	1,935,420,076
Investment of Bangladesh Bank fund	399,375,754	399,375,753
Investment of ICB fund	41,446,286	41,446,283
	<hr/>	<hr/>
	<b>2,337,185,893</b>	<b>2,376,242,112</b>



2024	2023
Taka	Taka

This represents the Company's investments in shares of various companies listed on the Dhaka Stock Exchange PLC. (DSE) and Chittagong Stock Exchange PLC. (CSE) through its own account. The Company recognizes and presents its financial instruments at cost and maintains the required provisions in accordance with the directives issued by the Bangladesh Securities and Exchange Commission (BSEC), including ref: BSEC/SRI/NE/2020/333 dated 27 March 2023 and other relevant directives. Furthermore, the company adheres to the guidelines issued by the Dhaka Stock Exchange PLC. (ref no: DSE/COM/TAD/CLR/AFS\_2022/647 dated 13 March 2023), which also provide options for recognizing and presenting financial instruments at cost while maintaining the required provisions in compliance with BSEC directives.

#### 14 Investment in bangladesh bank treasury bill

<b>732,532,610</b>	<b>209,225,210</b>
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This represents the Company's investments in Bangladesh Bank Treasury Bills of 91 Days, 182 Days and 364 days of tenor which are current asset in nature.

#### 15 Investment in bangladesh bank treasury bond

##### Bangladesh bank treasury bond:

Current portion	29,703,040	-
Non-current portion	177,634,980	27,525,480
	<b>207,338,020</b>	<b>27,525,480</b>

Current and Non-current portion of bangladesh bank treasury bond is segregated based on remaining tenure of maturity.

#### 16 Accounts receivable

Receivable from DSE (note 16.1)	45,631,944	35,006,179
Receivable from CSE (note 16.2)	8,159	-
Dividend receivable	15,588,127	17,742,311
Receivable from investment (ICB special fund)	-	181,028
Receivable from investment (BB special fund)	-	1,750,928
Receivable from investment in shares-Dealer	504,869	3,639,284
Interest receivable	26,510,915	16,844,032
Receivable from clients	600,821	406,168
Receivable against mutual fund and merchant bank	50,588,290	42,482,499
	<b>139,433,125</b>	<b>118,052,428</b>

##### 16.1 Receivable from DSE

Broker	45,631,944	32,292,349
Dealer	-	2,713,831
	<b>45,631,944</b>	<b>35,006,179</b>

##### 16.2 Receivable from CSE

Broker	8,159	-
Dealer	-	-
	<b>8,159</b>	<b>-</b>

#### 17 Advance income tax

Opening balance	179,915,969	336,849,733
Add: Paid during the year	62,799,590	49,418,159
	<b>242,715,560</b>	<b>386,267,892</b>
Less: Adjustment during the year	105,497,811	206,351,923
Closing balance	<b>137,217,749</b>	<b>179,915,969</b>

#### 18 Advances, deposits and prepayments

Suppliers	12,576,438	1,653,902
Employee car advance	2,489,998	4,024,996
Insurance	692,454	606,525
Reimbursement of professional exam fees	-	52,574
IPO application (Asiatic, Best Holdings & Sikder Insurance)	-	20,305,000
	<b>15,758,890</b>	<b>26,642,997</b>



## 19 Cash and cash equivalents

### Bank balances with:

3101132314001-SND- City Bank PLC.  
 3101132314002-SND- City Bank PLC.  
 1101132314001-SND- City Bank PLC.  
 1101132315001-CD- City Bank PLC.  
 1101132310001-CD- City Bank PLC.  
 01111058801-Standard Chartered Bank.  
 11313100040606-SND- EXIM Bank PLC.  
 0103-0325000615-SND- NCC Bank PLC.  
 0103-0210004721-CD AC- NCC Bank PLC.

Cheques awaiting for collection

Petty cash

Type of account	2024 Taka	2023 Taka
ICB fund	19,444	1,200,629
Special BB Fund	14,203	638,824
CCBA	190,588,645	173,655,638
Dealer	510,493	366,319
Corporate	2,393,691	13,527,086
CCBA	19,630,242	21,091,966
Corporate	70,080	70,159
Corporate	879,822	14,418,553
CCBA	380,878,177	253,550,354
	594,984,798	478,519,530
	5,985	4,448,918
	77,500	77,500
	<b>595,068,283</b>	<b>483,045,948</b>

## 20 Share capital

### Authorised capital

500,000,000 shares of BDT 10 each

**5,000,000,000**

**5,000,000,000**

### Issued, subscribed and paid-up capital

City Bank PLC.

3,399,940,000

Individuals

3,399,940,000

6,000 shares of BDT 10 each fully paid-up

60,000

60,000

**3,400,000,000**

**3,400,000,000**

## 21 Capital reserve

Opening balance

50,826,926

38,307,621

Add: 10% profit after tax of 2023

6,097,827

12,519,305

**56,924,753**

**50,826,926**

Capital reserve has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019. As per that rules, each registered entity shall maintain a mandatory provision which is at least 10% of profit after tax of previous year as capital reserve and the full amount of such reserve shall be accounted for in computing total capital.

## 22 Lease liabilities

Non-current portion

17,246,277

22,922,383

Current portion (payable within twelve months)

6,708,132

9,642,014

**23,954,409**

**32,564,397**

## 23 Deferred tax liabilities

	Carrying Amount	Tax base	Taxable/ (deductible) temporary difference
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### As on Dec 31, 2024

#### Assets:

Fixed assets net of depreciation	291,702,709	186,571,742	105,130,967
Less: Adjustment against motor vehicle for permanent tax difference as per Third Schedule of ITO.	2,100,000	-	2,100,000
	<b>289,602,709</b>	<b>186,571,742</b>	<b>(103,030,967)</b>

Right-of-use assets

28,307,733

-

(28,307,733)

Lease liabilities	23,954,409	-	23,954,409
Provision for gratuity	-	-	-

<b>Total</b>	<b>341,864,850</b>	<b>186,571,742</b>	<b>(107,384,291)</b>
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Applicable tax rate 25.00%

Deferred tax liability as on Dec 31, 2024 (26,846,073)

Deferred tax liability as on Jan 01, 2024 (27,711,939)

Deferred tax (expense)/ income accounted for during the year **865,866**



	2024 Taka	2023 Taka
OD-1 from City Bank PLC.	78,419	67,063,524
OD from NCC Bank PLC.	281,899,500	252,306,453
OD-2 from City Bank PLC.	347,146,611	343,379,017
	<b>629,124,530</b>	<b>662,748,994</b>

**24 Short term loan**

OD-1 from City Bank PLC.  
OD from NCC Bank PLC.  
OD-2 from City Bank PLC.

This loan was taken from City Bank PLC. & NCC Bank PLC. in the form of overdraft facilities. The overdraft facility limit is BDT 1,200 million from City bank PLC. and BDT 400 million from NCC Bank PLC. for working capital requirements and providing margin loan facilities to the clients trading on securities in DSE and CSE. The interest rates of City Bank PLC. for the OD-1 and OD-2 are 12% and 6% respectively whereas the interest rate is 6% for NCC Bank PLC. annually which is subject to revision by bank management from time to time.

**25 Payable to clients**

This represents sale proceeds of clients' securities which is being held for buying marketable securities or refund to the clients as per their instructions.

**26 Accounts payable**

Payable to DSE (note 26.1)	784,227	170,350
Payable to CSE (note 26.2)	871,523	29,995
Provision for expenses	6,600,000	6,000,000
Other payable	3,973,308	2,599,919
Payable to issuer	-	4,100,000
Cash dividend payable	27,789	82,515
Payable to suppliers	-	650,000
Central depository bangladesh Ltd.	284,174	44,523
Commission payable	766,744	54,369
	<b>13,307,763</b>	<b>13,731,669</b>

**26.1 Payable to DSE**

Broker	784,227	168,314
Dealer	-	2,035
	<b>784,227</b>	<b>170,350</b>

**26.2 Payable to CSE**

Broker	871,523	29,995
Dealer	-	-
	<b>871,523</b>	<b>29,995</b>

**27 Provision for loan loss-margin loan**

Opening balance	7,928,693	10,450,606
Add: Addition during the year	-	-
	7,928,693	10,450,606
Less: Adjustment during the year:		
Bad loss written-off	-	-
Write-back of provision	5,060,561	2,521,913
	5,060,561	2,521,913
Closing balance	<b>2,868,132</b>	<b>7,928,693</b>

Provision for loan loss on margin loan has been made as per Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 where each registered entity shall have to maintain a mandatory provision @ 1% of all outstanding margin exposures which has kept by City Brokerage Ltd.

**28 Provision/(write back of provision) for diminution in value of investment**

Opening balance	28,335,700	30,653,781
Add: Provision for the year	89,068,747	-
	117,404,447	30,653,781
Less: Adjustment during the year	-	2,318,081
Closing balance	<b>117,404,447</b>	<b>28,335,700</b>

A provision for the diminution in the value of investments has been recognized to account for unrealized losses on investments, in compliance with BSEC/SRI/NE/2020/333 dated 27 March 2023, and other relevant directives. This provision will be maintained over five (5) quarterly installments (20% each) until December 2025, excluding investments of Bangladesh Bank funds amounting to BDT 399,375,754, which are governed by DOS Circular No. 1 dated 10 February 2020.



	2024	2023
	Taka	Taka
<b>29 Provision for corporate income tax</b>		
Opening balance	285,184,778	416,744,256
Add: Provision made during the year	84,115,180	79,760,841
	369,299,957	496,505,097
Less: Adjustment during the year	105,497,811	211,320,319
Closing balance	<b>263,802,146</b>	<b>285,184,778</b>
<b>30 Brokerage commission</b>		
Dhaka Stock Exchange PLC. (note 30.1)	177,420,039	149,245,701
Chittagong Stock Exchange PLC. (note 30.2)	13,361,322	2,015,012
	<b>190,781,361</b>	<b>151,260,712</b>
<b>30.1 Dhaka Stock Exchange PLC.</b>		
Broker	177,036,841	148,852,481
Dealer	383,197	393,219
	<b>177,420,039</b>	<b>149,245,701</b>
<b>30.2 Chittagong Stock Exchange PLC.</b>		
Broker	13,229,605	2,011,308
Dealer	131,717	3,704
	<b>13,361,322</b>	<b>2,015,012</b>
<b>31 Interest income</b>		
Interest on margin loan	88,214,668	111,477,504
Bank interest income	17,231	939,761
Interest on pre-funding	4,703,785	1,082,351
Interest income from sukuk-bond	24,571,647	29,972,009
Interest income from t-bill/t-bond	59,077,168	1,858,027
	<b>176,584,499</b>	<b>145,329,652</b>
<b>32 Capital gains/(losses)</b>		
Realized gain/loss on investment	54,533,555	16,298,101
Gain/(Loss) on sale of investment-CSE	-	11,327,243
	<b>54,533,555</b>	<b>27,625,344</b>
<b>33 Other operating income</b>		
BO account maintenance fee	622,700	567,600
IPO commission	182,918	9,245
	<b>805,618</b>	<b>576,845</b>
<b>34 Non-operating income</b>		
Rental income	12,379,200	12,379,200
Pledge and unpledged charge	236,085	551,887
Cheque dishonour charge	12,000	-
Other income	161,699	417,830
	<b>12,788,985</b>	<b>13,348,917</b>
<b>35 Direct cost</b>		
<b>Laga and hawla charges</b>		
Dhaka Stock Exchange PLC.		
Broker	20,126,962	16,364,489
Dealer	126,932	125,336
	<b>20,253,895</b>	<b>16,489,825</b>
Chittagong Stock Exchange PLC.		
Broker	883,582	119,463
Dealer	6,972	1,130
	<b>890,554</b>	<b>120,593</b>
	<b>21,144,448</b>	<b>16,610,419</b>





	2024 Taka	2023 Taka
<b>36 Operating expenses</b>		
Salary and allowances	107,067,173	103,127,330
Depreciation of property, plant and equipment	18,492,785	21,310,485
OMS software maintenance	18,116,976	11,408,426
Depreciation of right-of-use (ROU) assets	11,396,564	13,306,125
Service fee of supplier (Third party)	8,650,496	7,501,437
Office maintenance	7,198,169	6,799,719
Traveling and conveyance	5,402,052	4,987,311
License and renewal fee	3,722,991	2,629,207
Utilities	3,183,835	2,812,622
Internet expenses	3,036,839	2,878,096
Insurance premium	2,606,722	2,539,697
Business development	2,475,036	4,679,415
Office Rent	2,290,945	-
Entertainment and public relation	1,992,449	2,186,058
Car maintenance	1,863,459	611,686
Corporate guarantee fee	1,725,300	1,660,733
Service charge	1,723,136	1,829,227
Software maintenance	821,975	547,120
Legal and professional fees	808,527	1,129,129
Printing and stationary	775,443	818,585
Amortisation of software	682,790	1,429,905
Telephone and mobile	594,130	659,278
Repair expenses	521,090	892,309
Bank charges	491,594	481,918
Board meeting fees	348,000	184,800
Fuel	345,729	365,837
Medical and employee welfare	284,972	255,440
Advertisement and publicity	240,463	452,749
Training expenses	180,095	270,349
Audit fee	138,000	138,000
Board meeting expenses	137,682	138,610
Subscription and fee	112,788	1,702,494
Postage and courier	60,958	16,219
Newspaper and periodicals	31,419	32,550
CDBL charges	12,887	6,720
Bidding fee	11,000	11,000
Branding and marketing expense	-	55,000
Fees and charges	-	7,000
	<b>207,544,467</b>	<b>199,862,586</b>
<b>37 Interest expenses</b>		
Borrowing cost	49,479,196	40,283,200
Finance cost-lease	2,917,315	3,278,306
	<b>52,396,511</b>	<b>43,561,507</b>
<b>38 Related parties</b>		
<b>38.1 Parent company</b>		
City Bank PLC. has 99.9982% shareholding of the company. As a result, the controlling party of the company is City Bank PLC.		
<b>38.2 Related party transactions</b>		
During the year, the Company carried out a number of transactions with related parties in the normal course of business. The names of related parties and nature of these transactions have been set out in accordance with the provision of IAS 24: Related Party Disclosures.		



Name of related party	Relationship with the entity	Particulars	2024 Taka	2023 Taka
City Bank PLC.	Parent Company	Net transaction of own investment	1,068,209,383	119,088,103
		Brokerage commission earned	12,954,423	2,195,750
		Balance of City Bank PLC.	119,606,861	25,800,216
City Bank Capital Resources Ltd.	Subsidiary of Parent	Net transaction of own investment	9,122,841	22,565,181
		Receivable from CBCRL	191,131	116,172
		Payable to CBCRL	19,718,760	18,370,118
		Balance of City Bank Capital Resources Ltd.	38,760,018	806,902
		Brokerage commission earned	14,077,792	9,625,339
			<b>1,282,641,208</b>	<b>198,567,779</b>

### 39 Financial risk management

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The Company has provided in separate notes the information about the Company's exposure to each of the following risks, the Company's objectives, policies and processes for measuring and managing risks and the Company's management of capital. The Company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

#### 39.1 Credit risk

Credit risk is the risk of financial loss to the company if any customer or counter party to a financial instrument fails to meet its contractual obligation. This principally arises from the company's receivables from customers.

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Margin loan	<b>286,813,204</b>	<b>792,869,390</b>
Investment in securities	<b>2,343,925,093</b>	<b>2,382,981,312</b>
Accounts receivable	<b>139,433,125</b>	<b>118,052,428</b>

#### 39.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or taking risk of damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses through preparation of the cash flow forecast, prepared based on time line payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within the due date.

Total assets excluding cash and cash equivalents **4,742,988,418** **4,637,644,749**

#### 39.3 Market risk

Market risk is the risk that any changes in market price, such as interest rates and capital market condition will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters.

Provision for loan loss - margin loan **2,868,132** **7,928,693**

### 40 Others

- 40.1 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- 40.2 Figures in these notes and annexed financial statements have been rounded off to the nearest BDT.
- 40.3 Previous year's figures have been re-arranged, wherever, considered necessary, to conform with current period presentation without causing any impact on the operating results for the period and value of assets and liabilities at the end of that period as shown in the financial statements under reporting.

For and on behalf of the Board of Directors of City Brokerage Limited

Company Secretary

Managing Director & CEO

Director

Chairman

See annexed report of the date

Dhaka, Bangladesh  
Dated, 12 Feb 2025

**City Brokerage Ltd.**  
**Details of property, plant and equipment**  
as at 31 December 2024

Category of asset:	Cost		Accumulated depreciation				WDV at 31 December 2024	Taka	Taka	Taka	Taka
	At 1 January 2024	Additions during the year	Total at 31 December 2024	Rate (%)	Up to 1 January 2024	Charge for the year					
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Furniture and fixtures	24,954,414	-	24,954,414	10	22,721,797	560,125	-	23,281,922	1,672,492	-	
Office equipment	62,381,444	2,450,161	64,831,605	20	58,447,307	2,098,108	-	60,545,415	4,286,190	-	
Office decoration	8,243,102	-	8,243,102	10	3,970,815	824,316	-	4,795,131	3,447,971	-	
Motor vehicles	17,720,770	-	17,720,770	20	12,737,452	2,300,004	-	15,037,456	2,683,314	-	
Land and building	292,849,538	-	292,849,538	2.5	44,537,520	7,321,236	-	51,858,756	240,990,782	-	
OMS software	53,889,901	-	53,889,901	10	9,878,946	5,388,996	-	15,267,942	38,621,959	-	
<b>Total 2024</b>	<b>460,039,170</b>	<b>2,450,161</b>	<b>462,489,331</b>		<b>152,293,837</b>	<b>18,492,785</b>		<b>170,786,622</b>	<b>291,702,709</b>		
<b>Total 2023</b>	<b>459,757,065</b>	<b>282,105</b>	<b>460,039,170</b>		<b>130,983,352</b>	<b>21,310,485</b>		<b>152,293,837</b>	<b>307,745,333</b>		

**Schedule of right-of-use (ROU) assets**  
as at 31 December 2024

Particular	Cost		Accumulated depreciation				WDV at 31 December 2024	Taka	Taka	Taka	Taka
	Balance at 1 January 2024	Addition during the year	Disposal / Adjustment during the year	Total at 31 December 2024	Rate (%)	As at 1 January 2024	Charge for the year	Adjustment during the year			
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Office space	67,984,591	13,024,370	10,382,068	70,626,893	As per contracts	35,940,037	11,396,564	5,017,440	42,319,160	28,307,733	
<b>Total 2024</b>	<b>67,984,591</b>	<b>13,024,370</b>	<b>10,382,068</b>	<b>70,626,893</b>		<b>35,940,037</b>	<b>11,396,564</b>	<b>5,017,440</b>	<b>42,319,160</b>	<b>28,307,733</b>	
<b>Total 2023</b>	<b>67,417,635</b>	<b>566,956</b>	<b>-</b>	<b>67,984,591</b>		<b>22,633,912</b>	<b>13,306,125</b>	<b>-</b>	<b>35,940,037</b>	<b>32,044,554</b>	



**City Brokerage Ltd.**

**Schedule-C**

**Part A**

[see rule 2(1)(j)(ii); rule 4(1)(b); rule 5(2)]

## **Statement of Total Capital Computation**

as at 31 December 2024

**Annex C**

Amount in Taka

SL.	Components	B/S Amount	Haircut	Eligible Amount	Sum
a.	Paid-up-capital	3,400,000,000	0%	3,400,000,000	
b.	Share Premium	-	0%	-	
c.	General reserve	-	0%	-	
d.	Capital Reserve	56,924,753	0%	56,924,753	
e.	Retained Earnings	194,657,700	0%	194,657,700	
<b>Sum of core capital</b>				<b>3,651,582,453</b>	<b>3,651,582,453</b>
f.	General Provision	-	20%	-	
g.	Specific Provision	120,272,579	30%	84,190,805	
h.	Revaluation Surplus or unrealized gain on:				
i.	Fixed Assets (Property, plant & equipments other than Intangible assets)	-	30%	-	
ii.	Investment in listed securities	-	20%	-	
iii.	Investment in non-listed securities (other than closed end mutual fund)	-	35%	-	
iv.	Investment in strategic holding	-	25%	-	
i.	Preference Share	-	25%	-	
j.	Subordinated debt	-	20%	-	
<b>Sum of supplementary capital</b>				<b>84,190,805</b>	<b>84,190,805</b>
<b>Total Capital</b>				<b>3,735,773,258</b>	<b>3,735,773,258</b>

Formula of Capital Adequacy Ratio (CAR)=  $\frac{\text{Total Capital (TC)}}{\text{Total Risk Requirement (TRR)}} \times 100$

Our Capital Adequacy Ratio (CAR)=  $\frac{3,735,773,258}{414,896,027} \times 100$

= 900%



**City Brokerage Ltd.**  
**Schedule-D**  
**Part A**  
[see rule 4(4)]

## **Statement of Total Risk Requirement Computation**

as at 31 December 2024

Amount in Taka

Area of Risk	Computation Formula	Full Amount	Risk Factor	Eligible Amount	Applicable for Registered Entity
<b>Operation Risk Requirement (ORR)</b>	Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7)	493,375,301	5%	24,668,765	All
<b>Position Risk Requirement (PRR)</b>	<b>i. Proprietary positions in Equity securities:</b>				All
	Value of "A" category securities	2,018,009,706	10%	201,800,971	
	Value of "B/G/N/." category securities	51,424,778	12%	6,170,973	
	Value of "Z" category instruments	-	15%	-	
	Value of "OTC" category instruments	-	20%	-	
	Value of Non-Listed Instruments	6,739,200	25%	1,684,800	
	<b>ii. Proprietary positions in MFs &amp; CISs:</b>				
	Value of listed funds	-	10%	-	
	Value of non-listed funds	-	3%	-	
	Value of AIFs	-	25%	-	
<b>Underwriting Risk Requirement (URR)</b>	<b>iii. Proprietary positions in Debt Instruments &amp; ABSs:</b>				All
	Value of listed debt instruments & ABSs	297,454,446	5%	14,872,722	
	Value of no-listed debt instruments	-	10%	-	
	Value of non-listed ABSs	-	10%	-	
	<b>iv. Proprietary Position in strategic investments</b>				
	Value of listed strategic investments	-	10%	-	
	Value of no-listed strategic investments	-	25%	-	
	<b>v. Proprietary Position in money market Instruments</b>				
	Value of Government securities/ instruments	910,167,593	0%	-	
	Value of commercial paper	-	10%	-	
<b>Counterparty Risk Requirement (CPRR)</b>	i. Exposure of credit facilities to Clients	286,813,204	8%	22,945,056	Stock Broker, Portfolio Manager
	ii. Exposure of Guarantee Provided to counterparty	-	2%	-	All
<b>Underwriting Risk Requirement (URR)</b>	Sum of Underwriting Commitment against the followings:	-			Merchant Banker
	i. Public Issue of Equity Instruments (IPO)	-	10%	-	
	ii. Public Issue of Equity Instruments (Rights Issue)	-	15%	-	
	iii. Public Issue of Debt Instruments	-	15%	-	



**City Brokerage Ltd.**  
**Schedule-D**  
**Part A**  
[see rule 4(4)]

## **Statement of Total Risk Requirement Computation**

as at 31 December 2024

Amount in Taka

Area of Risk	Computation Formula	Full Amount	Risk Factor	Eligible Amount	Applicable for Registered Entity
Large Exposure Risk Requirement (LERR)	Sum of Large Exposures against the followings:				All
	i. Sum of all Large Exposure to a Single counterparty	-	7%	-	
	ii. Sum of all Large Exposure to Single Equity	1,419,611,153	10%	141,961,115	
Liability Risk Requirement (LRR)	iii. Sum of all Large Exposure to Debt Instruments	-	3%	-	
	i. Exposure of Asset under Management (AUM)	-	1%	-	Asset Manager
	ii. Exposure of Fund Under Management (FUM)	-	1%	-	Fund Manager
	iii. Exposure of Institutional Fund Under Management (IFUM)	-	0.25%	-	Asset Manager, Merchant Banker and Portfolio Manager
iv. Annual Revenue Reported in last year		395,811,836	0.20%	791,624	Credit rating Company, Stock Broker & Stock Dealer, Merchant Banker and Portfolio Manager
<b>Total Risk requirement</b>		<b>5,879,407,217</b>		<b>414,896,027</b>	

**Schedule-A**

**Part A**

[see rule 2(1)(i);rule 4(1)(d);rule 8(5)]

## **Statement of Liquid Capital Balance**

as at 31 December 2024

Amount in Taka

Item	Assets	Note ref.	Amount as in Balance sheet	Proposed Haircut in %	Amount after Haircut
1	<b>Cash and Bank Balances</b>		<b>595,068,283</b>		<b>595,068,283</b>
	Cash in hand		77,500	0%	77,500
	Cash at Bank in Company's operational account		3,377,240	0%	3,377,240
	Cash at Bank in trading accounts (Stock Dealer A/C)		510,493	0%	510,493
	Cash at Bank accounts for clients (consolidated customer account)		591,097,064	0%	591,097,064
	Cash at Bank at IPO Account		-	100%	-
	Investments in FDR		-	0%	-
	Others cash and cash equivalent		5,985	0%	5,985



Amount in Taka

Item	Assets	Note ref.	Amount as in Balance sheet	Proposed Haircut in %	Amount after Haircut
<b>2</b>	<b>Net Receivable from Exchange, Depository, CCP and others</b>		-	0%	-
	Mandatory for Cash deposits with Exchanges (as margin/security)		-	100%	-
	Excess over Mandatory for Cash deposits with Exchanges (as margin/security)		-	0%	-
	Mandatory for Cash deposits with Clearing House (as margin/security)		-	100%	-
	Excess over mandatory for Cash deposits with Clearing House (as margin/security)		-	0%	-
	Mandatory for Cash deposit with depository (as per rule)		-	100%	-
	Excess over mandatory for Cash deposit with depository (as per rule)		-	0%	-
	<b>Assets provided to others as security</b>		-		-
	Assets kept as security against any obligations		-	100%	-
	Assets kept as security but exercisable within 30 days		-	0%	-
	Cash provided as security for short selling		-	100%	-
<b>3</b>	<b>Net Receivable from Securities Trading</b>		<b>96,733,262</b>		<b>96,590,692</b>
	Receivable from DSE (categorized as A,B,G,N,Z and DVP)		45,631,944		45,489,782
	Receivable from DSE against A, B, G & N category		42,788,706	0%	42,788,706
	Receivable from DSE against Z category		2,843,238	5%	2,701,076
	Receivable from DSE against DVP category		-	5%	-
	Receivable from CSE (categorized as A,B,G,N,Z and DVP)		8,159		7,751
	Receivable from CSE against A, B, G & N category		-	0%	-
	Receivable from CSE against Z category		8,159	5%	7,751
	Receivable from CSE against DVP category		-	5%	-
	Receivable from Stock Broker/Stock Dealer		504,869	0%	504,869
	Receivable from Merchant Banker		50,588,290	0%	50,588,290
	Receivable from selling agents		-	0%	-
	Receivable under securities borrowing and lending agreements		-	5%	-
	Receivable under repurchase transactions		-	0%	-
	Receivable from others		-	0%	-
<b>4</b>	<b>Net receivable from margin clients -</b>		<b>286,813,204</b>		<b>248,751,378</b>
	Receivable from Clients having no margin or full erosion of clients' equity (e.g.no equity against debit balance)		-	20%	-
	Receivable from Clients fall under force sale condition (e.g. equity is between 100% and 125% of DB)		253,295,745	15%	215,301,383
	Receivable from Clients fall under margin call (e.g. equity is >125% of DB but <150% of DB)		1,349,300	5%	1,281,835
	Receivable from regular Margin Clients (e.g. equity is >150% of debit balance)		32,168,160	0%	32,168,160



Amount in Taka

Item	Assets	Note ref.	Amount as in Balance sheet	Proposed Haircut in %	Amount after Haircut
5	Net Receivable from other Clients-		600,821		570,780
	Receivable after securities trading		-	15%	-
	Receivable arises from fee, commission & charges		600,821	5%	570,780
6	Net receivable from counterparties (clients, designated clients, etc.)		-	0%	-
7	Net Receivable arises from short selling		-	10%	-
8	Proprietary positions in securities and specified investments:		3,283,795,723		3,059,266,257
i. Proprietary positions in Equity securities			2,076,173,684		1,866,516,940
	Value of "A" category instruments		2,018,009,706	10%	1,816,208,735
	Value of "B/G/N/..." category instruments		51,424,778	12%	45,253,805
	Value of "Z" category instruments		-	15%	-
	Value of "OTC" category instruments		-	20%	-
ii. Proprietary positions in MFs & CISs including AIFs	Value of Non-Listed Instruments		6,739,200	25%	5,054,400
			-		-
	Value of listed funds		-	10%	-
	"Value of non-listed funds "		-	3%	-
iii. Proprietary positions in Debt Instruments & ABSs	Value of AIFs		-	25%	-
			297,454,446		282,581,724
	Value of listed debt instruments & ABSs		297,454,446	5%	282,581,724
iv. Proprietary Position in strategic investments	Value of no-listed debt instruments		-	10%	-
	Value of non-listed ABSs		-	10%	-
			-		-
v. Proprietary Position in money market Instruments	Value of listed strategic investments		-	10%	-
	Value of no-listed strategic investments		-	25%	-
			910,167,593		910,167,593
vi. Own subscription in IPOs but not yet allotted	Value of Govt. & BB instruments		910,167,593	0%	910,167,593
	Value of commercial paper		-	10%	-
			-	10%	-
vii. Other Investment			-	n/a	-
			-	n/a	-
9	Proprietary position in Derivatives		-		-
10	Other assets arising from:		42,791,496		42,099,042
	Receivable against Advisory Fees, Commission, etc.		-	10%	-
	Dividend Receivable		15,588,127	0%	15,588,127
	Interest Receivable		26,510,915	0%	26,510,915
	Prepaid expenses		692,454	100%	-
	Security deposits		-	100%	-
	Any other (need to specify)		-	-	-



Item	Assets		Note ref.	Amount in Taka		
				Amount as in Balance sheet	Proposed Haircut in %	Amount after Haircut
11	Total liquid assets	(aggregate of items 1 to 10)		4,305,802,789		4,042,346,432
	Liabilities					
12	Short positions in securities held for own account			-	0%	-
13	Payable to Clients			607,447,802	0%	607,447,802
14	Short Term Business Liabilities:			629,124,530		629,124,530
	Payable to Banks, if not for trading & investment (current portion of long term liabilities)			-	0%	-
	Payable to FIs, if not for trading & Investment (current portion of long-term liabilities)			-	0%	-
	Payable to Banks & FIs for loan against Margin Financing & Investment (full amount)			629,124,530	0%	629,124,530
	Payment obligation against sub-debt, preference shares (current portion)			-	0%	-
	Payable to associate companies or persons			-	0%	-
15	Amounts payable to clearing houses/ Exchanges/Depository etc.			1,939,923		1,939,923
	Payable to Exchanges			1,655,749	0%	1,655,749
	Payable to Clearing House/CCP			-	0%	-
	Payable to Depository			284,174	0%	284,174
	Payable to Brokers			-	0%	-
16	Other Liabilities and Provisions:			447,961,994		372,968,602
	Accruals & Accounts payable			4,767,840	0%	4,767,840
	Deferred tax and other deferred liabilities			26,846,073	50%	13,423,036
	Provision for Margin Loan			2,868,132	100%	-
	Provision for Gratuity, PF & others			-	50%	-
	Provision for Tax & VAT			263,802,146	0%	263,802,146
	Interest Suspense against Margin Loan			-	100%	-
	Liabilities for Expenses			8,318,948	0%	8,318,948
	Interest Payable			-	0%	-
	Provision for contingent liabilities and floating losses			117,404,447	50%	58,702,224
	Others (clearly specified in notes)			23,954,409	0%	23,954,409
17	Net Short term obligations after haircut	Aggregate of item 12 to item 16		1,686,474,248		1,611,480,857
18	Total Liabilities	As per Balance Sheet		1,686,474,248		1,686,474,248
19	Liquid Capital (Amount in item 11 minus item 17)			2,619,328,541		2,430,865,575
20	Regulatory LCB : 4%/6%/8% of Total Liabilities (Item 18)			134,917,940		134,917,940
21	Excess/(Deficit) in Liquid Capital Balance	(Amount in Item 20 less 19)		2,484,410,601		2,295,947,636

# **CITY BANK CAPITAL RESOURCES LIMITED**



# Independent Auditor's Report To the Shareholders of City Bank Capital Resources Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of City Bank Capital Resources Limited (the "Company") which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 3.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs as explained in note 3, Companies Act 1994, the Securities and Exchange Rules 2020 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related



disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company's so far as it appeared from our examination of those books;
- (iii) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) the expenditures incurred were for the purpose of the Company's business for the year.

**Sabbir Ahmed FCA, Partner**

ICAB Enrolment no: 770

**Hoda Vasi Chowdhury & Co**

Chartered Accountants

Firm Enlistment No: CAF-001-057

Dhaka, 27 January 2025

DVC: 2501270770AS602033



## City Bank Capital Resources Limited

# Statement of Financial Position (Balance Sheet)

as at 31 December 2024

Notes	2024 Taka	2023 Taka
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4 132,560,682	147,381,659
Right-of-use assets	5 14,968,021	18,638,148
Capital works-in-progress	6 1,153,658,669	1,066,974,026
Financial asset at fair value through profit or loss	8 -	30,697,675
Financial asset at fair value through other comprehensive income	9 1,580,740,705	2,251,167,975
Deferred tax assets	10 21,482,304	9,694,591
<b>Total non-current assets</b>	<b>2,903,410,381</b>	<b>3,524,554,074</b>
<b>Current assets</b>		
Margin loan	11 848,524,446	1,050,734,297
Trading Investments	12 245,470,586	131,328,451
Accounts receivables	13 36,058,354	42,354,622
Advances, deposits and prepayments	14 255,381,658	172,051,635
Cash and cash equivalents	15 358,597,114	410,636,592
<b>Total current assets</b>	<b>1,744,032,158</b>	<b>1,807,105,597</b>
<b>Total assets</b>	<b>4,647,442,538</b>	<b>5,331,659,671</b>
<b>Equity and liabilities</b>		
Share capital	16 2,550,000,000	2,550,000,000
Capital reserve	16 125,001,324	109,846,245
Retained earnings	16 1,158,880,202	1,084,532,780
Fair value reserve	17 (413,860,218)	256,567,052
<b>Total equity</b>	<b>3,420,021,308</b>	<b>4,000,946,077</b>
<b>Liabilities</b>		
<b>Non current liabilities</b>		
Term loan - non current portion	18 403,435,631	523,197,019
Lease liabilities- non current portion	19 11,034,995	17,314,596
<b>Total non-current liabilities</b>	<b>414,470,626</b>	<b>540,511,615</b>
<b>Current liabilities and provisions</b>		
Term loan-current portion	18 125,402,313	115,916,351
Lease liabilities- current portion	19 6,279,602	1,128,055
Accounts payable	20 237,643,562	141,049,608
Other liabilities	21 3,052,102	21,413,359
Provision for Investment	23 84,804,243	57,453,478
Overdraft loan	22 131,210,016	281,638,117
Provision for taxation	24 224,558,764	171,603,011
<b>Total current liabilities</b>	<b>812,950,603</b>	<b>790,201,979</b>
<b>Total equity and liabilities</b>	<b>4,647,442,538</b>	<b>5,331,659,671</b>

These financial statements should be read in conjunction with the annexed notes for City Bank Capital Resources Limited.

  
Chairman

  
Director

  
Managing Director & CEO

  
Company Secretary

See annexed report of the date



Sabbir Ahmed FCA, Partner  
ICAB Enrolment No: 770  
Hoda Vasi Chowdhury & Co  
Chartered Accountants



## City Bank Capital Resources Limited

# Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)

for the period ended 31 December 2024

	Notes	2024 Taka	2023 Taka
<b>Operating income</b>			
Interest income	25	171,531,082	167,505,415
Corporate advisory fees		33,427,500	40,960,653
Income from investment	26	106,263,771	118,258,744
Service income	27	50,175,072	49,156,907
<b>Total operating income</b>		<b>361,397,425</b>	<b>375,881,719</b>
Other income	28	10,378,919	11,608,362
<b>Total income</b>		<b>371,776,344</b>	<b>387,490,081</b>
<b>Operating expenses</b>			
Salaries and allowances	29	69,239,261	64,198,412
Rent, taxes, insurance, utilities, etc	30	5,504,258	6,040,291
Repairs, maintenance and depreciation	31	25,378,114	23,592,065
Stationery, printing and advertising	32	3,201,271	2,624,475
Postage, stamp and telecommunication	33	1,270,792	1,343,382
Brokerage commission		2,348,308	949,519
CDBL charges		4,609,634	4,246,032
Audit fee		207,000	253,000
Training and development expenses		236,972	225,080
Directors' remuneration		91,667	171,111
Legal and professional fees		946,389	127,000
Other expenses	34	26,705,948	15,862,331
<b>Total operating expenses</b>		<b>139,739,614</b>	<b>119,632,698</b>
<b>Operating Profit</b>		<b>232,036,730</b>	<b>267,857,383</b>
Provision for Investment	23.2 & 23.3	60,677,896	7,625,000
Unrealized loss on trading investment		4,657,840	10,575,782
Finance expenses	35	36,030,453	13,972,758
<b>Profit before tax</b>		<b>130,670,541</b>	<b>235,683,843</b>
<b>Income tax expense</b>			
Current tax	24	52,955,753	76,535,491
Deferred tax (income)/expenses	10	(11,787,713)	7,597,559
<b>Profit for the year</b>		<b>41,168,040</b>	<b>84,133,050</b>
<b>Other comprehensive income</b>			
Fair value reserve	17	(670,427,270)	(10,000,000)
<b>Total comprehensive income</b>		<b>(580,924,769)</b>	<b>141,550,793</b>

These financial statements should be read in conjunction with the annexed notes for City Bank Capital Resources Limited.



Chairman



Director



Managing Director & CEO



Company Secretary

See annexed report of the date

Date : 27 January, 2025  
DVC No: 2501270770AS602033

Sabbir Ahmed FCA, Partner  
ICAB Enrolment No: 770  
Hoda Vasi Chowdhury & Co  
Chartered Accountants



# City Bank Capital Resources Limited

## Statement of Changes in Equity

for the year ended 31 December 2024

Particulars	Share capital Taka	Capital reserve Taka	Retained earnings Taka	Fair value reserve Taka	Total Taka
<b>Year 2024</b>					
Balance at 01 January 2024	2,550,000,000	109,846,245	1,084,532,780	256,567,052	4,000,946,077
Profit for the year	-	-	89,502,501	-	89,502,501
Capital reserve	-	15,155,079	(15,155,079)	-	-
Other comprehensive income	-	-	-	(670,427,270)	(670,427,270)
<b>Balance at 31 December 2024</b>	<b>2,550,000,000</b>	<b>125,001,324</b>	<b>1,158,880,202</b>	<b>(413,860,218)</b>	<b>3,420,021,308</b>
<b>Year 2023</b>					
Balance at 01 January 2023	2,550,000,000	-	1,042,828,232	266,567,052	3,859,395,284
Profit for the year	-	-	151,550,793	-	151,550,793
Capital reserve	-	109,846,245	(109,846,245)	-	-
Other comprehensive income	-	-	-	(10,000,000)	(10,000,000)
<b>Balance at 31 December 2023</b>	<b>2,550,000,000</b>	<b>109,846,245</b>	<b>1,084,532,780</b>	<b>256,567,052</b>	<b>4,000,946,077</b>



# City Bank Capital Resources Limited

## Statement of Cash Flows

for the year ended 31 December 2024

	2024 Taka	2023 Taka
<b>A. Cash flows from operating activities</b>		
Fees and commission from portfolio management service	223,480,146	215,985,103
Fees from corporate advisory service	33,611,646	41,663,985
Dividend income	80,597,510	66,680,469
Operating expenses	(127,025,882)	(106,855,223)
Bank charges	(746,592)	(508,308)
<b>Cash generated from operating activities before changes in operating assets and liabilities</b>	<b>209,916,828</b>	<b>216,966,026</b>
<b>Increase/decrease in operating assets and liabilities</b>		
Margin loan	202,209,851	49,400,384
Customers' deposits	69,789,727	(6,296,110)
<b>Cash generated from operating activities</b>	<b>271,999,578</b>	<b>43,104,274</b>
Interest paid	<b>481,916,406</b>	<b>260,070,300</b>
Income tax paid	(101,116,148)	(77,261,578)
<b>Net cash from/ (used in) operating activities</b>	<b>320,225,441</b>	<b>87,901,845</b>
<b>B. Cash flows from investing activities</b>		
Interest income other than margin loan	51,779,028	43,014,612
Divestment / (Investment) in securities	(118,799,975)	(103,358,859)
Capital works-in-progress	(41,709,362)	(27,856,637)
Right-of-use assets	-	(7,270,933)
Acquisition of property plant and equipment	(740,656)	(4,738,406)
<b>Net cash from/(used in) investing activities</b>	<b>(109,470,966)</b>	<b>(100,210,224)</b>
<b>C. Cash flows from financing activities</b>		
Lease liability	(1,128,054)	6,129,801
Overdraft loan	(150,428,101)	281,577,743
Long term loan	(111,237,799)	(99,089,195)
<b>Net cash from/(used in) financing activities</b>	<b>(262,793,954)</b>	<b>188,618,349</b>
<b>D. Net changes in cash and cash equivalents (A+B+C)</b>	<b>(52,039,478)</b>	<b>176,309,970</b>
<b>E. Opening cash and cash equivalents</b>	<b>410,636,592</b>	<b>234,326,622</b>
<b>F. Closing cash and cash equivalents</b>	<b>358,597,114</b>	<b>410,636,592</b>



# City Bank Capital Resources Limited

## Notes to the financial statements

For the year ended 31 December 2024

### 1. Reporting entity

#### 1.1 Company profile

City Bank Capital Resources Limited (the Company), a fully owned subsidiary of City Bank PLC, is a public company limited by shares. The Company was incorporated in Bangladesh on 17 August 2009 vide registration no. C-79186/09 under the Companies Act 1994. Subsequently the Company obtained Merchant Banking License (Registration Certificate No: MB-54/2010) from Bangladesh Securities & Exchange Commission on 06 December 2010. The registered office of the Company is situated at Shanta Western Tower, Level-14, Office Space-02 Bir Ultam Mir Shawkat Road, 186 Tejgaon I/A, Dhaka - 1208.

#### 1.2 Nature of business

City Bank Capital Resources Limited delivers a wide range of investment banking services such as issue management, underwriting, portfolio management and corporate advisory and other services as mentioned in the Memorandum and Articles of Association of the company.

### 2. Basis of accounting

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as well as the Companies Act 1994, Bangladesh Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules 1996 and other applicable laws and regulations. In case any rules and regulations issued by Bangladesh Securities and Exchange Commission differs from those of other regulatory authorities, the rules and regulations issued by Bangladesh Securities and Exchange Commission shall prevail.

#### 2.2 Basis of measurement

The financial statements have been prepared on accrual basis of accounting following going concern concept under historical cost convention except for financial instruments which are measured at fair value.

#### 2.3 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT), which is both functional and presentation currency of the Company.

#### 2.4 Use of estimates and judgment

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period of revision and future periods if the revision affects both current and future periods.

Key estimates and Judgments used to prepare these financial statements are determining fair value of unquoted investments, provision for impairment and provision for taxation.

#### 2.5 Reporting period

The financial year of the Company has been determined to be from 1 January to 31 December each year. These financial statements cover the period from 1 January 2024 to 31 December 2024.

#### 2.6 Date of authorisation

The audited financial statements for the year ended 31 December 2024 were authorised by the Board of Directors on 27 January 2025.

#### 2.7 Components of financial statements

- a. Statement of financial position (balance sheet);
- b. Statement of profit or loss and other comprehensive income (income and expenditure statement);
- c. Statement of changes in equity;
- d. Statement of cash flows; and
- e. Summary of significant accounting policies and other explanatory information.



### 3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

#### 3.1 Property, plant and equipment

##### Recognition and measurement

Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with International Accounting Standard (IAS) 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its working condition for its intended use. Expenditures incurred after the assets have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

##### Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit and loss account as incurred.

##### Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. For addition to property, plant and equipment, depreciation is charged from the month of capitalisation and no depreciation is charged in the month of disposal.

The rates at which property, plant and equipment are depreciated for current and comparative years are as follows:

Category of assets	Rate of depreciation
Office equipment	10%-50%
Furnitures and fittings	10%-20%
Motor vehicles	20%
Office Space	2.5%

##### Disposal

Gains and losses on disposal of an item of property, plant and equipment are to be determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment disposed off and are recognised net with "other operational income" in profit or loss statement.

#### 3.2 Leases

The Company has adopted IFRS 16: IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard- i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17: Leases, IFRIC 4: Determining whether an Arrangement contains a Lease, SIC-15: Operating Leases - Incentives and SIC- 27: Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 January 2019.

As a lessee, City Bank Capital Resources Limited previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to City Bank Capital Resources Limited. Under IFRS 16, City Bank Capital Resources Limited recognizes right-of-use assets and lease liabilities for all leases.

#### 3.3 Intangible assets and amortisation

Intangible assets are to be initially recognised at cost including any directly attributable cost. Intangible assets that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Intangible assets include software, integrated systems along with related hardware. Currently, the company has a software "Mbank" which is considered as an intangible asset and is therefore amortised at a rate of 14.93% per annum.

#### 3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments comprise investments in trading securities, margin loans, receivables, cash and cash equivalents, term loans, trade payables, customer deposits and share capital.



### 3.4.1 Financial assets

Financial assets refer to assets that arise from contractual agreements on future cash flows or from owning equity instruments of another entity.

The company initially recognises receivables and deposits on the date when they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The company derecognises a financial asset when the contractual rights or probabilities of receiving the cash from the assets expires, or it transfers the rights to receive the contractual cash flows from the financial assets in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVTOCI), financial assets at amortised cost, margin loans, cash and cash equivalents, accounts receivable.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit and loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. The Company holds investment securities which are strategically held and actively traded in a quoted market and those which are unquoted. The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial assets and liabilities except where noted.

#### **Financial assets at fair value through profit or loss (FVTPL)**

Investment in quoted securities (such as stock/ shares, bonds) are securities those are officially listed (quoted) on a stock exchange for public trading. They are measured at fair value and subsequent to initial measurement any fall in value of investment below cost is recognised at profit or loss and a reserve for the fall in value is created.

Investment in shares which are not actively traded in a quoted market are measured at fair value unless the fair value can not be measured reliably, in which case they are measured at cost.

#### **Financial assets at fair value through other comprehensive income (FVTOCI)**

These equity securities represent investments that the Company intends to hold for the long term for strategic purposes. As permitted by IFRS 9, the Company has designated these investments at the date of initial application as measured at FVOCI. Unlike IAS 39, the accumulated fair value reserve related to these investments will never be reclassified to profit or loss. Before the changes to IFRS 9: Financial Instruments, the Company was presenting these investment in available for sale category. The gain/loss arising from the changes in fair value have been put in other comprehensive income.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, bank deposits and other short term highly liquid investments with original maturities of three months or less, and there was insignificant risk of changes in value of these current assets.

#### **Accounts receivables**

Accounts receivables are recognised at original invoiced amount.

#### **Margin loan**

Margin loan is provided to clients to facilitate investment in equity securities. They are initially classified as financial assets at fair value and subsequently measured at amortised cost.

### 3.4.2 Financial liabilities

A contractual obligation to deliver cash or another financial assets to another entity or to exchange financial instruments with another entity under conditions that are potentially unfavourable.

The company initially recognises financial liabilities on the transaction date at which the Entity becomes a party to the contractual provisions of the liability. The Entity recognises such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

The Entity derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

Financial liabilities as presented in these financial statements comprise loans and borrowings, accounts payable and other payables.

#### **Loans and borrowings**

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequently, the borrowings are stated at amortised cost using effective interest method.



## **Accounts payable**

Accounts payables are recognised at fair value.

## **Offsetting financial assets and a financial liabilities**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the entity has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **3.5 Revenue recognition**

Revenue is only recognised when it meets the following five steps model framework as per IFRS 15: "Revenue from Contracts with Customers

- a) identify the contract (s) with a customers;
- b) identify the performance obligations in the contract;
- c) determine the transaction price;
- d) allocate the transaction price to the performance obligations in the contract;
- e) recognise revenue when (or as) the entity satisfies a performance obligation."

Interest income from margin loans and other sources is recognised on an accrual basis of accounting.

## **Interest income on margin loan**

Income from interest on margin loan is recognised on an accrual basis. Such income is calculated based on daily margin loan balance of the respective margin loan holder's account.

## **Fees and commission income**

Fees and commission income are recognised when the corresponding services are provided. Fees and commission income presented in the financial statements include the following:

- i) Management fee is charged on client's portfolio value (at market price) on daily basis at the applicable rate.
- ii) Settlement fee charged to customers' trading in the secondary capital market;
- iii) Documentation fees charged to clients for opening accounts with the company; and
- iv) Income from advisory is recognised when a service is rendered in line with the related agreement.

## **Dividend income**

Dividend income is recognised when the right to receive dividend is established. Usually this is the dividend declaration date for equity securities.

## **Investment income**

Income on investments is recognised on accrual basis. Investment income includes interest on treasury bonds and fixed deposit with other banks. Capital gains on investments in shares and treasury bills are also included in investment income. Capital gains are recognised when these are realised.

### **3.6 Taxation**

Income tax expense is recognised in the statement of profit or loss and other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax has been calculated on the basis of the Finance Act, 2024.

### **3.7 Deferred Tax**

Deferred tax has been calculated based on the difference between the carrying amount of an asset or liability in the statement of financial position and its carrying amount by the tax authority; tax bases, that will be reversed in future, and where the change in the value of asset or liability has a tax consequence. This may result in either deferred tax assets or deferred tax liabilities in the financial statement of the company.

### **3.8 Provisions**

A provision is recognized when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### **3.9 Contingencies**

Contingencies arising from claims, litigations, assessments, fines, penalties, etc are recorded when it is probable that a liability would be created and the amount can be reasonably estimated.



### 3.10 Borrowing costs

Borrowings are classified into both current and non-current liabilities. In compliance with the requirements of IAS 23 "Borrowing Cost," borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 3.11 Events after reporting period

Events after the reporting period that provide additional information about the company's position at the reporting period are reflected in the financial statements. Events after the reporting period that are not adjusting event are disclosed in the note when material.

No material event had occurred after the reporting period, which could substantially effect the values reported in these financial statements.

### 3.12 Departure from IFRS

Investment in quoted securities are recognised and measured in accordance with the policy disclosed in note 3.3.1 to comply with industry practice and reporting requirement of its parent company, a non-banking financial institution. This is, however, a departure from IFRS-9 as all equity investments within the scope of IFRS 9 are to be measured at fair value in the statement of financial position, with value changes recognised in profit or loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

### 3.13 Defined contribution plan- provident fund

Provident fund benefits are given to the permanent employees of the company in accordance with Provident Fund Rules which are recognized by National Board of Revenue (NBR). The fund is operated by a Board of Trustees consisting of seven members. All confirmed employees of the company are contributing 10% of their basic salary as subscription to the fund. The Company also contributes equal amount of the employees' contribution. The Trust Deed of the Comapny's provident Fund allows the Company's Contribution to an employee only upon completion of 5 years of services. However, rule 263(1) of the Labour Rules 2015 allows such contribution only upon completion of 2 years. The Company is in the process of amending the Trust Deed.

### 3.14 Defined benefit plan-gratuity

Gratuity fund benefits are given to the permanent employees of the company in accordance with the Gratuity Fund Rules which are recognized by NBR. The fund is operated by a Board of Trustees consisting of seven members.

## 4. Property, plant and equipment

### Cost:

	2024 Taka	2023 Taka
Opening balance	195,560,631	190,928,409
Add: Addition during this year	740,656	4,738,406
	<hr/>	<hr/>
196,301,287	195,666,815	
Less: Disposal during this year	-	106,184
Closing balance (a)	196,301,287	195,560,631
	<hr/>	<hr/>

### Accumulated depreciation:

	2024 Taka	2023 Taka
Opening balance	48,178,972	33,064,581
Add: Depreciation for this year	15,561,633	15,220,575
	<hr/>	<hr/>
63,740,605	48,285,156	
Less : Adjustment made during this year	-	106,184
Closing balance (b)	63,740,605	48,178,972
Net book value (a - b)	<hr/>	<hr/>
<b>132,560,682</b>	<b>147,381,659</b>	

Details are shown in **Annex A**.

## 5. Right-of- use assets

### Cost:

	2024 Taka	2023 Taka
Opening balance	23,601,862	18,771,150
Add: Addition during this year	-	7,270,933
	<hr/>	<hr/>
23,601,862	26,042,083	
Less: Reduce lease liability during this year	-	2,440,221
Closing balance (a)	<hr/>	<hr/>
<b>23,601,862</b>	<b>23,601,862</b>	



**Accumulated depreciation:**

	2024 Taka	2023 Taka
Opening balance	4,963,714	3,654,713
Add: Depreciation for this year	3,670,127	3,749,222
	8,633,841	7,403,935
Less : Adjustment made during this year	-	2,440,221
Closing balance (b)	8,633,841	4,963,714
Net book value (a - b)	<b>14,968,021</b>	<b>18,638,148</b>

Details are shown in **Annex B.**

**6. Capital works in-progress**

	Land	Buildings	Total
At 01 January 2024	300,000,000	766,974,026	1,066,974,026
Add: Addition during this year	-	86,684,643	86,684,643
<b>At 31 December 2024</b>	<b>300,000,000</b>	<b>853,658,669</b>	<b>1,153,658,669</b>

During the period, the Company has incurred BDT 66,048,068/- at the rate of 13% as borrowing cost for the construction of land and buildings. As the construction work is still undergoing, this borrowing cost has been capitalised as per IAS 23: Borrowing Costs. BDT 20,636,575/- paid to BREATHE-SBS-R3 Consortium and others vendor for construction purpose during the year. Which has been capitalised.

**7. Intangible assets**

**Cost:**

	2024 Taka	2023 Taka
Opening balance	2,200,000	2,200,000
Add: Addition during this year	-	-
	2,200,000	2,200,000
Less: Disposal during this year	-	-
Closing balance (a)	<b>2,200,000</b>	<b>2,200,000</b>

**Accumulated Amortisation:**

	2024 Taka	2023 Taka
Opening balance	2,200,000	2,200,000
Add: Amortisation for this year	-	-
	2,200,000	2,200,000
Less: Adjustment made during this year	-	-
Closing balance (b)	<b>2,200,000</b>	<b>2,200,000</b>
Net book value (a - b)	-	-

**8. Financial asset at fair value through profit or loss**

Opening Balance	30,697,675	30,697,675
Add/ (Less): written off during this year	(30,697,675)	-
Closing Balance	-	<b>30,697,675</b>

On 11 June 2014, City Bank Capital Ltd. had invested BDT 100,000,000 in redeemable preference share of Regent Energy and Power Limited (REPL). Subsequently, REPL had paid BDT 69,302,325 and outstanding balance as on 31 December 2023 is BDT 30,697,675. Nevertheless, the Company has written-off the overdue balances during the year.

**9. Financial asset at fair value through other comprehensive income**

Listed securities (note 9.1)	1,345,740,705	1,913,667,975
Listed Sukuk (note 9.2)	118,750,000	212,500,000
Listed perpetual bond (note 9.3)	116,250,000	125,000,000
	<b>1,580,740,705</b>	<b>2,251,167,975</b>

**9.1 Listed securities**

Opening fair value	1,913,667,975	1,913,667,975
Add/ (Less):Change in fair value during this year	(567,927,270)	-
Closing fair value	<b>1,345,740,705</b>	<b>1,913,667,975</b>



2024	2023
Taka	Taka

On 29 June 2016, City Bank Capital Resources Ltd. had acquired 24,885,352 no. of shares of IDLC Finance PLC for BDT 55.08 each from capital market. Subsequently, the Company acquired another 16,268,798 no. of share by exercise its right to new issue and bonus share. Now total holding on 31 December 2024 is 41,154,150 no. of shares of IDLC Finance PLC. Presently the Company intends to hold the investment thus classified as financial asset at fair value through other comprehensive income.

#### 9.2 Listed Sukuk

Investment in Beximco Green-Sukuk Al Istisna'a	212,500,000	222,500,000
Add/ (Less):Change in fair value during this year	(93,750,000)	(10,000,000)
Fair value	<u><b>118,750,000</b></u>	<u><b>212,500,000</b></u>

On 23 December 2021, City Bank Capital Resources Ltd. had acquired 2,500,000 no. of SUKUK of Beximco Green-Sukuk Al Istisna'a for BDT 100 each from private placement.

#### 9.3 Listed Perpetual Bond

Investment in Bank Asia Perpetual Bond	125,000,000	125,000,000
Add/ (Less):Change in fair value during this year	(8,750,000)	-
Fair value	<u><b>116,250,000</b></u>	<u><b>125,000,000</b></u>

On 13 December 2023, City Bank Capital Resources Ltd. had acquired 25,000 no. of Bank Asia Perpetual bond for BDT 5,000 each from private placement.

#### 10. Deferred tax assets

	Carrying Amount	Tax base	Taxable/ (deductible) temporary difference
<b>As on 31 December 2024</b>			
Property, plant and equipment	122,592,002	99,349,437	99,349,437
Right-of- use assets	14,968,021	-	14,968,021
Lease liabilities	(17,314,597)	-	(17,314,597)
Negative equity provision	76,318,998	-	(76,318,998)
Unrealised loss of Tradind Investment	4,657,840	-	(4,657,840)
Applicable tax rate			37.50%
Applicable tax rate other than property, plant and equipment			15.00%
<b>Deferred tax-Asset/ (liability)</b>			<u><b>21,482,304</b></u>

#### As on 31 December 2023

Property, plant and equipment	130,731,281	110,326,890	20,404,391
Right-of- use assets	18,638,148	-	18,638,148
Lease liabilities	(18,442,651)	-	(18,442,651)
Provision for prefeence shares investment (note 23.1)	33,327,131	-	(33,327,131)
Provision for unrealised loss for Beximco Green-Sukuk (note 23.3)	13,125,000	-	(13,125,000)
Applicable tax rate			37.50%
<b>Deferred tax-Asset/ (liability)</b>			<u><b>9,694,591</b></u>

2024	2023
Taka	Taka
1,050,734,297	1,100,134,681
(202,209,851)	(49,400,384)
<u><b>848,524,446</b></u>	<u><b>1,050,734,297</b></u>

#### 11. Margin loans

Opening balance	1,050,734,297	1,100,134,681
Add/ (Less): Increase/(Decrease) during this year	(202,209,851)	(49,400,384)
Closing balance	<u><b>848,524,446</b></u>	<u><b>1,050,734,297</b></u>

Portfolio management department extends margin loan facilities to its customers trading on the secondary capital market in Bangladesh. Bangladesh Securities and Exchange Commission issues various guidelines/ orders/ notifications for the Merchant Banks pertaining to these margin loan facilities.



		2024 Taka	2023 Taka
<b>12.</b>	<b>Trading Investments</b>		
	Listed securities (note 12.1)	123,510,316	130,648,451
	Investment in Govt. T Bonds	121,960,270	-
	Initial public offer (IPO) application	-	680,000
		<b>245,470,586</b>	<b>131,328,451</b>
<b>12.1</b>	<b>Listed securities</b>		
	<b>Business segment</b>	<b>Historical cost price as at 31 December 2024</b>	<b>Fair market value as at 31 December 2024</b>
	Bank	3,915,724	3,675,000
	Food & Allied	44,931,378	33,421,457
	Insurance	26,600,376	33,021,612
	Miscellaneous	28,031,862	21,386,925
	Telecommunication	35,265,066	32,005,322
	<b>Total</b>	<b>138,744,406</b>	<b>123,510,316</b>
			<b>2024 Taka</b>
			<b>2023 Taka</b>
<b>13.</b>	<b>Accounts receivables</b>		
	Advisory fees receivable	3,073,500	3,257,646
	T Bond Interest receivable	1,335,025	-
	FDR Interest receivable	-	1,462,500
	Dividend receivable	136,985	3,289,178
	Receivable from panel broker	11,416,465	-
	Profit receivable from Beximco Green-Sukuk Al Istisna'a	568,750	14,317,361
	<b>Inter-company receivables :</b>		
	City Brokerage Ltd-client sales	19,527,629	18,253,945
	City Bank PLC-portfolio management fees	-	1,773,992
		<b>36,058,354</b>	<b>42,354,622</b>
<b>14.</b>	<b>Advances, deposits and prepayments</b>		
	Advance income tax (Note- 14.1)	195,081,851	134,507,035
	Advance to employee	3,375,615	1,255,993
	Security deposit with Central Depository of Bangladesh Ltd.	200,000	200,000
	Security deposit for membership fee	200,000	200,000
	Advance against expenses	26,947	20,771
	Advance for Uttara Building construction	56,497,245	35,424,458
	Other assets	-	443,378
		<b>255,381,658</b>	<b>172,051,635</b>
<b>14.1</b>	<b>Advance income tax</b>		
	Opening balance	134,507,035	39,600,158
	Paid during the year	60,574,816	94,906,877
	Adjustment for previous years tax liability	-	-
	Closing Balance	<b>195,081,851</b>	<b>134,507,035</b>



	2024 Taka	2023 Taka	
<b>15. Cash and cash equivalents</b>			
Cash in hand	55,016	53,516	
Bank balance with City Bank PLC:			
In current accounts:			
1101363680001	1,293,697	3,894,743	
1101363680002	-	205	
1101363680003	3,414	3,759	
Special notice deposit account:			
3101363680001	17,539,650	6,562,593	
1101340451001	31,854,472	85,386,229	
1101340450001	169,373,143	158,472,208	
Bank balance with Social Islami Bank PLC:			
Mudaraba notice deposit account:			
1271360000293	-	4,532,040	
Bank balance with Community Bank Bangladesh PLC:			
In current accounts:			
0070306177101	11	11	
Special notice deposit account:			
0070306177301	39,657	419,399	
Bank balance with One Bank PLC:			
Special notice deposit account:			
0023000001897	411,953	406,617	
Bank balance with Bank Asia PLC:			
Special notice deposit account:			
05636000142	2,842,368	97,676	
Bank balance with Dutch Bangla Bank PLC:			
Special notice deposit account:			
1051200004719	96,423,269	-	
Investment in fixed deposit receipt (FDR)	-	150,000,000	
Balance with City Brokerage Ltd.	38,760,018	806,901	
Balance with Remons Investment & Securities Ltd.	200	-	
Balance with Sheltech Brokerage Ltd.	245	695	
	<b>358,597,114</b>	<b>410,636,592</b>	
<b>16. Share capital</b>			
<b>Authorised</b>			
300,000,000 shares of BDT 10 each	<b>3,000,000,000</b>	<b>3,000,000,000</b>	
<b>Issued, subscribed and paid up</b>			
255,000,000 ordinary shares of BDT 10 each	<b>2,550,000,000</b>	<b>2,550,000,000</b>	
Name of shareholder	No. of shares	Value of shares	% of share holding
City Bank PLC	254,995,000	2,549,950,000	99.9980%
Individuals	5,000	50,000	0.0020%
	<b>255,000,000</b>	<b>2,550,000,000</b>	<b>100%</b>



		2024 Taka	2023 Taka
<b>17</b>	<b>Fair value reserve</b>		
	Listed securities ( note -17.1)	(273,860,218)	294,067,052
	Listed Sukuk (Note- 17.2)	(131,250,000)	(37,500,000)
	Listed Perpetual Bond (Note- 17.3)	(8,750,000)	-
		<b>(413,860,218)</b>	<b>256,567,052</b>
<b>17.1</b>	<b>Listed securities</b>		
	Opening Balance	294,067,052	294,067,052
	Add/ (Less):Change in fair value during this year	(567,927,270)	-
	<b>Closing Balance</b>	<b>(273,860,218)</b>	<b>294,067,052</b>
<b>17.2</b>	<b>Listed Sukuk</b>		
	Opening Balance	(37,500,000)	(27,500,000)
	Add/ (Less):Change in fair value during this year	(93,750,000)	(10,000,000)
		(131,250,000)	(37,500,000)
	Less: Transfer to profit or loss	-	-
	<b>Closing Balance</b>	<b>(131,250,000)</b>	<b>(37,500,000)</b>
<b>17.3</b>	<b>Listed Perpetual Bond</b>		
	Opening Balance	-	-
	Add/ (Less):Change in fair value during this year	(8,750,000)	-
		(8,750,000)	-
	Less: Transfer to profit or loss	-	-
	<b>Closing Balance</b>	<b>(8,750,000)</b>	<b>-</b>
<b>18.</b>	<b>Term Loan</b>		
	Principal outstanding	524,923,657	636,161,456
	Accrued interest payable	3,914,287	2,951,914
		<b>528,837,944</b>	<b>639,113,370</b>
	Current and non current classification		
	Non-current portion	403,435,631	523,197,019
	Current portion (payable within twelve months)	125,402,313	115,916,351
		<b>528,837,944</b>	<b>639,113,370</b>
	Name of lender	:	IPDC Finance Limited
	Name of facility	:	Term loan facility
	Facility limit	:	BDT 830,000,000/-
	Rate of interest	:	13% per annum
	Purpose of loan	:	For the purpose of acquisition of land and construction of building.
	Repayment terms	:	10 years including 24 months grace period for principal amount and 12 months grace period for interest that will be paid through 32 equal installments after the grace period
	Security	:	i) Registered mortgage of 12 katha land with existing structure located at Uttara, Abdullaipur; ii) Letter of comfort from City Bank PLC; iii) First charge on fixed & floating assets of CBCRL.





	2024 Taka	2023 Taka
<b>19. Lease liabilities</b>		
Non-current portion	11,034,995	17,314,596
Current portion (payable within twelve months)	6,279,602	1,128,055
	<b>17,314,597</b>	<b>18,442,651</b>
<b>20. Accounts payable</b>		
Payable to clients (note 20.1)	233,741,862	134,416,362
Accrued expenses (note 20.2)	3,901,700	6,633,246
	<b>237,643,562</b>	<b>141,049,608</b>
<b>20.1 Payable to clients</b>		
Client sales	47,155,015	36,737,669
Client deposit	184,787,348	97,678,693
Client's dividend payable	1,799,499	-
	<b>233,741,862</b>	<b>134,416,362</b>
<b>20.2 Accrued expenses</b>		
Audit fee	180,000	220,000
CDS fee	358,001	220,665
Salaries and allowances	3,000,000	5,239,898
Advertisement expenses	42,320	36,800
Security Service	221,379	210,397
Utility expenses	-	98,280
Gratuity payable	-	504,428
Software maintenance fee	100,000	102,778
	<b>3,901,700</b>	<b>6,633,246</b>
<b>21. Other liabilities</b>		
Payable to panel broker	-	15,510,599
Withholding tax payable (note 21.1)	3,052,102	5,902,760
	<b>3,052,102</b>	<b>21,413,359</b>
<b>21.1 Withholding tax payable</b>		
Withholding tax on salary	617,149	486,164
Withholding tax on supplier and other payment	257,564	228,649
Withholding tax on professional fees	3,333	-
Withholding VAT on corporate advisory fee	1,771,528	4,629,065
Withholding VAT on supplier and other payment	384,528	525,882
Withholding VAT payable on professional fees	18,000	33,000
	<b>3,052,102</b>	<b>5,902,760</b>
<b>22. Overdraft Loan</b>		
Community Bank Bangladesh PLC	19,392	490,107
Bank Asia PLC	131,139,695	125,862,097
One Bank PLC	50,929	155,285,913
	<b>131,210,016</b>	<b>281,638,117</b>

The above loans are taken to meet business requirements i.e. margin financing and investment in secondary market. The limit of the facilities from Community Bank Bangladesh PLC, One Bank PLC and Bank Asia PLC are Tk. 200,000,000; 150,000,000 and 300,000,000 respectively.



		2024 Taka	2023 Taka
<b>23.</b>	<b>Provision for Investment</b>		
	Provision for preference shares investment (note 23.1)	-	33,327,131
	Provision for Margin loan (note 23.2)	84,804,243	11,001,347
	Provision for unrealised loss for Beximco Green-Sukuk (note 23.3)	-	13,125,000
		<b>84,804,243</b>	<b>57,453,478</b>
<b>23.1</b>	<b>Provision for preference shares investment</b>		
	Opening balance	33,327,131	33,327,131
	Add: Provision made during this year	-	-
		33,327,131	33,327,131
	Less: Adjustment made during this year	33,327,131	-
	Closing balance	-	<b>33,327,131</b>
<b>23.2</b>	<b>Provision for Margin loan</b>		
	Opening balance	11,001,347	11,001,347
	Add: General Provision made during this year	(2,516,103)	-
	Add: Provision for negative equity during this year	76,318,998	-
		84,804,243	11,001,347
	Less: Adjustment made during this year	-	-
	Closing balance	<b>84,804,243</b>	<b>11,001,347</b>
	Provision for margin loan is being kept at 1% as per Rules 36 of Merchant Banker and Portfolio Manager Rules, 1996 of Bangladesh Securities and Exchange Commission. During the year due to withdrawal of floor price the share value of few clients of the Company has drastically fallen within a short period and since no buyer is available at that time the Company could not sale shares and their equity has become negative of BDT 109,027,140. In pursuant to the circular no BSEC/SSMMID/ANE/2023/1690 dated 28 March 2024, the Company has been relaxed to keep any provision for the aforementioned amount. Nevertheless, the Company has kept BDT 76,318,998 as provision.		
<b>23.3</b>	<b>Provision for unrealised loss for Beximco Green-Sukuk Al Istisna'a</b>		
	Opening balance	13,125,000	5,500,000
	Add: Provision made during this year	-	7,625,000
		13,125,000	13,125,000
	Less: Adjustment made during this year	13,125,000	-
	Closing balance	-	<b>13,125,000</b>
<b>24.</b>	<b>Provision for taxation</b>		
	Opening balance	171,603,011	95,067,520
	Add: Provision made during this year	53,710,102	79,587,338
	Less: Adjustment for over provision in prior years	(754,349)	(3,051,847)
		224,558,764	171,603,011
	Less: Paid/Adjustment during this year	-	-
	Closing balance	<b>224,558,764</b>	<b>171,603,011</b>
<b>25.</b>	<b>Interest income</b>		
	Interest on margin loan	171,531,082	167,505,415
		<b>171,531,082</b>	<b>167,505,415</b>



	2024 Taka	2023 Taka
<b>26. Income from investment</b>		
Interest on fixed deposit	2,066,666	4,493,750
Interest income from Govt. Treasury Bonds	1,245,943	-
Dividend from perpetual bond	12,011,510	659,722
Realised gains on sale of listed securities	-	20,186,786
Profit from Beximco Green-Sukuk	22,876,389	28,886,111
Dividend from ordinary shares	68,063,263	64,032,375
	<b>106,263,771</b>	<b>118,258,744</b>
<b>27. Service income</b>		
Settlement fees	47,289,374	42,878,124
Portfolio management fees	2,787,448	6,212,783
Documentation charge	98,250	66,000
	<b>50,175,072</b>	<b>49,156,907</b>
<b>28. Other income</b>		
SND interest income	9,637,424	7,252,719
Miscellaneous income	741,495	4,355,643
	<b>10,378,919</b>	<b>11,608,362</b>
SND interest income has been earned from the surplus fund of working capital and consolidated customer deposit kept in the SND bank account and earned bank interest accordingly.		
<b>29. Salaries and allowances</b>		
Salaries and allowances	69,167,705	64,188,412
Intern allowances	71,556	10,000
	<b>69,239,261</b>	<b>64,198,412</b>
<b>30. Rent, taxes, insurance, utilities, etc.</b>		
Rent expenses- VAT portion	676,644	676,644
Service charge	1,599,830	1,620,722
Insurance premium	1,191,895	1,524,929
Holding Tax	7,284	19,125
Utilities expenses	2,028,605	2,198,871
	<b>5,504,258</b>	<b>6,040,291</b>
<b>31. Repairs, maintenance and depreciation</b>		
Repair and maintenance	6,146,354	4,622,274
Depreciation-PPE	15,561,633	15,220,575
Depreciation-Lease asset	3,670,127	3,749,216
	<b>25,378,114</b>	<b>23,592,065</b>
<b>32. Stationery, printing and advertising</b>		
Printing charge	370,449	275,135
Stationery	2,365,302	1,671,249
Advertisement	465,520	678,091
	<b>3,201,271</b>	<b>2,624,475</b>
<b>33. Postage, stamp and telecommunication</b>		
Postage and courier charge	2,700	8,495
Online charges	873,402	907,440
Telephone charges	394,690	427,447
	<b>1,270,792</b>	<b>1,343,382</b>



			2024	2023
			Taka	Taka
<b>34.</b>	<b>Other expenses</b>			
	Business development expenses		1,595,588	2,087,478
	Loss from listed securities		11,741,006	-
	Unrealised loss from Govt T Bonds		39,730	-
	Bad debt expenses		96,000	-
	Travelling and conveyance		2,632,878	5,237,913
	Outsourcing expenses		1,909,259	2,474,884
	Security expenses		2,700,150	2,319,079
	Entertainment expenses		1,006,479	1,267,208
	License and renewal fee		1,345,044	474,325
	Cleaning expenses		586,455	491,587
	Bank charges		746,592	508,308
	Website maintenance expenses		76,325	320,250
	Credit rating fee		53,750	53,750
	Membership fee		111,111	111,111
	Miscellaneous expenses		2,065,581	516,438
			<b>26,705,948</b>	<b>15,862,331</b>
<b>35.</b>	<b>Finance expenses</b>			
	Lease liability - IFRS 16		1,883,214	1,662,589
	Overdraft loan		34,147,239	12,310,169
			<b>36,030,453</b>	<b>13,972,758</b>
<b>36.</b>	<b>Related parties</b>			
<b>36.1</b>	<b>Parent company</b>			
	City Bank PLC has 99.9980% shareholding of the Company. As a result, the controlling party of the Company is City Bank PLC.			
<b>36.2</b>	<b>Related party transactions</b>			
	During the year, the Company carried out a number of transactions with related parties in the normal course of business. The names of related parties and nature of these transactions have been set out in accordance with the provision of IAS 24: Related Party Disclosures.			
			2024	2023
			Taka	Taka
		<b>Transaction during the year</b>		
		Interest income from SND Bank Account	7,277,045	5,735,812
		FDRs Interest Income	507,639	1,496,528
		Portfolio management fees - income	2,675,189	6,041,094
		Corporate advisory fee - income	-	-
		Miscellaneous income (Rental Income)	300,000	25,000
		<b>Closing balance</b>		
		Receivable from City Bank PLC	-	1,773,992
		SND and current account	220,064,377	254,319,737
		FDRs Interest Receivable	-	590,278
		FDRs investment for three months	-	50,000,000
		<u>Deposit for investment in listed securities</u>	7,302	7,302
		<b>Transaction during the year</b>		
		Net transaction of own investment	9,122,841	-
		Share trading settlement	17,094,702	14,045,068
		Brokerage commission	14,077,792	9,614,285
		<b>Closing balance</b>		
		Balance with City Brokerage Limited	38,760,018	806,901
		<u>Receivable for client share sell</u>	19,527,629	18,253,945



### 37. Financial risk management

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The Company has provided in separate notes the information about the Company's exposure to each of the following risks, the Company's objectives, policies and processes for measuring and managing risks and the Company's management of capital. The Company has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

#### 37.1 Credit risk

Credit risk is the risk of financial loss to the company if any customer or counter party to a financial instrument fails to meet its contractual obligation. This principally arises from the company's receivables from customers.

	2024	2023
	Taka	Taka

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Margin loan	848,524,446	1,050,734,297
Trading Investments	245,470,586	131,328,451
Accounts receivables	36,058,354	42,354,622
Cash and cash equivalents	358,542,098	410,583,076
	<b>1,488,595,483</b>	<b>1,635,000,446</b>

#### 37.2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or taking risk of damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses through preparation of the cash flow forecast, prepared based on time line payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within the due date.

#### 37.3 Market risk

Market risk is the risk that any changes in market price, Such as interest rates and capital market condition will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters.

#### 38. Contingent liabilities and commitments

Underwriting commitments outstanding	-	<b>61,500,000</b>
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#### 39. Number of employees

The number of employees engaged for the whole year or part thereof who received an yearly remuneration of BDT 36,000 or above was 42 (2023:49).

#### 40. Others

40.1 Figures have been rounded off to the nearest BDT.

40.2 Prior year's figures shown for comparison purpose, have been rearranged whenever necessary to confirm with current year's presentation.

## Schedule of property, plant and equipment

as at 31 December 2024

Annexure A

Particulars	Cost		Rate	Accumulated depreciation		Total to 31 December 2024	Net book value at 31 December 2024
	Balance at 1 January 2024	Addition Taka		As at 01 January 2024	Charge for the year		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Office equipment	17,180,467	502,006	-	17,682,473	10%-50%	11,702,631	1,975,775
Furniture and fittings	27,147,264	238,650	-	27,385,914	10%-20%	9,967,189	2,275,086
Motor vehicle	43,028,285	-	-	43,028,285	20%	21,324,349	8,605,656
Office space	108,204,615	-	-	108,204,615	2.5%	5,184,803	2,705,116
<b>Total at 31 December 2024</b>	<b>195,560,631</b>	<b>740,656</b>	-	<b>196,301,287</b>		<b>48,178,972</b>	<b>15,561,633</b>
<b>Total at 31 December 2023</b>	<b>190,928,409</b>	<b>4,738,406</b>	<b>105,184</b>	<b>195,560,631</b>		<b>33,064,581</b>	<b>15,220,575</b>
						<b>106,184</b>	<b>48,178,972</b>
							<b>147,381,559</b>

(As per the registered deed agreement the Company bought 5216.05 Sqft. of floor space which included undemarcated and undivided 0.734 Katha of land. As per deed Tk 22,407,950 has been assigned to land value and Tk 70,000,000 for Office Space. Remaining cost are related to registration and others related expenses. Consistent with the practice for such property the depreciation is charged on the consolidated cost).

## Schedule of right-of-use assets

as at 31 December 2024

Annexure B

Particulars	Cost		Total at 31 December 2024	Accumulated depreciation		Total to 31 December 2024	Net book value at 31 December 2024
	Balance at 1 January 2024	Addition during the year		Adjustment during the year	As at 01 January 2024		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Office space	23,601,862	-	-	23,601,862	4,963,714	3,670,127	-
<b>Total at 31 December 2024</b>	<b>23,601,862</b>	-	<b>-</b>	<b>23,601,862</b>	<b>4,963,714</b>	<b>3,670,127</b>	<b>-</b>
<b>Total at 31 December 2023</b>	<b>28,979,565</b>	<b>7,270,933</b>	<b>12,648,636</b>	<b>23,601,862</b>	<b>3,654,713</b>	<b>3,749,222</b>	<b>2,440,221</b>
							<b>4,963,714</b>
							<b>18,638,148</b>



**City Bank Capital Resources Limited**

# **Statement Showing Computation of Capital Adequacy Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 Schedule-C (Part A) & Schedule-D (Part A)**

as at 31 December 2024

(Amount in Taka)

## A. Eligible Capital

Components	Amount for the year 2024	Haircut %	Eligible Amount	Eligible Amount
			2024	2023
Paid-up-capital	2,550,000,000		2,550,000,000	2,550,000,000
Capital Reserve	125,001,324		125,001,324	109,846,245
Retained Earnings	1,158,880,202		1,158,880,202	1,084,532,781
<b>Sum of core capital</b>	<b>3,833,881,527</b>		<b>3,833,881,527</b>	<b>3,744,379,026</b>
General Provision	84,804,243	20%	67,843,394	8,405,874
Provision for unrealised loss from trading Investments	15,233,622	30%	10,663,535	7,403,047
Revaluation Surplus or unrealized gain on:				
Investment in strategic holding		25%	-	192,425,289
<b>Sum of supplementary capital</b>			<b>78,506,930</b>	<b>208,234,211</b>
<b>Total Capital</b>			<b>3,912,388,456</b>	<b>3,952,613,237</b>

## B.Total Risk Requirement

Particulars	Risk Factor	Applicable Amount	
		2024	2023
<b>Operation Risk Requirement (ORR):</b>			
Based on Average Annual Gross Income (see clause (b) of sub rule (7.1) of rule 7)	5%	18,613,244	24,624,965
<b>Position Risk Requirement (PRR):</b>			
<b>i. Proprietary positions in Equity securities:</b>			
Value of "A" category securities	10%	12,351,032	13,058,344
Value of "B/G/N/." category securities	12%	-	7,802
<b>ii. Proprietary positions in strategic investments:</b>			
Value of listed strategic investments	10%	158,074,071	225,116,798
<b>Counterparty Risk Requirement (CPRR):</b>			
Exposure of credit facilities to Clients	8%	67,881,956	84,058,744
<b>Underwriting Risk Requirement (URR)</b>			
i. Public Issue of Equity Instruments (IPO)	10%	-	3,150,000
ii. Public Issue of Debt Instruments	15%	-	4,500,000
<b>Liability Risk Requirement (LRR)</b>			
i. Exposure of Institutional Fund Under Management (IFUM)	0.25%	3,954,186	4,676,199
ii. Annual Revenue Reported in last year	0.20%	743,553	774,980
<b>Total risk requirement</b>		<b>261,618,041</b>	<b>359,967,831</b>

## C. Capital Adequacy Ratio (CAR)=

Total Capital (TC) X 100	1495%	1098%
Total Risk Requirement (TRR)		

**CBL MONEY  
TRANSFER SDN. BHD.**



Registration No.: 200701011208 (769212-M)

**Nasharuddin Wong & Co. PLT**  
Chartered Accountants

# CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

## DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the audited financial statements of the Company for the year ended 31 December 2024.

## PRINCIPAL ACTIVITY

The principal activity of the Company during the year is as an outbound remittance service provider. There has been no significant changes in the nature of this activity during the year.

## FINANCIAL RESULTS

Particulars	2024 RM
Net profit for the year	1,109,985

In the opinion of the Directors, the results of the operations of the Company during the year were not been substantially affected by any item, transaction or event of a material and unusual nature.

## DIVIDENDS

Since the end of the previous year, the Company declared a normal exempt dividend of RM650,754 in respect of the year ended 31 December 2023 on 26 October 2024. The dividend was paid to the shareholder registered on 30 October 2024.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year under review.

## ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the year.

## SHARE OPTIONS

No options have been granted by the Company to any parties during the year to take up unissued shares of the Company.

No shares have been issued during the year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the year, there were no unissued shares of the Company under options.

## DIRECTORS

The Directors who held in office during the year and until the date of this report are as follows:-

Aziz Al Kaiser  
Farooq Sobhan  
S M Mashrur Arefin  
Dato' Gurcharan Singh A/L Ujagar Singh

## DIRECTORS' INTEREST

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, none of the Directors in office at the end of the year had any interest in shares of the Company during and at the end of the year.

The interest of the Directors in office at the end of the year in shares in the related corporations during and at the end of the year were as follows:

Interest in ultimate holding company	Number of ordinary shares			
	As at 01.01.2024	Bought	Sold	As at 31.12.2024
Aziz Al Kaiser - Direct	37,644,068	-	-	37,644,068



Other than disclosed above, the other Directors in the office at the end of the year does not have any interest in shares of its related corporation during and at the end of the year.

#### DIRECTORS' BENEFITS

Since the end of the previous year, no Director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related company with the Directors or with a firm of which he is a member, or with a company in which the Directors have a substantial financial interest.

There were no arrangements during and at the end of the year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

#### DIRECTORS' REMUNERATION

The amounts of the remunerations of the Directors or past Directors of the Company comprising remunerations received/receivable from the Company during the year are as follows:

Particulars	2024 RM
Directors' remuneration	218,000
Other emoluments	15,130
	<u>233,130</u>

None of the Directors or past Directors of the Company have received any other benefits otherwise than in cash from the Company during the year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company by the Directors or past Directors of the Company during the year.

#### AUDITORS' REMUNERATION

During the year, the total amount paid to or receivable by the auditors as remuneration for their services as auditors are RM12,000.

#### INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been the Director, officer or auditor of the Company.

#### HOLDING COMPANY

The Directors regard City Bank PLC (Formerly known as The City Bank Limited), a Company incorporated in Bangladesh, as the ultimate holding company.

#### OTHER STATUTORY INFORMATION

Before the financial statements were made out, the Directors took reasonable steps:

- to ascertain that proper action had been taken in relation to the writing off of bad receivables and the making of allowance for doubtful receivables and had satisfied themselves that there were no known bad receivables and that allowance for doubtful receivables was not required; and
- to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- which would render it necessary to write off any receivables or to make an allowance for doubtful receivables in respect of these financial statements; or
- which would render the values attributed to the current assets in the financial statements of the Company misleading; or
- which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; and
- not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Company misleading.



At the date of this report, there does not exist:

- a) any charge on the assets of the Company which has arisen since the end of the year which secures the liabilities of any other person; or
- b) any contingent liability of the Company which has arisen since the end of the year.

**In the opinion of the Directors:**

- a) no contingent or other liability has become enforceable or is likely to become enforceable within the period twelve months after the end of the year which will or may affect the ability of the Company to meet its obligations when they fall due; and
- b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the year and at the date of this report which is likely to affect substantially the results of the operations of the Company for the year in which this report is made.

**AUDITORS**

The auditors, Messrs. Nasharuddin Wong & Co. PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,

Signed on behalf of the Board in accordance with a resolution of the Directors,

**AZIZ AL KAISER**  
Director

**DATO' GURCHARAN SINGH A/L UJAGAR SINGH**  
Director

Petaling Jaya  
Dated :14 Feb 2025



Registration No.: 200701011208 (769212-M)

**Nasharuddin Wong & Co. PLT**  
Chartered Accountants

# CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

## STATEMENT BY DIRECTORS

### PURSUANT TO SECTION 251 (2) OF THE COMPANIES ACT, 2016

We, AZIZ AL KAISER and DATO' GURCHARAN SINGH A/L UJAGAR SINGH being two of the Directors of CBL MONEY TRANSFER SDN. BHD., do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016, so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance and cash flows for the year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,

AZIZ AL KAISER  
Director

DATO' GURCHARAN SINGH A/L  
UJAGAR SINGH  
Director

Petaling Jaya  
Dated :14 Feb 2025

## STATUTORY DECLARATION

### PURSUANT TO SECTION 251 (1)(b) OF THE COMPANIES ACT, 2016

I, MD SAIDUR RAHAMAN FARAZI being the Chief Executive Officer primarily responsible for the financial management of CBL MONEY TRANSFER SDN. BHD., do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed **MD SAIDUR RAHAMAN FARAZI** at Petaling Jaya in the state of Selangor Darul Ehsan on 14 Feb 2025.

MD SAIDUR RAHAMAN FARAZI  
Chief Executive Officer

Before me,  
Commissioner for Oaths





## Independent Auditors' Report

# TO THE MEMBERS OF CBL MONEY TRANSFER SDN. BHD.

Registration No.: 200701011208 (769212-M)

(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **CBL MONEY TRANSFER SDN. BHD.**, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on accompanying pages.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of their financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

#### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine are necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the company represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that in our opinion the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

#### **Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

NASHARUDDIN WONG & CO PLT  
(202406000037 & LLP0040532-LCA)  
Chartered Accountants (AF 0981)

Petaling Jaya  
Dated: 14 Feb 2025

NASHARUDDIN BIN ABD. AZIZ  
(NO: 01675/05/2025 (J))  
Chartered Accountant (M)



## CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

# STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Notes	2024 RM	2023 RM
<b>ASSETS</b>			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,171,345	1,399,996
Right of use assets	6 (a)	1,587,395	2,327,819
		<b>2,758,740</b>	<b>3,727,815</b>
CURRENT ASSETS			
Settlement obligations	7	11,711,074	7,747,852
Other receivables and deposits	8	878,552	872,920
Cash and cash equivalents		2,034,455	6,642,835
		<b>14,624,081</b>	<b>15,263,607</b>
<b>TOTAL ASSETS</b>		<b>17,382,821</b>	<b>18,991,422</b>
<b>EQUITY AND LIABILITIES</b>			
EQUITY			
Share capital	9	5,822,896	5,822,896
Retained earnings		6,093,601	5,634,370
		<b>11,916,497</b>	<b>11,457,266</b>
<b>TOTAL EQUITY</b>			
NON CURRENT LIABILITIES			
Hire purchase payable	10	9,083	40,681
Lease liabilities	6 (b)	892,891	1,518,917
Deferred tax liabilities	11	99,075	86,048
		<b>1,001,049</b>	<b>1,645,646</b>
CURRENT LIABILITIES			
Other payables and accruals	12	106,363	153,829
Hire purchase payable	10	35,454	34,402
Lease liabilities	6 (b)	849,365	961,793
City Bank borrowing	13	3,103,318	4,307,656
Current tax liabilities		370,775	430,830
		<b>4,465,275</b>	<b>5,888,510</b>
<b>TOTAL LIABILITIES</b>		<b>5,466,324</b>	<b>7,534,156</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,382,821</b>	<b>18,991,422</b>

The accompanying notes form an integral part of these financial statements.



## CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Notes	2024 RM	2023 RM
REVENUE	14	12,059,582	9,933,445
Cost of sales		(1,011,993)	(1,102,070)
<b>GROSS PROFIT</b>		<b>11,047,589</b>	<b>8,831,375</b>
Other operating income	15	(788,858)	1,275,484
Administrative and other operating expenses		(7,849,571)	(7,784,822)
<b>PROFIT FROM OPERATIONS</b>	16	<b>2,409,160</b>	<b>2,322,037</b>
Finance costs	17	(915,373)	(578,974)
<b>PROFIT BEFORE TAXATION</b>		<b>1,493,787</b>	<b>1,743,063</b>
Income tax expense	18	(370,775)	(430,830)
Deferred tax	18	(13,027)	(10,725)
<b>PROFIT FOR THE YEAR</b>		<b>1,109,985</b>	<b>1,301,508</b>
Other comprehensive income, net of tax		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1,109,985</b>	<b>1,301,508</b>

The accompanying notes form an integral part of these financial statements.

## CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Notes	Share capital RM	Retained earnings RM	Total equity RM
As at 1 January 2023		5,822,896	5,615,225	11,438,121
Total comprehensive income for the year		-	1,301,508	1,301,508
Dividend	19	-	(1,282,363)	(1,282,363)
<b>As at 31 December 2023</b>		<b>5,822,896</b>	<b>5,634,370</b>	<b>11,457,266</b>
As at 1 January 2024		5,822,896	5,634,370	11,457,266
Total comprehensive income for the year		-	1,109,985	1,109,985
Dividend	19	-	(650,754)	(650,754)
<b>As at 31 December 2024</b>		<b>5,822,896</b>	<b>6,093,601</b>	<b>11,916,497</b>

The accompanying notes form an integral part of these financial statements.



## CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

# STATEMENT OF CASH FLOWS

for the year ended 31 December 2024

	Notes	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES:-</b>			
Profit before taxation		1,493,787	1,743,063
Adjustments for:-			
Depreciation of property, plant and equipment		310,902	318,622
Depreciation of right-of-use asset		1,055,577	1,002,159
Interest expense		772,231	422,225
Interest on lease liabilities		143,142	156,749
Operating profit before working capital changes		<b>3,775,639</b>	<b>3,642,818</b>
Working capital changes:			
Receivables		(3,975,684)	2,899,596
Payables		(47,466)	(32,308)
Cash (used by)/ generated from operations		<b>(247,511)</b>	<b>6,510,106</b>
Interest paid		(772,231)	(422,225)
Tax paid		(424,000)	(1,311,811)
<b>Net cash (used by)/generated from operating activities</b>		<b>(1,443,742)</b>	<b>4,776,070</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY:-</b>			
Purchase of property, plant and equipment		(82,251)	(269,083)
Net cash used by investing activity		<b>(82,251)</b>	<b>(269,083)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:-</b>			
Dividend paid		(650,754)	(1,282,363)
Repayment of lease liabilities		(1,196,749)	(1,106,144)
Repayment of hire purchase		(30,546)	(33,000)
Repayment of term loan		(1,204,338)	331,867
Net cash used by financing activities		<b>(3,082,387)</b>	<b>(2,089,640)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>		<b>(4,608,380)</b>	<b>2,417,347</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>		<b>6,642,835</b>	<b>4,225,488</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	20	<b>2,034,455</b>	<b>6,642,835</b>

The accompanying notes form an integral part of these financial statements.



## CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

# NOTES TO FINANCIAL STATEMENTS

for the year ended 31 December 2024

## 1 GENERAL INFORMATION

The Company is a private limited company incorporated and domiciled in Malaysia.

The principal activity of the Company during the year is as an outbound remittance service provider. There has been no significant changes in the nature of this activity during the year.

The principal place of business is located at Ground Floor, Loke Yew Building, No. 2, Leboh Pasar Besar, 50050 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur. The registered office is located at A-6-1/1, Block A Megan Avenue 1, 189 Jalan Tun Razak, 50400 Kuala Lumpur Wilayah Persekutuan Kuala Lumpur.

The financial statements of the Company are reported in Ringgit Malaysia ("RM").

## 2 BASIS OF PREPARATION

### (a) Statement of compliance

The financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements of the Company have been prepared under the historical cost convention, except as otherwise indicated.

### (b) Adoption of new MFRS and amendment to MFRSs

As of 1 January 2024, the Company adopted the following new amendments to MFRSs which have been issued by the MASB:

#### (i) Amendments to MFRSs

Amendments to MFRS 7	Financial Instruments: Disclosures - Supplier Finance Arrangements
Amendments to MFRS 16	Leases - Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements - Non-current Liabilities with Covenants
Amendments to MFRS 107	Statement of Cash Flows - Supplier Finance Arrangements

The adoption of the above new MFRS amendments did not expect to have any significant impact on the financial statements of the Company and did not result in significant changes to the Company's existing accounting policies.

#### (ii) Effective for financial periods beginning on or after 1 January 2025:

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability
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#### (iii) Effective for financial periods beginning on or after 1 January 2026:

Amendments to MFRS 7	Financial Instruments: Disclosures - Amendments - to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9	Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments

#### (iv) Effective for financial periods beginning on or after 1 January 2027:

MFRS 18	Presentation and Disclosures in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

#### (v) Deferred to a date to be determined by the MASB:

Amendments to MFRS 10	Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS 128	Investment in Associates and Joint Ventures - Contribution of Assets between an Investor and its Associate or Joint Venture

The Company will adopt the above new MFRS and amendments to MFRSs when they become effective. The adoption is not expected to have a significant impact on the financial statements of the Company in the period of initial application.



### 3 MATERIAL ACCOUNTING POLICY INFORMATION

#### (a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Gains or losses arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss. Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life.

The principal annual depreciation rates used are as follows:-

Air conditioners	10%
Computer	20%
Electrical fittings	10%
Furniture and fittings	10%
Office equipment	10%
Motor vehicles	20%
Note counting machine	10%
Renovation	10%
Signage and billboard	10%
Software	10%

#### (b) Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and cash at banks, which are readily convertible to cash with insignificant risk of changes in values.

#### (c) Financial instruments

##### (i) Initial recognition and measurement

A financial asset or financial liability is recognised in the financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a receivable without a significant financing component) or a financial liability is initially measured at fair value plus or minus, in the case of a financial instrument not at fair value through profit or loss, any directly attributable transaction cost incurred at the acquisition or issuance of the financial instrument. A trade receivable that does not contain a significant financing component, is initially measured at the transaction price.

There is no change to the accounting policy in relation to regular way purchases or sales (purchases or sales under a contract whose terms require delivery of financial assets within a time frame established by regulation or convention in the marketplace concerned).

##### (ii) Financial instrument categories and subsequent measurement

###### Financial assets

The Company categorises financial instruments as follows:

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

###### (a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

###### (b) Fair value through other comprehensive income

###### (i) Debt investment

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt investment is not designated as at fair value through profit or loss. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.



### (ii) Equity investment

This category comprises investment in equity that is not held for trading, and the Company irrevocably elects to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

### (c) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through comprehensive income, are subject to impairment assessment.

### Financial liabilities

At initial recognition, all financial liabilities are measured at fair value through profit or loss or at amortised cost.

#### (a) Fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with gains or losses, including any interest expense, recognised in profit or loss.

For financial liabilities designated as fair value through profit or loss upon initial recognition, the Company recognises that amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch, and remaining amount of the change in fair value in profit or loss.

#### (b) Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses are also recognised in profit or loss.

### (iii) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

### (iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.



#### (d) Impairment of assets

##### (i) Financial assets

An impairment loss is recognised based on expected credit losses and is charged to profit or loss. Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment loss not been recognised previously.

The Company apply the simplified approach to measure the impairment losses on trade receivables at lifetime expected credit losses ("Lifetime ECL"). Expected credit losses of all other financial assets are measured at an amount equal to 12 month expected credit losses ("12 - month ECL") if credit risk on a financial asset has not increased significantly. The Company compare the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition to ascertain whether there is a significant increase in credit risk. The assessment takes into consideration the macroeconomic information, credit rating and other supportable forward-looking information.

Where the credit risk has increased significantly, the impairment loss is measured at an amount equal to lifetime expected credit losses ("Lifetime ECL – Underperforming").

Full impairment losses are made for financial assets and contract assets that are determined to be credit impaired ("Lifetime ECL – Credit Impaired"). These are debtor who have defaulted on payments and are in financial difficulties.

Expected credit losses represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Company expect to receive over the lifetime of the financial instrument.

##### (ii) Non-financial assets

An impairment loss is recognised for the amount by which the carrying amount of the non-financial asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment loss on non-financial assets is charged to profit or loss.

Assets that were previously impaired are reviewed for possible reversal of the impairment losses at the end of each reporting period. Any subsequent increase in recoverable amount is recognised in the profit or loss. Reversal of impairment loss is restricted by the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

#### (e) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

#### (f) Leases

##### (a) Definition of lease

At inception of a contract, the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- (iii) the Company have the right to direct the use of the asset.

##### (b) Lessee accounting

At the lease commencement date, the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

##### Right of use assets

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Company expect to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset.



### **Lease liability**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company use their incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- (i) fixed lease payments (including in-substance fixed payments), less any lease incentives;
- (ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- (iii) the amount expected to be payable by the lessee under residual value guarantees;
- (iv) the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Company remeasure the lease liability (and make a corresponding adjustment to the related right-of-use asset) whenever:

- (i) the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- (ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- (iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

The Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

### **Short-term leases and leases of low value assets**

The Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

## **(g) Revenue**

Revenue is recognised at an amount that reflects the consideration to which the Company expect to be entitled when the performance obligation is satisfied:

### **(i) Revenue from remittance business**

Revenue from contracts with customers on service charges and gain/loss on foreign exchange arising from remittance activities are recognised as remittance services are rendered.

## **(h) Employee benefits**

### **(i) Short-term benefits**

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by the employees of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increases their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

### **(ii) Defined contribution plans**

The Company's contributions to defined contribution plans are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

### **(i) Finance costs**

Finance costs are recognised as expense in profit or loss in the period in which they are incurred.



#### (j) Taxation

Income tax in the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date. Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

#### (k) Provision

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are recognised based on a reliable estimate of the amount of the obligation.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below:

#### (a) Depreciation of property, plant and equipment

The cost of plant and equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives up to its residual value. Management reviews the residual values, useful lives and depreciation method at the end of each year and ensures consistencies with previous estimates and patterns of consumptions of the economic benefits that embodies the items in these assets. Changes in useful lives and residual values of property, plant and equipment may result in revision of future depreciation charges.

#### (b) Leases

The Company determine the lease term as the non-cancellable term of the lease, together with any years covered by an option to extend the lease if it is reasonably certain to be exercised, or any years covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company have several lease contracts that include extension options. The Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The carrying amount of right-of-use assets and lease liabilities of the the Company and other relevant information.

#### (c) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts initially recognised, such differences will impact the income tax provisions in the period in which such determination is made.

**5. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Air conditioners	Computer	Electrical fittings	Furniture and fittings	Office equipment	Motor vehicles	Note counting machine	Renovation	Signage and billboard	Software	Total
<b>2024</b>											
<b>Cost</b>											
As at 1 January 2024	166,585	672,852	300,073	282,275	287,657	213,200	113,975	759,309	117,256	485,573	3,398,755
Additions	7,039	37,444	14,161	4,541	439	-	807	16,500	1,320	-	82,251
As at 31 December 2024	173,624	710,296	314,234	286,816	288,096	213,200	114,782	775,809	118,576	485,573	3,481,006
<b>Accumulated depreciation</b>											
As at 1 January 2024	116,573	543,417	122,537	155,901	179,950	122,040	82,268	543,788	71,745	60,540	1,998,759
Charge for the year	10,043	53,841	30,597	28,155	20,247	42,640	11,430	57,018	8,374	48,557	310,902
As at 31 December 2024	126,616	597,258	153,134	184,056	200,197	164,680	93,698	600,806	80,119	109,097	2,309,661
<b>Net carrying amount</b>											
As at 31 December 2024	47,008	113,038	161,100	102,760	87,899	48,520	21,084	175,003	38,457	376,476	1,171,345

Particulars	Air conditioners	Computer	Electrical fittings	Furniture and fittings	Office equipment	Motor vehicles	Note counting machine	Renovation	Signage and billboard	Software	Total
<b>2023</b>											
<b>Cost</b>											
As at 1 January 2023	164,985	572,643	292,525	268,815	287,325	213,200	111,055	745,009	108,706	365,409	3,129,672
Additions	1,600	100,209	7,548	13,460	332	-	2,920	14,300	8,550	120,164	269,083
As at 31 December 2023	166,585	672,852	300,073	282,275	287,657	213,200	113,975	759,309	117,256	485,573	3,398,755
<b>Accumulated depreciation</b>											
As at 1 January 2023	104,662	482,626	92,640	128,324	157,022	79,400	71,032	485,893	63,313	15,225	1,680,137
Charge for the year	11,911	60,791	29,897	27,577	22,928	42,640	11,236	57,895	8,432	45,315	318,622
As at 31 December 2023	116,573	543,417	122,537	155,901	179,950	122,040	82,268	543,788	71,745	60,540	1,998,759
<b>Net carrying amount</b>											
As at 31 December 2023	50,012	129,435	177,536	126,374	107,707	91,160	31,707	215,521	45,511	425,033	1,399,996



2024 RM	2023 RM
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## 6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company have lease contracts consisting of tenancy agreements for offices and branches. These leases generally have lease terms within 2 - 10 years. The leases include extension and variable lease payments consisting of incremental rates of leases, which are further discussed below.

Set out below are the carrying amounts recognised and the movements during the year:

### (a) Right-of-use assets

As at 1 January	2,327,819	2,364,915
Additions	315,153	965,063
Depreciation expenses	(1,055,577)	(1,002,159)
As at 31 December	<b>1,587,395</b>	<b>2,327,819</b>

### (b) Lease liabilities

As at 1 January	2,480,710	2,465,042
Additions	315,153	965,063
Accretion of interest	143,142	156,749
Lease payments	(1,196,749)	(1,106,144)
As at 31 December	<b>1,742,256</b>	<b>2,480,710</b>

The maturity of the lease liabilities are as follows:

Repayable within one year	849,365	961,793
Repayable within two to ten years	892,891	1,518,917
	<b>1,742,256</b>	<b>2,480,710</b>



## 7 SETTLEMENT OBLIGATIONS

Agents	2024			2023		
	Prefunding RM	Obligation RM	Net Position RM	Prefunding RM	Obligation RM	Net Position RM
Agrani Bank	544,179,935	(544,079,501)	100,434	541,597,920	(541,345,100)	252,819
Al-Arafah Islami Bank Ltd	28,619,106	(28,547,135)	71,971	9,166,398	(9,028,640)	137,758
Any Bank	-	(86,720)	(86,720)	-	(242,627)	(242,627)
Bangladesh Krishi Bank	65,371,240	(65,244,535)	126,705	64,318,765	(64,128,230)	190,535
Bangladesh Krishi Bank (Euro)	2,239,150	(2,228,721)	10,429	-	-	-
Bangladesh Utara Bank Ltd	-	4,291	4,291	4,291	-	4,291
Bank Asia Limited	27,051,554	(27,009,662)	41,892	26,736,899	(26,554,222)	182,676
Bkash Limited	-	(27,722,806)	(27,722,806)	-	(19,523,651)	(19,523,651)
BNI Indonesia	190,624,105	(189,760,253)	863,852	168,266,283	(167,962,232)	304,052
Brac Bank Ltd	361,260	(245,455)	115,805	313,834	(230,796)	83,037
BRI Indonesia	1,109,642,935	(1,106,750,367)	2,892,568	956,120,163	(954,194,810)	1,925,353
Buro	-	(9,494,981)	(9,494,981)	-	(9,441,118)	(9,441,118)
City Bank (BDT)	1,373,573,943	(1,324,535,592)	49,038,351	826,845,547	(786,294,720)	40,550,827
City Bank (USD)	3,668,439	(3,182,816)	485,623	1,735,903	(1,123,582)	612,321
City Bank (EUR)	-	(3,767,251)	(3,767,251)	-	(3,767,251)	(3,767,251)
Donga Money Transfer	33,044,894	(32,912,901)	131,993	32,622,473	(32,404,474)	217,999
Dutch Bangla Bank Ltd	11,237,734	(11,230,089)	7,645	11,147,800	(11,033,557)	114,243
ESEWA Money Transfer PVT. LTD	102,303,148	(101,409,567)	893,581	15,446,079	(14,532,728)	913,352
ESEWA Wallet	-	(466,016)	(466,016)	-	(19,655)	(19,655)
Himalayan Bank	83,346,580	(83,345,655)	925	83,156,592	(82,983,568)	173,024
Iipay	30,879,860	(30,856,665)	23,195	30,879,860	(30,856,665)	23,195
Islami Bank	713,193,006	(713,059,905)	133,101	709,535,307	(709,032,569)	502,738
Instant Cash FZE- Bangladesh	39,850,291	(38,587,618)	1,262,673	2,425,831	(3,963,841)	(1,538,010)
Instant Cash FZE- India	-	(287)	(287)	-	(287)	(287)
Instant Cash FZE- Nepal	-	(89)	(89)	-	-	-
Instant Cash FZE- Pakistan	-	(1,178,417)	(1,178,417)	-	(6,870)	(6,870)
Jagorani Chakra Foundation	-	(5,254,506)	(5,254,506)	-	(5,254,506)	(5,254,506)
Janata Bank	412,114,173	(412,155,109)	(40,936)	169,805,638	(169,514,704)	290,934
Kotak Mahindra Bank Ltd	108,481,712	(108,218,762)	262,950	95,193,501	(94,755,265)	438,236
NAGAD	-	(766,622)	(766,622)	-	(46,946)	(46,946)
NRBC Bank Ltd	307,960	(254,851)	53,109	260,534	(234,370)	26,164
Padakhep	-	(2,164,166)	(2,164,166)	-	(2,164,164)	(2,164,164)
Prime Bank PLC	43,801	609	44,410	-	-	-
Probashi Kallyan Bank	-	(3,503)	(3,503)	-	-	-
Pubali Bank Ltd	44,982,437	(44,844,477)	137,960	44,358,431	(44,129,093)	229,338
Rupali Bank Limited (EURO)	2,989,375	(2,989,355)	20	-	-	-
Rupali Bank Limited	63,178,708	(63,131,485)	47,223	55,880,754	(55,771,425)	109,328
Samsara	10,095,854	(10,100,272)	(4,418)	10,095,854	(10,100,272)	(4,418)
Sanima Bank Limited	547,286,113	(543,274,324)	4,011,789	468,607,180	(467,705,990)	901,190
Sonali Bank	191,711,630	(191,595,655)	115,975	190,322,159	(190,043,902)	278,257
Sulav Remit Nepal	77,575,949	(77,536,154)	39,795	77,575,949	(77,536,154)	39,796
Social Islamic Bank PLC	13,984,250	(13,955,936)	28,314	-	-	-
Tranglo Sdn Bhd - Indonesia	94,068,869	(94,065,039)	3,830	92,993,869	(92,984,109)	9,760
Transfast Bangladesh	-	(237,915,975)	(237,915,975)	-	(173,712,266)	(173,712,266)
Transfast Pakistan	-	(42,734,601)	(42,734,601)	-	(34,042,390)	(34,042,390)
Trans-Fast Remittance LLC	376,059,230	(94,144,373)	281,914,857	292,036,772	(83,585,636)	208,451,135
Trust Bank Ltd	8,951,931	(8,941,347)	10,584	-	-	-
United Commercial Bank Ltd	10,332,615	(10,343,898)	(11,283)	871,318	(832,717)	38,601
Universal Pension Scheme (UPS)	-	(12,152)	(12,152)	-	-	-
Uttara Bank Ltd	12,923,614	(12,861,893)	61,721	12,876,188	(12,780,821)	95,367
Xpress Money	45,236,322	(44,838,090)	398,232	45,236,322	(44,820,639)	415,684
	<b>6,379,511,723</b>	<b>(6,367,800,649)</b>	<b>11,711,074</b>	<b>5,036,434,412</b>	<b>(5,028,686,560)</b>	<b>7,747,852</b>



	2024 RM	2023 RM		
<b>8 OTHER RECEIVABLES AND DEPOSITS</b>				
Advance income tax	443,170	450,000		
Other receivables	800	16,958		
Deposits	434,582	405,962		
	<b>878,552</b>	<b>872,920</b>		
<b>9 SHARE CAPITAL</b>				
	2024 Number of shares	2024 Amount RM	2023 Number of shares	2023 Amount RM
Issued and fully paid up:-				
Ordinary shares				
At beginning/end of the year	<b>5,822,896</b>	<b>5,822,896</b>	<b>5,822,896</b>	<b>5,822,896</b>
	2024 RM	2023 RM		
<b>10 HIRE PURCHASE PAYABLE</b>				
Minimum hire purchase payments				
Not later than one year	36,564	36,564		
Later than one year and not later than five years	9,141	36,564		
Less: Future finance charges on hire purchase	45,705	73,128		
Present value of hire purchase payables	(1,168)	1,955		
Present value of hire purchase payables	<b>44,537</b>	<b>75,083</b>		
Not later than one year	35,454	34,402		
Later than one year and not later than five years	9,083	40,681		
	<b>44,537</b>	<b>75,083</b>		
<b>11 DEFERRED TAX (ASSETS)/LIABILITIES</b>				
At beginning of the year	86,048	75,323		
Recognised in profit or loss (Note 18)	13,027	10,725		
At end of the year	<b>99,075</b>	<b>86,048</b>		
The net deferred tax assets and liabilities shown on the statement of financial position after appropriate offsetting are as follows:				
Deferred tax assets	(418,141)	(595,370)		
Deferred tax liabilities	517,216	681,418		
	<b>99,075</b>	<b>86,048</b>		
Deferred tax assets and liabilities are summarised as follows:				
<b>Deferred tax assets</b>				
	Lease liabilities RM	Total RM		
As at 1 January 2024	(595,370)	(595,370)		
Recognised in profit or loss	177,229	177,229		
As at 31 December 2024	<b>(418,141)</b>	<b>(418,141)</b>		
<b>Deferred tax liabilities</b>				
	Property, plant and equipment RM	Right-of-use assets RM	Total RM	
As at 1 January 2024	122,741	558,677	681,418	
Recognised in profit or loss	13,500	(177,702)	(164,202)	
As at 31 December 2024	<b>136,241</b>	<b>380,975</b>	<b>517,216</b>	
	2024 RM	2023 RM		
<b>12 OTHER PAYABLES AND ACCRUALS</b>				
Other payables	5,000	5,000		
Accruals	101,363	148,829		
	<b>106,363</b>	<b>153,829</b>		



### 13 CITY BANK BORROWING

Bank overdraft

This represent unsecured shareholder's loans in form of overdraft and bank guarantee strictly for the purpose of the Company's remittance business activities.

The facilities bears interest rate at 7.85% (2023: 5.25%) per annum and is repayable on demand.

### 14 REVENUE

Remittance transaction fees  
Foreign exchange

	2024 RM	2023 RM
	<u>3,103,318</u>	<u>4,307,656</u>

### 15 OTHER OPERATING INCOME

Rental income  
Revaluation (loss)/gain from remittances  
Other operating income

	4,163,245	3,549,496
	7,896,337	6,383,949
	<u>12,059,582</u>	<u>9,933,445</u>
	24,000	24,000
	(812,858)	1,234,990
	-	16,494
	<u>(788,858)</u>	<u>1,275,484</u>

### 16 PROFIT FROM OPERATIONS

Profit from operations has been determined after charging/(crediting) amongst other items the following:-

Auditor's remuneration

	12,000	12,000
	310,902	318,622
	1,055,577	1,002,159
	218,000	178,000
	2,926,041	2,779,160
	812,858	(1,234,990)
	-	(16,494)
	<u>(24,000)</u>	<u>(24,000)</u>

Depreciation on property, plant and equipment

Depreciation in right-of-use asset

Directors' remuneration

Staff costs (Note 21)

Revaluation loss/(gain) from remittances

Other operating income

Rental income

### 17 FINANCE COSTS

Hire purchase interest

Loan interest

Interest on lease liabilities

	6,017	3,564
	766,214	418,661
	143,142	156,749
	<u>915,373</u>	<u>578,974</u>

### 18 INCOME TAX EXPENSE

Current year's provision for taxation

Deferred taxation (Note 11)

Tax expense for the year

	370,775	430,830
	13,027	10,725
	<u>383,802</u>	<u>441,555</u>

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective tax rate of the Company is as follows:-

Profit before taxation

	1,493,787	1,743,063
	358,509	418,335
	75,136	89,991
	(62,870)	(77,496)
	13,027	10,725
	<u>383,802</u>	<u>441,555</u>

In accordance with the provision of Finance Act 2018, the unutilised business losses could be carried forward for a maximum of seven consecutive years of assessment after the expiry of the qualifying periods. Any balance of the unutilised business losses at the end of the seventh year shall be disregarded.

The Finance Act 2021 stated that the time frame to carry forward unutilised business losses for year of assessment 2021 and subsequent years of assessment be extended from seven to ten consecutive years of assessment.

The unused tax losses are available indefinitely for offset against future taxable profits of the Company subject to agreement of the Inland Revenue Board.

### 19 DIVIDEND

Declared and paid during the year:

Dividend on ordinary shares - Normal exempt dividend

	650,754	1,282,363



	2024 RM	2023 RM
<b>20 CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents comprise of:-		
Cash in hand	54,978	17,084
Cash at banks	1,979,477	6,625,751
	<b>2,034,455</b>	<b>6,642,835</b>
<b>21 STAFF COSTS</b>		
Salaries, bonus and allowances	2,560,484	2,423,593
Defined contribution plans (Employee Provident Fund)	192,032	171,822
Other staff related expenses	173,525	183,745
	<b>2,926,041</b>	<b>2,779,160</b>
<b>22 RELATED PARTIES DISCLOSURES</b>		
Parties are considered to be related to the Company if the Company has ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals including key management personnel or entities.		
Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:		
<b>Holding company</b>		
Loan interest during the year	<b>766,214</b>	<b>418,661</b>
Significant outstanding balance with the related party at the end of the reporting date is as disclosed in Note 13 to the financial statements are as follows:-		
<b>Holding company</b>		
City Bank borrowing	<b>3,103,318</b>	<b>4,307,656</b>
<b>23 FINANCIAL INSTRUMENTS</b>		
<b>Categories of financial instruments</b>		
The table below provides an analysis of financial instruments categorised under MFRS 9:		
(a) Financial assets and financial liabilities measured at amortised cost ("AC"):		
	Carrying amount RM	AC RM
<b>31.12.2024</b>		
<b>Financial Assets</b>		
Other receivables and deposits	878,552	878,552
Settlement obligations	11,711,074	11,711,074
Cash and cash equivalents	<b>2,034,455</b>	<b>2,034,455</b>
	<b>14,624,081</b>	<b>14,624,081</b>
<b>Financial Liabilities</b>		
Other payables	5,000	5,000
City Bank Borrowing	3,103,318	3,103,318
Hire purchase payable	44,537	44,537
Lease liabilities	<b>1,742,256</b>	<b>1,742,256</b>
	<b>4,895,111</b>	<b>4,895,111</b>
<b>31.12.2023</b>		
<b>Financial Assets</b>		
Other receivables and deposits	872,920	872,920
Settlement obligations	7,747,852	7,747,852
Cash and cash equivalents	<b>6,642,835</b>	<b>6,642,835</b>
	<b>15,263,607</b>	<b>15,263,607</b>
<b>Financial Liabilities</b>		
Other payables	5,000	5,000
City Bank Borrowing	4,307,656	4,307,656
Hire purchase payable	75,083	75,083
Lease liabilities	<b>2,480,710</b>	<b>2,480,710</b>
	<b>6,868,449</b>	<b>6,868,449</b>



### **Financial risk management objectives and policies**

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its risks. The Company is exposed to financial risks from operations and the use of financial instruments. The key financial risks include liquidity risk, foreign currency risk and interest rate risk.

The Company operates within clearly defined guidelines that are approved by the Board and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks:

#### **(i) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from its hire purchase payable, lease liabilities and borrowing.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of credit facilities.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

#### **Maturity analysis**

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

	<b>Carrying amount</b>	<b>On demand or within one year</b>	<b>Between one to five years</b>	<b>More than five years</b>
<b>31.12.2024</b>				
<b>Financial Liabilities</b>				
Other payables	5,000	5,000	-	-
City Bank Borrowing	3,103,318	3,103,318	-	-
Hire purchase payable	44,537	36,564	9,141	-
Lease liabilities	1,742,256	927,334	908,948	78,000
Total	<b>4,895,111</b>	<b>4,072,216</b>	<b>918,089</b>	<b>78,000</b>

	<b>Carrying amount</b>	<b>On demand or within one year</b>	<b>Between one to five years</b>	<b>More than five years</b>
<b>31.12.2023</b>				
<b>Financial Liabilities</b>				
Other payables	5,000	5,000	-	-
City Bank Borrowing	4,307,656	4,307,656	-	-
Hire purchase payable	75,083	36,564	36,564	-
Lease liabilities	2,480,710	1,085,525	1,499,762	171,000
Total	<b>6,868,449</b>	<b>5,434,745</b>	<b>1,536,326</b>	<b>171,000</b>

#### **(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign currency risk.

The Company is exposed to foreign currency risk on settlement obligations, cash and cash equivalents and loan and borrowing that are denominated in currencies other than the functional currency of the Company.

Carrying amounts of the Company's exposure to foreign currency risk are as follows:

	<b>RM</b>	<b>USD RM</b>	<b>Total RM</b>
<b>31.12.2024</b>			
Settlement obligations	-	11,711,074	11,711,074
Cash and bank balances	2,019,554	14,901	2,034,455
City Bank Borrowing	-	3,103,318	3,103,318
<b>31.12.2023</b>			
Settlement obligations	-	7,747,852	7,747,852
Cash and bank balances	6,250,133	392,702	6,642,835
City Bank Borrowing	-	4,307,656	4,307,656

#### **Foreign currency sensitivity analysis**

The Company's sensitivity to foreign currency is mainly attributable to the exposure of settlement obligations, cash and bank balances and borrowing which denominated in United States Dollar at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the year end exposure does not reflect the exposure during the year.



2024 RM	2023 RM
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#### (iii) Interest rate risk

The Company is exposed to interest rate risk through the loan and borrowing which is fixed at the inception of the financing arrangements, as disclosed in Note 13.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit net of tax and equity arising from the effect of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

#### (iv) Fair value information

The carrying amount of cash and cash equivalents, other receivables and other payables approximate their fair values due to the relatively short term nature of these financial instruments.

The fair values of the Company's borrowing, hire purchase payable and lease liabilities approximately their carrying amounts. The fair value is estimated by discounting the expected future cash flows using the current interest rates for liabilities with similar profiles.

### 24 CAPITAL MANAGEMENT

The Company's primary objectives when managing its capital is to ensure that it maintains the Company's stability and growth in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company regularly reviews and manages its capital structure and makes adjustments to it, taking into consideration of changes in economic conditions, future capital requirements of the Company, prevailing and projected profitability and operating cash flows, projected capital expenditures and projected strategic investment opportunities. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 2023.

Share capital	5,822,896	5,822,896
Reserves	6,093,601	5,634,370
Total equity	<b>11,916,497</b>	<b>11,457,266</b>
Borrowing	<b>3,103,318</b>	<b>4,307,656</b>
Total borrowing to total equity (%)	<b>0.26</b>	<b>0.38</b>

### 25 AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENT

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on the date of these financial statements.



## CBL MONEY TRANSFER SDN. BHD.

(Incorporated in Malaysia)

# DETAILED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2024

	2024 RM	2023 RM
<b>REVENUE</b>		
Transaction fees	4,163,245	3,549,496
Foreign exchange	7,896,337	6,383,949
	<b>12,059,582</b>	<b>9,933,445</b>
<b>COST OF SALES</b>		
Services charges	1,011,993	1,102,070
	<b>1,011,993</b>	<b>1,102,070</b>
<b>GROSS PROFIT</b>	<b>11,047,589</b>	<b>8,831,375</b>
<b>ADD : OTHER OPERATING INCOME</b>		
Rental income	24,000	24,000
Revaluation (loss)/gain from remittances	(812,858)	1,234,990
Other operating income	-	16,494
	<b>(788,858)</b>	<b>1,275,484</b>
<b>LESS : ADMINISTRATIVE AND OTHER OPERATING EXPENSES</b>		
<b>Staff costs:-</b>		
Bonus	23,000	16,656
Benefit in kind	110,737	122,007
Wages, salaries and allowances	2,537,484	2,406,937
EPF contribution	192,032	171,822
SOCOSO and EIS contribution	36,521	30,812
Medical	26,267	30,926
	<b>2,926,041</b>	<b>2,779,160</b>
<b>Other operating expenses:-</b>		
Advertising	34,203	88,440
Agency fees	(17,000)	-
ATM service cost	26,158	19,604
Auditors' remuneration - fees	12,000	12,000
Bank charges	97,039	90,186
Courier and postage	9,188	5,736
Cityremit maintenance	44,315	-
Depreciation of property, plant and equipment	310,902	318,622
Depreciation of right-of-use asset	1,055,577	1,002,159
Directors' remuneration	218,000	178,000
Electricity and water	157,846	153,104
Entertainment	57,860	58,064
Educational allowances	129,000	141,005
EPF - Directors' remuneration	15,130	16,560
HRDF on director fees	1,396	1,396
Balance carried forward	<b>2,151,614</b>	<b>2,084,876</b>



	2024 RM	2023 RM
<b>LESS : ADMINISTRATIVE AND OTHER OPERATING EXPENSES (CONT'D)</b>		
<b>Other operating expenses (cont'd):-</b>		
Balance brought forward	2,151,614	2,084,876
Insurance	3,080	3,375
Law charges	-	950
Licensing fee	18,724	17,916
Marketing	1,642,164	1,776,538
Printing and stationery	85,833	74,363
Professional fees	231,855	148,799
Repair and maintenance	88,797	81,607
Rental of photostate machine	41,977	45,673
Secretarial and filling fees	1,823	2,796
Security charge	368,618	350,625
SMS service cost	11,130	25,970
Service charge	720	720
Stamp duty	194	3,573
Staff training	3,130	2,350
Telephone and internet	154,311	148,006
Travelling and accomodation	119,560	237,525
	<b>4,923,530</b>	<b>5,005,662</b>
<b>Finance costs</b>		
Hire purchase interest	6,017	3,564
Loan interest	766,214	418,661
Interest on lease liabilities	143,142	156,749
	<b>915,373</b>	<b>578,974</b>
<b>TOTAL EXPENSES</b>	<b>8,764,944</b>	<b>8,363,796</b>
<b>PROFIT BEFORE TAXATION</b>	<b>1,493,787</b>	<b>1,743,063</b>



CITY HONG  
KONG LIMITED



# CITY HONG KONG LIMITED

## REPORT OF THE DIRECTORS

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st December, 2024.

### PRINCIPAL ACTIVITIES

City Hong Kong Limited ("the Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Unit 904&906, 9/F., Austin Tower, 22-26 Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong. The principal activities of the Company are engaged in trade finance activities.

### RESULTS AND APPROPRIATIONS

The result of the Company for the year ended 31st December, 2024 and the state of the Company's affairs as at that date are set out in the Company's financial statements on **pages 6 to 20**.

The directors do not recommend the payment of a dividend for the the year ended 31st December, 2024.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Company during the year are set out in note 11 to the financial statements.

### SHARE CAPITAL AND RESERVES

Details of movement in share capital of the Company during the year are set out in note 14 to the Company's financial statements.

There were no movements in reserves except for changes to retained earnings which arose from profit or loss and payment of dividends.

### DEBENTURES AND EQUITY-LINKED AGREEMENTS

The Company has not issued any debenture or entered into any equity-linked agreements.

### DIRECTORS

The directors of the Company during the year and up to the date of this report were :-

Hossain Khaled

Mahia Juned

Matiul Islam Nowshad

There being no provision in the Company's articles of association in connection with the retirement of directors by rotation, all existing directors continue in office for the following year.

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN CONTRACT OF SIGNIFICANCE

Details of directors' interest during the year are set out in note 16 to the financial statement.

There were no contract of significance to which the Company or its holding company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### PERMITTED INDEMNITY PROVISIONS

At no time during the year and up to the date of this report, there was or is, any permitted indemnity provision being in force for the benefits of any of the directors of the Company.

### BUSINESS REVIEW

The Company is exempted from preparation of a business review complies with Schedule 5 "Contents of Directors' Report: Business Review" to the Hong Kong Companies Ordinance since the Company is a wholly-owned subsidiary of another body corporate during the year.

### AUDITORS

A resolution for the reappointment of Messrs. T.O. Yip & Co. Limited as auditors of the Company is to be proposed at the forthcoming annual general meeting.

### ON BEHALF OF THE BOARD

**Hossain Khaled**

Chairman

28th January, 2025



# Independent Auditor's Report

## To the Members Of City Hong Kong Limited

(incorporated in Hong Kong with limited liability)

### Opinion

We have audited the financial statements of City Hong Kong Limited ("the Company") set out on [pages 6 to 20](#), which comprise the statement of financial position as at 31st December, 2024, the statement of income and retained earnings and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31st December, 2024, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :-

-- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

T.O. Yip & Co. Limited  
Certified Public Accountants (Practising)  
Hong Kong

Samuel Ming-Sum Yip  
Practising Certificate Number : P05704

28th January, 2025



CITY HONG KONG LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS

for the year ended 31st December, 2024

	Notes	2024 HK\$	2023 HK\$
REVENUE	4	<b>10,425,547</b>	<b>10,164,228</b>
OTHER REVENUE	5	<b>283</b>	<b>496</b>
Staff costs		(2,595,094)	(2,517,195)
Depreciation		(34,001)	(47,219)
Other operating expenses	6	(869,308)	(938,947)
TOTAL OPERATING EXPENSES		<b>(3,498,403)</b>	<b>(3,503,361)</b>
PROFIT FROM OPERATION		<b>6,927,427</b>	<b>6,661,363</b>
FINANCE COSTS	7	(5,583,490)	(5,348,429)
PROFIT BEFORE TAX	8	<b>1,343,937</b>	<b>1,312,934</b>
INCOME TAX (EXPENSE)/CREDIT	10(a)	(196,409)	189,911
PROFIT FOR THE YEAR		<b>1,147,528</b>	<b>1,502,845</b>

The annexed notes 1 to 17 form an integral part of these Financial Statements.



**CITY HONG KONG LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
as at 31st December, 2024

	NOTES	2024 HK\$	2023 HK\$
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	675	34,676
Deferred tax assets	10(b)	969	178,086
		<b>1,644</b>	<b>212,762</b>
<b>CURRENT ASSETS</b>			
Discounted bills receivable		117,200,570	58,437,962
Other receivable		167,387	451,348
Rental deposit		129,600	129,600
Cash and cash equivalents	12(a)	325,889	571,119
		<b>117,823,446</b>	<b>59,590,029</b>
<b>CURRENT LIABILITIES</b>			
Accrual and deposit received		4,936,262	801,329
Bank overdraft due to City Bank Plc	12(a)	106,766,557	54,046,011
Tax payable		19,292	-
		<b>111,722,111</b>	<b>54,847,340</b>
<b>NET CURRENT ASSETS</b>		<b>6,101,335</b>	<b>4,742,689</b>
<b>NON-CURRENT LIABILITIES</b>			
Amount due to shareholder	13	(161,938)	(161,938)
<b>NET ASSETS</b>		<b>5,941,041</b>	<b>4,793,513</b>
<b>EQUITY</b>			
Share capital	14	6,000,000	6,000,000
Accumulated losses		(58,959)	(1,206,487)
		<b>5,941,041</b>	<b>4,793,513</b>

The financial statements on **pages 570 to 577** were approved and authorised for issue by the Board of Directors on 28th January, 2025 and are signed on its behalf by :-

**Hossain Khaled**  
Director

**Mahia Juned**  
Director

The annexed notes 1 to 17 form an integral part of these Financial Statements.



**CITY HONG KONG LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 31st December, 2024

	Share capital HK\$	Accumulated losses HK\$	Total HK\$
Balance at 1st January, 2023	6,000,000	(2,709,332)	3,290,668
Profit for the year	-	1,502,845	1,502,845
<b>Balance at 31st December, 2023</b>	<b>6,000,000</b>	<b>(1,206,487)</b>	<b>4,793,513</b>
Profit for the year	-	1,147,528	1,147,528
<b>Balance at 31st December, 2024</b>	<b>6,000,000</b>	<b>(58,959)</b>	<b>5,941,041</b>

The annexed notes 1 to 17 form an integral part of these Financial Statements.

**CITY HONG KONG LIMITED**  
**STATEMENT OF CASH FLOWS**  
for the year ended 31st December, 2024

	NOTES	2024 HK\$	2023 HK\$
<b>Net cash (used in)/generated from operating activities</b>	12(b)	(47,382,286)	7,039,820
<b>INVESTING ACTIVITIES</b>		-	-
<b>Net cash generated from investing activities</b>		-	-
<b>FINANCING ACTIVITIES</b>			
Interest on bank overdraft due to City Bank PLC		(5,583,490)	(5,348,429)
<b>Net cash used in financing activities</b>		(5,583,490)	(5,348,429)
<b>NET (DECREASE)/INCREASE IN CASH, CASH EQUIVALENTS AND BANK OVERDRAFT</b>		(52,965,776)	1,691,391
<b>CASH, CASH EQUIVALENTS AND BANK OVERDRAFT AT THE BEGINNING OF THE YEAR</b>		(53,474,892)	(55,166,283)
<b>CASH, CASH EQUIVALENTS AND BANK OVERDRAFT AT THE END OF THE YEAR</b>	12(a)	(106,440,668)	(53,474,892)

The annexed notes 1 to 17 form an integral part of these Financial Statements.



## CITY HONG KONG LIMITED

# ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December, 2024

### 1. GENERAL INFORMATION

City Hong Kong Limited ("the Company") is a limited company incorporated in Hong Kong. The address of its registered office and principal place of business is Unit 904&906, 9/F., Austin Tower, 22-26 Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong. The principal activities of the Company are engaged in trade finance activities.

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities (HKFRS for Private Entities) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. They are presented in Hong Kong Dollars ("HK\$") which is also the Company's functional currency except when otherwise indicated.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements :-

#### (a) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment :-

Furniture and equipment	20%
Computer equipment	20%

The residual value and useful life of an asset are reviewed at least at each financial year-end.

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### (b) Trade and other receivables

Trade and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

#### (c) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and on hand, which are subject to an insignificant risk of change in value.

#### (d) Impairment of non-financial assets

At each reporting date, property, plant and equipment is reviewed to determine whether there is any indication that such has suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If an estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### (e) Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost.

#### (f) Revenue recognition

Revenue is recognised in profit or loss provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, as follows :-

- (i) from the rendering of confirming and advising, checking, telex, postage and other services, when the services are rendered; and
- (ii) income from bills discounting service; on an accrual basis by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.



### (g) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income and retained earnings because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### (h) Translation of foreign currencies

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

### (i) Related parties

A related party is a person or entity that is related to the Company :-

(a) A person or a close member of that person's family is related to the Company if that person :-

- (i) has control or joint control of the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies :-

- (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) both entities are joint ventures of the same third entity.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
- (vi) the entity is controlled or jointly controlled by a person identified in (a).
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the Company.

### (j) Employee benefit obligations

Salaries and annual bonuses, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

### (k) Operating leases

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

## 3. KEY SOURCES OF ESTIMATION UNCERTAINTY

### *Property, plant and equipment and depreciation*

The Company determines the estimated useful lives and related depreciation charges for the Company's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Company will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.



	2024 HK\$	2023 HK\$
<b>4. REVENUE</b>		
Interest income from discounted bills	7,332,990	7,119,803
Agency income	1,472,555	1,218,256
Documents checking fee	17,749	18,742
Postage recovery	382,746	374,185
Sundry income	56,947	171,262
Other reimbursement of expenses	1,162,560	1,261,980
	<b>10,425,547</b>	<b>10,164,228</b>
<b>5. OTHER REVENUE</b>		
Bank interest income	<b>283</b>	<b>496</b>
<b>6. OTHER OPERATING EXPENSES</b>		
Auditors' remuneration	15,000	15,500
Bank charges	32,716	22,966
Directors' remuneration	9,782	10,080
Exchange loss	22,926	3,629
Insurance	5,501	5,500
Legal and professional fee	14,360	16,056
Postage and courier	172,931	179,063
Printing and stationery	20,060	10,761
Rental expenses	539,325	544,650
Sundry expenses	1,249	92,886
Telecommunication charge	23,851	24,840
Utilities	11,607	13,016
	<b>869,308</b>	<b>938,947</b>
<b>7. FINANCE COSTS</b>		
Interest on bank overdraft due to City Bank PLC	<b>5,583,490</b>	<b>5,348,429</b>
<b>8. PROFIT BEFORE TAX</b>		
Profit before tax is arrived at after charging :-		
Staff costs comprising :-		
- Mandatory provident fund contribution	20,700	19,250
- Salaries and allowances	<b>2,574,394</b>	<b>2,497,945</b>
Auditors' remuneration	2,595,094	2,517,195
Depreciation of property, plant and equipment	15,000	15,500
Exchange loss	34,001	47,219
	<b>22,926</b>	<b>3,629</b>
<b>9. DIRECTORS' REMUNERATION</b>		
Remuneration of the directors disclosed pursuant to the Section 383 of the Hong Kong Companies Ordinance (Cap. 622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) is as follows :-		
Salaries and other emoluments	9,782	10,080
Mandatory provident fund contribution	-	-
<b>10. INCOME TAX EXPENSE/(CREDIT)</b>		
(a) Income tax expense/(credit) in the statement of income and retained earnings represents :-		
<b>Current tax - Hong Kong Profits Tax</b>		
Provision for the year	19,292	-
<b>Deferred tax</b>		
Origination and reversal of temporary differences	177,117	(189,911)
	<b>196,409</b>	<b>(189,911)</b>



Reconciliation between income tax expense/(credit) and accounting profits at applicable tax rates :-

	2024 HK\$	2023 HK\$
Profit before income tax	<u>1,343,937</u>	<u>1,312,934</u>
Notional tax on profit before income tax at applicable domestic tax rates of 16.5%	221,749	216,634
Tax effect of non-taxable income	(47)	(82)
Tax effect of temporary differences on tax losses	-	(406,463)
Tax effect of two tiered tax rates	(22,293)	-
Profits tax rebate, capped	<u>(3,000)</u>	-
Actual tax expense/(credit)	<u>196,409</u>	<u>(189,911)</u>

(b) The components of deferred tax assets recognised in the statement of financial position and the movements during the year are as follows :-

	Depreciation in excess of the related depreciation allowances HK\$	Tax losses HK\$	Total HK\$
Deferred tax arising from :-			
At 1st January, 2023	11,825	-	11,825
Credited to profit or loss	(7,454)	(182,457)	(189,911)
At 31st December, 2023	<u>4,371</u>	<u>(182,457)</u>	<u>(178,086)</u>
At 1st January, 2024	4,371	(182,457)	(178,086)
(Credited)/charged to profit or loss	(5,340)	<u>182,457</u>	<u>177,117</u>
At 31st December, 2024	<u>(969)</u>	-	<u>(969)</u>

## 11. PROPERTY, PLANT AND EQUIPMENT

	Furniture and equipment HK\$	Computer equipment HK\$	Total HK\$
Cost :-			
As at 1st January, 2024	62,436	173,658	236,094
and at 31st December, 2024			
Accumulated depreciation :-			
As at 1st January, 2024	55,434	145,984	201,418
Charge for the year	<u>7,002</u>	<u>26,999</u>	<u>34,001</u>
As at 31st December, 2024	<u>62,436</u>	<u>172,983</u>	<u>235,419</u>
Net book value :-			
At 31st December, 2024	-	<u>675</u>	<u>675</u>
At 31st December, 2023	<u>7,002</u>	<u>27,674</u>	<u>34,676</u>

## 12. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise :-

	2024 HK\$	2023 HK\$
Cash at bank	325,889	571,119
Cash on hand	-	-
Cash and cash equivalents in the statement of financial position and statement of cash flows	<u>325,889</u>	<u>571,119</u>



	2024 HK\$	2023 HK\$
Cash, cash equivalents and bank overdraft include the following for the purpose of the statement of cash flows :-		
Cash and cash equivalents	325,889	571,119
Bank overdraft due to City Bank PLC	<u>(106,766,557)</u>	<u>(54,046,011)</u>
	<b><u>(106,440,668)</u></b>	<b><u>(53,474,892)</u></b>

(b) Reconciliation of operating profit from operations to net cash (used in)/generated from operating activities :-

Profit from operations	1,343,937	1,312,934
Adjustments for :-		
Depreciation of property, plant and equipment	34,001	47,219
Interest on bank overdraft	<u>5,583,490</u>	<u>5,348,429</u>
Operating profit before changes in working capital	6,961,428	6,708,582
(Increase)/decrease in discounted bills receivable	<u>(58,762,608)</u>	<u>3,213,708</u>
Decrease/(increase) in other receivable	283,961	(117,614)
Increase/(decrease) in accrual and deposit received	4,134,933	(2,764,856)
Net cash (used in)/generated from operating activities	<b><u>(47,382,286)</u></b>	<b><u>7,039,820</u></b>

### 13. AMOUNT DUE TO SHAREHOLDER

The amount due to shareholder is unsecured, interest-free, and has no fixed repayment terms.

### 14. SHARE CAPITAL

Issued and fully paid:-		
6,000,000 ordinary shares	<u>6,000,000</u>	<u>6,000,000</u>

### 15. OPERATING LEASE COMMITMENTS

At 31st December, 2024, the total future minimum lease payments under non-cancellable operating lease are payable as follow :-

Within one year	-	421,728
After one year but within five years	-	-
	<b><u>421,728</u></b>	<b><u>421,728</u></b>

### 16. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company had the following transactions with the related party :-

Interest on bank overdraft due to City Bank PLC	<u>5,583,490</u>	<u>5,348,429</u>
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### 17. PARENT AND ULTIMATE HOLDING COMPANY

At 31st December, 2024, the directors consider the immediate parent and ultimate controlling party of the Company to be City Bank Plc, which is incorporated in Bangladesh. This entity has produced financial statements available for public use.



# DISCLOSURE ON DERIVATIVE INVESTMENTS (FINANCIAL INSTRUMENTS)

Derivatives are financial instruments whose values fluctuate based on the value of an underlying asset. Banks engage in derivative trading and risk management to capitalize on favorable movements in indices, rates, or prices. In risk management, derivatives may include hedges that meet hedge accounting criteria or economic hedges that do not qualify for such accounting treatment.

Derivative financial instruments are held by the bank in principal notional amounts, classified as either assets or liabilities. The notional amount represents the quantity of the underlying instrument (e.g., equity, foreign currency, reference rate, or index) and reflects the gross value of the contract. However, notional amounts do not indicate market or credit risk; instead, they represent the volume of outstanding transactions at year-end. The notional value is calculated by multiplying the outstanding underlying asset by the standard mid-rate. Derivatives often require minimal or no initial investment and typically involve future exchanges of cash or other assets. The bank frequently deals with swaps and forwards, which are highly leveraged instruments. Even small changes in the value of the underlying asset or rate can significantly impact the profit or loss of a derivative contract. In the financial statements, derivative assets and liabilities are generally not offset unless they meet the IFRS netting criteria.

Derivatives held for trading	Number of Transactions during the year	Amount/Notional amount (outstanding) in USD Million
Foreign exchange contracts	831	36.92
Interest rate swaps	-	-

Derivatives in economic hedge relationship	Accrued credit amount during the year	Accrued debit amount during the year	Notional Amount (outstanding receivable)
Interest rate swaps	-	-	-
Credit derivative contracts	-	-	-

Derivatives used as cash flow hedges and held for trading	Transactions volumes during the year in USD million	Notional Amount (outstanding) in USD Million
Foreign currency swaps	USD	2,265
	Other currency (USD equivalent)	298.55

## Derivatives Held for Trading

The bank's derivative trading activities are primarily driven by customer transactions, which are usually offset by deals with other counterparties. The bank may also take positions to profit from favorable changes in rates, prices, or indices.

## Derivatives Held or Issued for Hedging

The bank uses derivatives for economic hedging as part of its asset-liability management strategy to mitigate exposure to market risks. This includes hedging individual financial instruments, portfolios of fixed-rate instruments, projected transactions, and aggregate exposures to financial positions. Hedge accounting is applied where appropriate.

## Offsetting

The bank has netting agreements in place with counterparties to manage credit risks. These agreements cover reverse and

repo transactions for borrowing and lending securities, as well as exchange-traded and over-the-counter derivatives. In the event of a counterparty default, these agreements allow the bank to offset liabilities against available assets received during normal business operations. The right to offset reduces credit exposure by applying receivables from the same counterparty against amounts owed. However, not all cases meet the IRS offsetting criteria.

## Qualitative Disclosures

The bank manages derivative transactions in line with Board-approved policies. The Asset Liability Management Committee (ALCO) oversees these activities and assesses associated risks. As part of its comprehensive risk management framework, the bank continuously monitors its derivative exposures.



# STATUTORY AND NON- STATUTORY INVESTMENT OF THE BANK

In compliance with Bangladesh Bank's Asset Liability Management (ALM) guidelines, City Bank allocates funds for statutory investments to fulfill regulatory obligations, protect depositor interests, and ensure adequate liquidity. These investments are primarily made in Government Treasury Bills, Treasury Bonds, and Bangladesh Bank Bills. The bank classifies its statutory investments into two categories: Held for Trading (HFT) and Held till Maturity (HTM). HFT securities are intended for generating capital gains through sales or REPO transactions, while HTM instruments are acquired to earn interest income and benefit from amortization gains.

As per Bangladesh Bank Circulars and Section 33 of the Bank

Company Act, 1991, the bank maintains a Statutory Liquidity Ratio (SLR) of at least 13% of the Weekly Average Demand and Time Liabilities (calculated based on data from two months prior to the reporting month). Additionally, the bank holds high-quality liquid assets as statutory investments to ensure compliance with ALM ratios, including the Liquidity Coverage Ratio (LCR), Advance-Deposit Ratio (ADR), Investment-Deposit Ratio (IDR), Cash Reserve Ratio (CRR), Statutory liquidity Ratio (SLR), Net Stable Funding Ratio (NSFR), Maximum Cumulative Outflow (MCO), Wholesale Banking Guarantee (WBG) limit, and Commitment Limit, as mandated by Bangladesh Bank.

Securities Type	2024	2023
<b>A. Treasury Securities</b>		
1. Treasury Bills	4,955,540	6,093,579,100
2. Treasury Bonds	109,926,297,676	54,427,131,667
3. Treasury Sukuk	3,395,564,000	1,518,570,000
4. Bangladesh Govt. Islamic Investmetn bonds	500,000,000	1,100,000,000.00
<b>B. Corporate Securities</b>		
<b>1. Corporate Bonds</b>		
a. Convertible Bonds		
b. Non-convertible Bonds	2,100,000,000	2,300,000,000
<b>2. Corporate Sukuk</b>		
a. Convertible Sukuk	2,016,800,000	2,424,800,000
b. Non-convertible Sukuk	500,000,000	500,000,000
3. Subordinated Bonds	260,000,000	520,000,000
4. Perpetual Bonds	-	-
5. Zero Cupon Bonds	-	-
6. Debenture	-	-
7. Preference Share	500,000,000	-
<b>C. Government Securities</b>		
1. Prize Bond	4,188,000	5,665,200
<b>D. Investment in Capital Market</b>		
1. Ordinary shares & mutual funds (Quoted and unquoted)	4,452,846,273	4,171,792,117
2. Initial Public Offering (IPO)	0	19,627,000

While a significant portion of the bank's funds is allocated to loans and advances, a substantial share is also directed toward investments, which include:

 Statutory investments required by law to ensure regulatory compliance.	 Opportunistic investments aimed at achieving potentially higher returns.
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Treasury bonds and bills are considered mandatory (statutory) investments for the bank. However, the bank also holds a considerable amount of these instruments beyond the SLR requirement to maintain ALM ratios and secure stable, risk-free returns. On the other hand, opportunistic investments (non-statutory) are made in capital market instruments, zero-coupon bonds, corporate bonds, preference shares, and subordinated or perpetual bonds issued by other banks. These investments aim to strengthen the bank's balance sheet, generate higher returns, and reduce the overall tax burden.



# DISCLOSURE ON LARGE LOAN (AS ON 31-12-2024)

Figures in million unless specified

Sl No	Borrower Name	2024		
		Funded	Non Funded (*Considering applicable conversion factor)	Total
1	CITY SEED CRUSHING IND LTD	502	1,049	1,551
	CITY SEED CRUSHING IND LTD	-	111	111
	CITY SEED CRUSHING IND LTD	-	-	-
	CITY SUGER INDUSTRIES LTD	1,260	721	1,982
	CITY SUGER INDUSTRIES LTD	-	-	-
	CITY EDIBLE OIL LTD	1,300	194	1,495
	CITY DAL MILLS LTD	-	144	144
	RUPSHI FOODS LTD	420	154	574
	RUPSHI FOODS LTD	-	-	-
	RUPSHI FLOUR MILLS LTD	-	-	-
	RUPSHI FEED MILLS LTD	-	128	128
	SHAMPA FLOUR MILLS LTD	267	-	267
	SPICE TELEVISION LTD	81	-	81
	VOTT OIL REFINERIES LTD	-	-	-
	DHAKA SUGAR LIMITED	-	-	-
	DHAKA SALT & CHEMICALS LIMITED	-	-	-
	DHAKA SALT & CHEMICALS LIMITED	1,184	342	1,526
	<b>CITY GROUP TOTAL</b>	<b>5,013</b>	<b>2,844</b>	<b>7,857</b>
2	SHAH CEMENT INDUSTRIES LIMITED	886	988	1,874
	SHAH CEMENT INDUSTRIES LIMITED	-	-	-
	ABUL KHAIR STEEL PRODUCTS LTD	-	333	333
	ABUL KHAIR LIMITED	856	191	1,047
	ABUL KHAIR LIMITED	-	-	-
	ABUL KHAIR STEEL MELTING LTD	1,639	2,089	3,729
	ABUL KHAIR STEEL MELTING LTD	-	-	-
	ABUL KHAIR STRIP PROCESSING LTD	160	367	528
	ABUL KHAIR STRIP PROCESSING LTD	-	-	-
	ABUL KHAIR MILK PRODUCTS LTD	460	484	944
	ABUL KHAIR MILK PRODUCTS LTD	-	-	-
	ABUL KHAIR CONSUMER PRODUCTS LTD	-	3	3
	<b>ABUL KHAIR GROUP TOTAL</b>	<b>4,002</b>	<b>4,455</b>	<b>8,457</b>
3	BANGLADESH STEEL RE-ROLLING MILLS LTD.	1,166	335	1,501
	BANGLADESH STEEL RE-ROLLING MILLS LTD.	-	-	-
	BSRM STEELS LIMITED	3,164	1,078	4,241
	BSRM STEELS LIMITED	-	-	-
	BSRM WIRES LTD	323	-	323
	<b>BSRM GROUP TOTAL</b>	<b>4,652</b>	<b>1,412</b>	<b>6,065</b>
4	SOUTH BENGAL FERTILIZER MILLS LTD.	-	-	-
	NOAPARA TRADING	-	111	111
	NOAPARA TRADE INTERNATIONAL	-	-	-
	NOAPARA TRADERS	-	-	-
	M/S DEEPA ENTERPRISE	71	-	71
	SHUFALA TRADING CORPORATION	-	-	-
	M/S SAIFULLAH GULF	-	1,378	1,378
	SAIFULLAH TAKWA	3,192	-	3,192
	TAIBA SAIFULLAH GL	-	-	-
	TAIBA SAIFULLAH GL	-	88	88
	TAIBA SAIFULLAH SA	-	-	-
	M/S FAIZ TRADE INTERNATIONAL	-	-	-



Sl No	Borrower Name	2024		
		Funded	Non Funded (*Considering applicable conversion factor)	Total
	NOAPARA TRADE INTERNATIONAL LTD	-	-	-
	MOUNATA TRADE INDEX	-	-	-
	FAIAZ TRADING CORPORATION	-	851	851
	<b>NOAPARA GROUP TOTAL</b>	<b>3,264</b>	<b>2,429</b>	<b>5,692</b>
5	DUTCH DAIRY LTD	2	2	4
	DIMENSION PACKAGING LTD.	325	44	369
	PIMKIE APPARELS LTD	136	-	136
	VINTAGE DENIM STUDIO LTD	962	258	1,220
	VINTAGE DENIM APPARELS	2,808	353	3,161
	<b>ABA GROUP TOTAL</b>	<b>4,233</b>	<b>657</b>	<b>4,890</b>
6	SUMMIT CORPORATION LIMITED	-	67	67
	SUMMIT CORPORATION LIMITED	3,047	973	4,020
	SUMMIT BARISAL POWER LTD	-	50	50
	SUMMIT POWER LIMITED	3,067	8	3,075
	SUMMIT OIL AND SHIPPING CO.	-	-	-
	<b>SUMMIT GROUP TOTAL</b>	<b>6,114</b>	<b>1,098</b>	<b>7,212</b>
7	FLAMINGO FASHIONS LTD	288	339	626
	MAWNA FASHIONS LTD	286	160	446
	EUDB ACCESSORIES LTD	6	1	7
	JINNATH KNITWEARS LTD	902	881	1,782
	DBL TELECOM LTD	-	14	14
	MATIN SPINNING MILLS PLC	1,711	291	2,002
	LAXFO ELECTRONICS LTD	44	11	55
	<b>DULAL BROTHERS (DBL) GROUP TOTAL</b>	<b>3,236</b>	<b>1,696</b>	<b>4,932</b>
8	PRAN FOODS LTD	2,256	99	2,355
	PRAN FOODS LTD	-	-	-
	ADVANCE TRIMS SOLUTIONS BD LTD	-	-	-
	BANGA BUILDING MATERIALS LIMITED	2,440	561	3,001
	RFL PLASTIC LTD	360	402	762
	DURABLE PLASTIC LTD	300	124	424
	ALLPLAST BANGLADESH LTD	122	144	265
	KALIGANJ AGRO-PROCESSING LIMITED	72	565	636
	<b>PRAN-RFL GROUP TOTAL</b>	<b>5,549</b>	<b>1,894</b>	<b>7,443</b>
9	DEBONAIR LTD	706	831	1,538
	DEBONAIR LTD	-	3	3
	ORBITEX KNITWEAR LTD	84	423	507
	DEBONAIR AVIATION LTD	-	8	8
	DEBONAIR FELT & GEO TEXTILES LTD	-	22	22
	DEBONAIR PADDING AND QUILTING SOLUTION LTD.	1,550	368	1,918
	DEBONAIR BAG & LUGGAGE LIMITED	50	-	50
	FRIENDS KNITTINGS LTD.	14	39	53
	<b>DEBONAIR GROUP TOTAL</b>	<b>2,404</b>	<b>1,693</b>	<b>4,097</b>
10	BANCO ENERGY GENERATION LTD	188	834	1,021
	BANCO ENERGY GENERATION LTD	-	-	-
	MANIKGONJ POWER GENERATIONS LTD	3,318	2,158	5,476
	MANIKGONJ POWER GENERATIONS LTD	-	-	-
	<b>DOREEN GROUP TOTAL</b>	<b>3,505</b>	<b>2,991</b>	<b>6,497</b>
11	WALTON HI-TECH INDUSTRIES PLC	1,268	1,125	2,393
	WALTON HI-TECH INDUSTRIES PLC	-	-	-
	WALTON DIGI- TECH INDUSTRIES LTD	2,383	236	2,619
	WALTON DIGI- TECH INDUSTRIES LTD	-	-	-
	WALTON CHEMICAL INDUSTRIES LTD	132	24	155
	WALTON CHEMICAL INDUSTRIES LTD	-	-	-
	REMARK HB LIMITED	982	135	1,117
	REMARK GLOBAL EXPOSE	-	19	19
	<b>WALTON GROUP TOTAL</b>	<b>4,765</b>	<b>1,539</b>	<b>6,303</b>



Sl No	Borrower Name	2024		
		Funded	Non Funded (*Considering applicable conversion factor)	Total
12	N.Z DENIM LTD	1,671	348	2,019
	NZ FABRICS LTD.	2,041	254	2,295
	<b>NZ GROUP TOTAL</b>	<b>3,712</b>	<b>602</b>	<b>4,314</b>
13	UNITED MYMENSINGH POWER LTD. (UMPL)	4,500	114	4,614
	UNITED MYMENSINGH POWER LTD. (UMPL)	-	-	-
	UNITED JAMALPUR POWER LTD	-	-	-
	UNITED ANWARA POWER LTD	-	-	-
	UNITED ENTERPRISES & Co LTD	-	-	-
	UNITED CHATTOGRAM POWER	1,701	691	2,392
	UNITED POWER GENERATION & DISTRIBUTION Co. LTD (UPGDCL)	-	-	-
	UNITED SECURITIES LIMITED	-	250	250
	UNITED TANK TERMINAL LIMITED	-	-	-
	<b>UNITED GROUP TOTAL</b>	<b>6,201</b>	<b>1,055</b>	<b>7,256</b>
14	CONFIDENCE POWER BOGRA LTD	289	1	290
	CONFIDENCE POWER BOGRA UNIT-2 LTD	304	437	742
	CONFIDENCE POWER HOLDINGS LTD	1,509	578	2,087
	CONFIDENCE POWER HOLDINGS LTD	101	-	101
	CONFIDENCE INFRASTRUCTURE LTD	361	-	361
	<b>CONFIDENCE GROUP TOTAL</b>	<b>2,564</b>	<b>1,016</b>	<b>3,581</b>
15	ANLIMA ENERGY LIMITED	4,108	887	4,995
	ANLIMA ENERGY LIMITED	-	-	-
	PRECISION ENERGY LTD	-	1	1
	<b>ANLIMA GROUP TOTAL</b>	<b>4,108</b>	<b>887</b>	<b>4,995</b>
16	ACORN INFRASTRUCTURE SERVICES UNIT-3 LIMITED	2,719	1,274	3,992
	ACORN INFRASTRUCTURE SERVICES UNIT-3 LIMITED	-	-	-
	<b>BANGLA TRAC GROUP TOTAL</b>	<b>2,719</b>	<b>1,274</b>	<b>3,992</b>
17	PIONEER KNITWEARS (BD) LTD	-	0	0
	BADSHA TEXTILE LTD (Co Utilizer of KAMAL YARN LTD)	641	-	641
	PIONEER DENIM LTD	3,631	937	4,568
	KAMAL YARN LTD	1,454	226	1,680
	<b>BADSHA GROUP TOTAL</b>	<b>5,726</b>	<b>1,163</b>	<b>6,889</b>
18	MEGHNA EDIBLE OILS REFINERY LTD	717	288	1,005
	MEGHNA PVC LTD	1,783	-	1,783
	SONARGAON FLOUR & DAL MILLS LTD	2	161	163
	MEGHNA SUGAR REFINERY LIMITED	-	649	649
	SONARGAON SEEDS CRUSHING MILLS LIMITED	-	965	965
	<b>MEGHNA GROUP TOTAL</b>	<b>2,501</b>	<b>2,064</b>	<b>4,565</b>
19	KARNAPHULI POWER LIMITED	1,932	878	2,810
	BARAKA SHIKALBAHA POWER LIMITED	862	-	862
	<b>BARAKA GROUP TOTAL</b>	<b>2,794</b>	<b>878</b>	<b>3,672</b>
20	AKIJ FOOD & BEVERAGE LTD	-	-	-
	AKIJ FOOD & BEVERAGE LTD	1,931	978	2,910
	AKIJ CEMENT COMPANY LTD	135	23	158
	AKIJ CERAMICS LTD	396	63	459
	AKIJ PARTICLE BOARD MILLS LTD	249	37	285
	AKIJ POLY FIBRE INDUSTRIES LTD	31	-	31
	AKIJ ESSENTIALS LTD	-	-	-
	AKIJ TEXTILE MILS LTD	1,213	-	1,213
	AKIJ FLOUR MILS LTD	-	-	-
	AKIJ PRINTING & PACKAGES LTD	-	-	-
	AKIJ DAIRY LTD	270	397	668
	AKIJ DAIRY LTD	-	-	-
	MAGNUM STEEL INDUSTRIES LTD	670	-	670
	<b>AKIJ GROUP TOTAL</b>	<b>4,895</b>	<b>1,498</b>	<b>6,393</b>
21	WESTERN ENGINEERING LIMITED	4,942	1,128	6,070
	<b>WESTERN ENGINEERING GROUP TOTAL</b>	<b>4,942</b>	<b>1,128</b>	<b>6,070</b>



Sl No	Borrower Name	2024		
		Funded	Non Funded (*Considering applicable conversion factor)	Total
22	NABIL AUTO FLOUR MILL	-	-	-
	NABIL AUTO FLOUR MILL	5,460	2,346	7,806
	NABIL FEED MILLS LTD	1,419	59	1,478
	NABIL NABA FOODS LIMITED	1,558	1,694	3,252
	NABIL AUTO RICE MILL	67	82	150
	<b>NABIL GROUP TOTAL</b>	<b>8,505</b>	<b>4,180</b>	<b>12,686</b>
23	AL MUSLIM YARN DYEING LTD	900	126	1,026
	PACIFIC BLUE JEANS WEAR LTD	611	344	955
	A.K.M. KNIT WEAR LTD	215	1,043	1,258
	AL-MUSLIM APPARELS LTD	167	163	330
	AL-MUSLIM WASHING LTD	852	25	877
	AL-MUSLIM GARMENTS AND ACCESSORIES LTD.	653	7	660
	AL-MUSLIM FASHION AND SPECIALIZED TEXTILE LTD.	87	0	87
	<b>AL MUSLIM GROUP TOTAL</b>	<b>3,485</b>	<b>1,708</b>	<b>5,192</b>
24	FARIHA KNIT TEX LTD	1,323	544	1,868
	ASROTEX LTD	62	406	468
	M/S ASROTEX	155	424	578
	SENSIBLE FASHION (PVT) LTD	291	319	610
	RUMA INDUSTRIES LTD	-	-	-
	<b>ASROTEX GROUP TOTAL</b>	<b>1,830</b>	<b>1,694</b>	<b>3,524</b>
25	EPIC GARMENTS MANUFACTURING CO. LTD.	1,581	921	2,501
	GREEN TEXTILE LIMITED	845	445	1,290
	PEARL GARMENTS COMPANY LTD	-	4	4
	COSMOPOLITAN INDUSTRIES PVT. LIMITED	204	167	370
	<b>EPIC GROUP TOTAL</b>	<b>2,629</b>	<b>1,536</b>	<b>4,165</b>
26	S.N CORPORATION	-	-	-
	PORTLINK LOGISTICS CENTRE LIMITED	-	0	0
	CDNET COMMUNICATIONS LTD .	150	752	902
	INGEN TECHNOLOGY LTD	106	22	128
	<b>ABC &amp; CDNET TOTAL</b>	<b>256</b>	<b>774</b>	<b>1,031</b>
27	HEALTHCARE FORMULATIONS LIMITED	1,681	101	1,782
	HEALTHCARE FORMULATIONS LIMITED	-	-	-
	HEALTHCARE PHARMACEUTICALS LTD.	2,596	48	2,645
	HEALTHCARE PHARMACEUTICALS LTD.	-	-	-
	<b>HEALTHCARE PHARMACEUTICALS LTD &amp; HEALTHCARE FORMULATIONS LIMITED TOTAL</b>	<b>4,277</b>	<b>149</b>	<b>4,426</b>
28	GMS COMPOSITE KNITTING IND. LTD	-	-	-
	GMS TEXTILE LTD	24	-	24
	<b>GMS GROUP TOTAL</b>	<b>24</b>	<b>-</b>	<b>24</b>
29	BANGLADESH PETROLEUM CORPORATION	-	90	90
	<b>BPC TOTAL</b>	<b>-</b>	<b>90</b>	<b>90</b>
30	BANGLADESH OIL, GAS & MINERAL CORPORATION	-	-	-
	<b>PETROBANGLA TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>
31	SOUTHEAST TEXTILES PVT. LTD	1,378	962	2,340
	INTERSTOFF APPARELS LTD	119	62	181
	<b>INTERSTOFF GROUP TOTAL</b>	<b>1,497</b>	<b>1,024</b>	<b>2,521</b>
	<b>TOTAL</b>	<b>109,403</b>	<b>45,340</b>	<b>154,743</b>

\* according to BRPD Circular No. 1 dated 16 January 2022



## City Bank holds its 41st AGM on digital platform

The 41st Annual General Meeting (AGM) of City Bank was held on May 30, 2024, on virtual platform.

Aziz Al Kaiser, City Bank's Chairman, presided over the meeting. Vice Chairman Hossain Khaled, Directors Rubel Aziz, Savera H. Mahmood, Hossain Mehmood, Rajibul Huq Chowdhury, Syeda Shaireen Aziz, Rebecca Brosnan, Independent Directors Salim Mahmud MP and Matiul Islam Nowshad, and MD & CEO Mashrur Arefin and Company Secretary Md. Kafi Khan, along with a large number of shareholders and senior officials of the bank attended the meeting.

In his welcome speech, the Chairman mentioned that the bank's consolidated PAT reached a record high of Tk. 10,851 million in 2024, marking a 76.4% YoY growth. He also praised CityTouch digital banking app's popularity that handled a transaction volume of over Tk. 957 billion in 2023.

Shareholders made various observations and suggestions regarding the bank's performance. MD & CEO Mashrur Arefin addressed all shareholder queries to their satisfaction. Following the Board's recommendation, a 12.5% cash and 12.5% stock dividend was declared, which received approval from the shareholders.

## City Bank introduces the first American Express metal card in Bangladesh

City Bank launched City Bank American Express® Platinum Reserve Credit Card, the first American Express metal card in Bangladesh. A by-invitation-only card, it brings together personalized service, international travel support, attractive savings and rewarding benefits for customers.

Cardmembers will receive rewards tailored to their lifestyle with an exclusive BDT 20,000 welcome gift voucher, along with a 2-year complimentary Tablet Plus membership, unlocking exclusive benefits at boutique luxury hotels and across international brands. The card offers numerous other benefits too.

The launch ceremony was held at a hotel in Dhaka. Aziz Al Kaiser, Chairman of City Bank; Mashrur Arefin, MD & CEO; Md. Mahbubur Rahman, AMD & CFO; Arup Haider, DMD and Head of Retail Banking; Tauhidul Alam, Head of Cards and other senior officials of City Bank were present at the event.

## Amex cards added to bKash's 'Add Money' service

American Express (Amex) and CityMaxx cards were added to bKash's 'Add Money' service. Customers can now easily transfer funds to their bKash account from any type of Amex cards issued in Bangladesh. As a result, both debit and credit card customers can gain access and convenience in their daily financial transactions by easily bringing money to their bKash wallet.

The service was officially launched at City Bank's Head Office. Ali Ahmmed, CCO of bKash; Mir Nawbut Ali, CMO of bKash; Kazi Azizur Rahman, Additional MD of the City Bank; Arup Haider, DMD and Head of Retail Banking of City Bank and other senior officials of both the organisations were present at the launch event.



## Probashi Kallyan Bank brings remittance in partnership with City Bank

Probashi Kallyan Bank (PKB) and City Bank signed an agreement under which workers who have gone abroad with loans taken from PKB will now be able to send their remittance to PKB by using City Bank as a vehicle and then withdraw the money as cash from PKB's branches. Through this, they will also be able to repay their loan installments more easily.

The agreement signing ceremony was chaired by Dr. Asif Nazrul, Advisor, Ministry of Expatriate Welfare and Foreign Employment. Md. Mazibur Rahman, MD, Probashi Kallyan Bank, and Mashrur Arefin, MD & CEO, City Bank, signed the agreement. Also present were Md. Ruhul Amin, Chairman, PKB and Secretary of the Ministry, among others.

## IFC invests \$50 million in City Bank to support SME businesses

IFC is investing \$50 million in City Bank to support SMEs in Bangladesh. An agreement signing ceremony was held to this effect at City Bank's Head Office.

The investment will help close the SME financing gap by providing City Bank with funds to extend new loans to SMEs, particularly those in the import-export sector. This partnership comes at a critical juncture for businesses to access affordable credit. Strengthening SME financing will sustain their operations, maintain employment and support overall economic recovery.

City Bank's MD & CEO Mashrur Arefin expressed appreciation, saying that the bank was grateful for IFC's support and the investment would help small businesses overcome challenges and play a bigger role in Bangladesh's future.

## City Bank achieves record BDT 30 billion net deposit growth in August 2024

City Bank achieved remarkable net deposit growth of BDT 30 billion in August 2024, a significant milestone accomplished despite the challenges. This achievement highlights increasing customer confidence, strong engagement and robust relationships built with clients over the years.

To celebrate the achievement, a ceremony was held at City Bank Center. The event was chaired by the bank's MD & CEO Mashrur Arefin. Officials connected to the accomplishment were also present, including Nurullah Chowdhury, DMD & Head of Corporate Banking; Arup Haider, DMD & Head of Retail Banking; Mohammad Shah Alam, Head of Treasury; and Tahsin Huq, Head of Cash Management, among others.

Mashrur expressed his pride in City Bank's ranking as one of the top sustainable banks in Bangladesh.



## **City Bank signs bancassurance agreement with Pioneer Insurance**

City Bank signed an agreement with Pioneer Insurance to commence the sale of non-life insurance policies under bancassurance. The signing ceremony was held at City Bank's Head Office. City Bank will offer insurance products of Pioneer Insurance to its customers under Bancassurance Guideline of Bangladesh Bank and IDRA.

Mashrur Arefin, MD & CEO of City Bank and Syed Shahriyar Ahsan, CEO of Pioneer Insurance signed the agreement on behalf of their respective organizations. Sheikh Mohammad Maroof, AMD & Chief Business Officer; Mohammad Mahbubur Rahman, AMD & CFO; Kazi Azizur Rahman, DMD & CIO; Ashanur Rahman, Chief Economist & Country Business Manager; Nurullah Chaudhury, DMD & Head of Corporate Banking; Arup Haider, Head of Retail Banking; Nishat Anwar, Head of HR and Subir Kumar Kundu, Chief Bancassurance Officer from City Bank, and S.M. Mizanur Rahman, Deputy MD & Company Secretary; S.M. Jasim Uddin, Deputy MD; Ruhie Das Karmaker, Asst MD; M. Nazib Iqbal, Executive VP of Pioneer Insurance and other senior officials were present at the signing ceremony.

## **City Bank signs bancassurance agreement with Reliance Insurance**

City Bank signed an agreement with Reliance Insurance to commence the sale of non-life insurance policies under bancassurance. The signing ceremony was held on at City Bank Head Office. The agreement will enable City Bank customers to buy insurance policies of Reliance Insurance directly from the bank under Bancassurance Guideline of Bangladesh Bank and IDRA.

Mashrur Arefin, MD & CEO of City Bank and Md. Khaled Mamun, CEO of Reliance Insurance signed the agreement on behalf of their respective organizations. Sheikh Mohammad Maroof, AMD & Chief Business Officer; Mohammad Mahbubur Rahman, AMD & CFO; Mahia Juned, AMD & COO; A.K.M. Saif Ullah Kowchar, DMD & Head of ICC; Kazi Azizur Rahman, DMD & Chief Information Officer; Nurullah Chaudhury, DMD & Head of Corporate Banking; Ashanur Rahman, Chief Economist & Country Business Manager; Arup Haider, Head of Retail Banking from City Bank, and Syed Qayem Hussain, Senior Executive VP and Ramzanul Quadar Billah, Senior VP of Reliance Insurance and other officials were present at the event.

## **City Bank signs bancassurance agreement with Delta Life Insurance**

City Bank signed a bancassurance agreement with Delta Life Insurance. The signing ceremony was held at City Bank's Head Office. The agreement will enable City Bank customers to buy insurance policies of Delta Life Insurance directly from the bank under Bancassurance Guideline of Bangladesh Bank and IDRA.

Mashrur Arefin, MD & CEO of City Bank and Anwarul Haque, CEO (CC) of Delta Life Insurance signed the agreement on behalf of their respective organizations. Mohammad Mahbubur Rahman, AMD & CFO; Mahia Juned, AMD & COO; Kazi Azizur Rahman, AMD & Chief Information Officer; A.K.M. Saif Ullah Kowchar, DMD & Head of ICC; Arup Haider, DMD & Head of Retail Banking; Ashanur Rahman, Chief Economist & Country Business Manager from City Bank, and Saiful Alam Khan Chowdhury, Consultant, M.I. Milton Bepari, Assistant MD & CFO of Delta Life Insurance and other senior officials were present at the event.



## City Bank inks deal with IDCOL for digital cash management solution

City Bank and IDCOL signed an agreement at the latter's head office in Dhaka. Under this agreement, City Bank will facilitate IDCOL with their digital cash management solution.

Mohammad Mahbubur Rahman, Additional MD & CFO of City Bank, and Alamgir Morshed, Executive Director and CEO of IDCOL signed the agreement on behalf of their respective organizations.

Tahsin Haq, Head of Corporate & Institutional Liability of City Bank and S.M. Monirul Islam, Deputy CEO & CFO of IDCOL, along with other senior officials from both the organizations were present at the signing ceremony.

## City Bank launches Visa Infinite credit card

City Bank launched Visa Infinite credit card, offering unprecedented benefits that make it the best product in the market in its category.

The card comes with a welcome voucher worth BDT 10,000 redeemable on air tickets; cashback of up to BDT 12,000 per year; buy-one-get-one-free buffet offers at top 5-star hotels; unlimited access to the bank's lounges at Dhaka's domestic and international airports; complimentary Priority Pass membership and free lounge access; double-benefit insurance coverage; and complimentary meet & greet service at Dhaka International Airport. Additionally, card members can enjoy 0% FlexiBuy facility at 5,000+ electronics, furniture and smartphone outlets, as well as special discounts at select restaurants. This credit card will set the benchmark for being the best in the market.

## City Bank Holds Branch Managers' Conference 2025

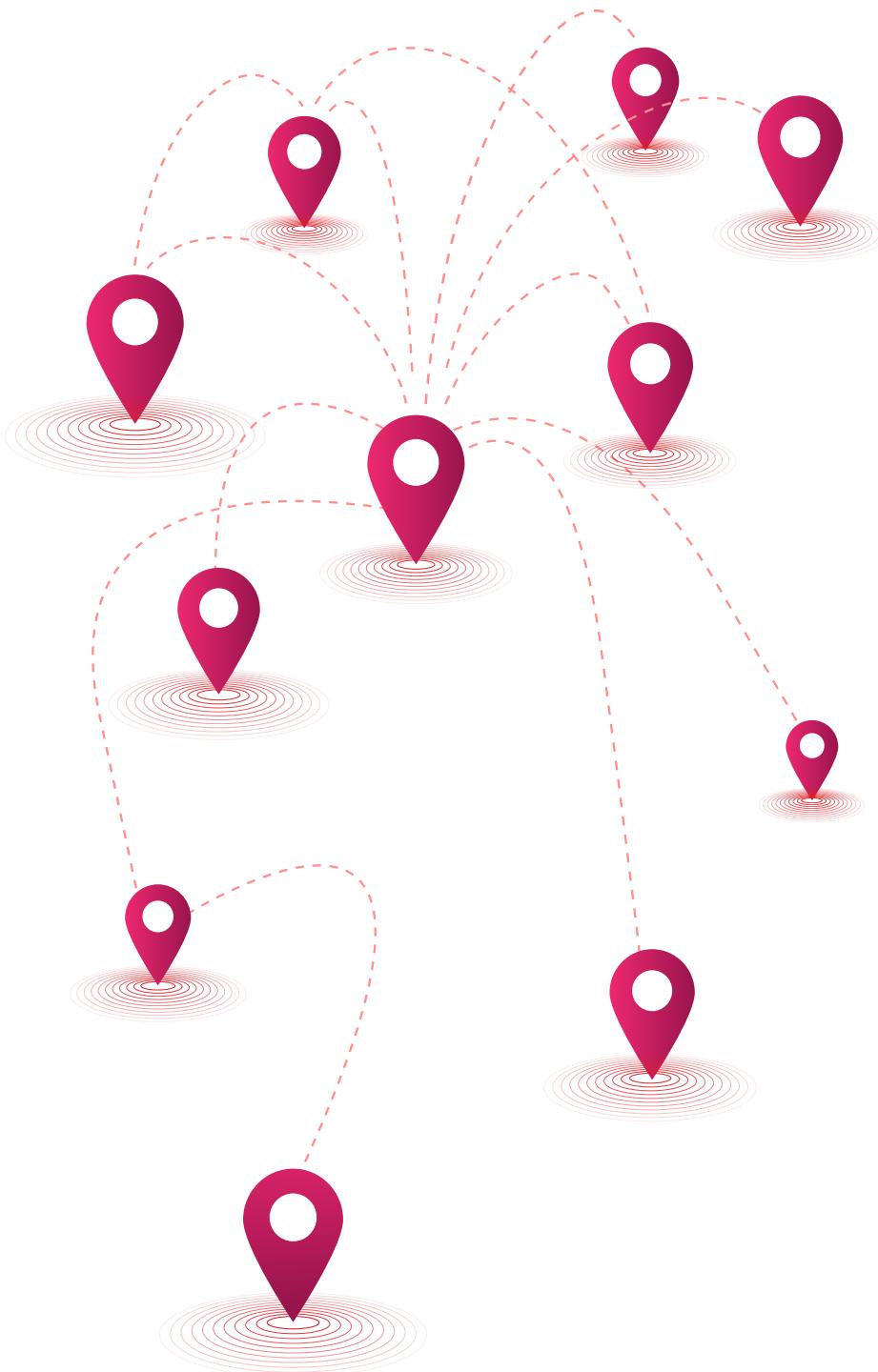
City Bank held its Branch Managers' Conference 2025 on April 26, 2025 at a hotel in Cox's Bazar. The theme of the conference was "Happy Employees, Happy Customers, Happy Shareholders."

The objective of the conference was to strategize for the future, review branch performance, expand technology-driven services, formulate methods to enhance customer satisfaction, and outline a roadmap for sustainable growth. New business targets were also set for retail and SME banking products, including deposits, loans and cards.

City Bank's Chairman, Aziz Al Kaiser, inaugurated the event. In his speech, he emphasized the banking sector's critical role in economic growth and said that digital transformation and excellence in customer service are indispensable and all branch managers should be ready to face new challenges.



# BRANCH & SUB-BRANCH LIST



## Dhaka

### ALFADANGA BRANCH

Alfadanga Pouro Super Market ,  
Holding No-614, Pourashava-  
Alfadanga,PSAlfadanga,  
District- Faridpur"

### ASHULIA BRANCH

House Name:Nigar Plaza (1st floor),  
House No: 1/94, Road No: 04,  
Lane: 02, PO: Jamgora, PS: Ashulia,  
Dhaka-1349.

### ATIBAZAR BRANCH

Atibazar Branch, Abrar Tower (1st  
floor), Shahid Nagar, Dag no: R.S  
489, Khatian no: R.S – 221, Mouza  
: Ghatar Chor, Union : Taranagar,  
Upazilla : Keraniganj, District :  
Dhaka

### BASHUNDHARA BRANCH

Union Tower (1st Floor), Evercare  
Hospital Road , Block-A ,  
Bashundhara R/A, Ward No- 40,  
Dhaka South City Corporation,  
Dhaka."

### BHAIRAB BAZAR BRANCH

House: 129(1st fl), Road: Kali Bari  
Road, Area: Bhairab Bazar, PO:  
Bhairab Bazar, PS: Bhairab, Dist:  
Kishoregonj - 2350."

### B.B. AVENUE BRANCH

House: 12 Hasan Building(GR fl &  
1st fl), Area: 12 B.B Avenue, PO:  
GPO, PS: Paltan, Dist: Dhaka - 1000.

**BANDURA BAZAR BRANCH**

House: Dennis Business Heaven  
(1st fl), Area: Bandura Bazar PO:  
Old Bandura, PS: Nawabganj,  
Dist: Dhaka - 1320.

**BANANI LAKE VIEW BRANCH**

Ventura Iconia (1st Floor), Holding  
No: 37, Road: 11, Ward: 19, Block:  
H, P.S: Banani, Dhaka North City  
Corporation. Dist: Dhaka-1213

**BANANI BRANCH**

House: 28(GR fl, 1st fl & 2nd fl),  
Road: 11, Block: F, Area: Banani,  
P.O: Banani, P.S: Gulshan, Dist:  
Dhaka - 1213.

**BAGHER BAZAR BRANCH**

Haji Samsuddin & Banesa Market (1st  
Floor), Shirir Chala, Bagher Bazar Branch,  
Dag no : R.S - 2572, Khatian no : R.S - 221,  
Mouza : Mohana Vhabanipur, Union :  
Bhawalgarh, Upazila : Gazipur Sadar,  
District : Gazipur-1700

**BHULTA BRANCH**

Purbachal New Garden City ,  
Dag No: SA 103 & RS 45, Khatian  
No-SA 213 & RS 612,Mouja-  
Golakandail, Union- Golakandail,  
Upzila: Rupgonj, District:  
Narayangonj

**DHANMONDI BRANCH**

House: 312 Suvastu Zenim Plaza  
(2nd fl), Road: 27(Old), 32(New),  
Area: Dhanmondi R/A, PO:  
Dhanmondi, PS: Dhanmondi, Dist:  
Dhaka - 1209.

**FOREIGN EXCHANGE BRANCH**

House: 27 Baitul Hossain  
Building(GR fl), Area: Dilkusha  
C/A, PO: Dilkusha, PS: Motijheel,  
Dist: Dhaka - 1223

**FARIDPUR BRANCH**

Holding No:88(1st floor)  
Karim Chamber, Janata  
Banker More, Mujib Sarak,  
ward No:15,Pourashava:  
Faridpur,Thana: Kotwali,  
District : Faridpur

**GAZIPUR BRANCH**

House 501, Noljani, Joydevpur,  
Chandana, Gazipur-1702

**GOPALGANJ BRANCH**

Gopalganj Branch, Zaman Tower  
(1st Floor), Holding No : 116,  
Saudagar Road, Ward no : 2,  
Puroshova : Gopalganj, Upazila  
: Gopalganj Sadar, District :  
Gopalganj-8100

**GULSHAN BRANCH**

Crystal Palace, Ground & 1st  
floor, House-22, Road-  
140,Gulshan South Avenue,  
Gulshan-1 Dhaka-1212

**GULSHAN AVENUE BRANCH**

City Bank Center, 136 Gulshan  
Avenue, Gulshan-2, Dhaka - 1212.

**GAZIPUR SME/AGRI BRANCH**

Jalal Shopping Center. 1st Floor,  
Board Bazar, National University,  
Gazipur-1704

**GULSHAN WOMEN BRANCH**

Gulshan Women Branch Shanta  
Sky Mark (Ground Floor), Holding  
No. 18, Gulshan Avenue Road,  
Ward No. 19, Police Station:  
Gulshan, Dhaka North City  
Corporation, District: Dhaka-1212

**IMAMGONJ BRANCH**

173-174 Mitford Road, Imamgonj,  
PS: Chawkbazar, Dhaka-1211

**ISLAMI BANKING BRANCH**

Al-Razi Complex (1st floor), 166-  
167, Shahid Sayed Nazrul Islam  
Sarani, Bijo Nagar, Purana Paltan,  
Dhaka.-1000

**ISLAMPUR ROAD BRANCH**

House: 18 Sonar Bangla  
Market(1st fl),  
Road: Islampur Road, Area:  
Islampur, PO: Dhaka Sadar, PS:  
Kotwali, Dist: Dhaka -1100

**JOHNSON ROAD BRANCH**

House: 31 Aziz Center(1st fl),  
Road: Johnson Road, Area:  
Raishahab Bazar, PO: Dhaka  
Sadar, PS: Kotwali, Dist: Dhaka -  
1100.

**JOYPARA SME/AGRI BRANCH**

House: 77 Ahmed Shopping  
Complex(1st fl), Road: 260, Area:  
Joypara, PO: Joypara, PS:  
Dohar, Dist: Dhaka - 1331

**JATRABARI BRANCH**

Noor Tower, Holding No-76/  
GA, Dhaka- Demra Highway,  
Ward No-48, Dhaka South  
City Corporation, PS-Jatrabari,  
District- Dhaka.

**JAMUNA FUTURE PARK**

Ka-244, Progati Sarani, Ward: 17,  
Dhaka North City Corporation,  
P.O.: Bhatarai, District:  
Dhaka-1212

**KARWAN BAZAR**

House: 8 UTC Building(1st fl),  
Road: 8,Panthapath, Area:  
Kawran Bazar, PO: Tejgaon, PS:  
Tejgaon, Dist: Dhaka - 1215.

**KISHOREGANJ SME/AGRI BRANCH**

239, Alhaz Mahtab Uddin Super  
Market (1st Floor), Boro Bazar,  
Kishoreganj-2300



**KANAIPUR BAZAR BRANCH**

Kanaipur High School, 2 No Market, Kanaipur Sadar, Faridpur-7801

**KALIGANJ BRANCH**

House: Bikrampur Plaza(1st fl), Road: Shahid Delwar Hossain Road, Area: Aganagar,Gudaraghata, PO: Suvaidda,South Keranigonj, PS: Keranigonj, Dist: Dhaka - 1310

**MIRPUR BRANCH**

House: 1(1st fl), Road: Dar-us-Salam Road, S: 1, Area: Mirpur, PO: Mirpur, PS: Mirpur, Dist: Dhaka - 1216.

**MANIKGONJ BRANCH**

House: 173/174(1st & 2nd fl), Road: Shaheed Rafique Sarak, Area: Manikgonj Bazar, P.O: Manikgonj, P.S: Manikgonj, Dist: Manikgonj - 1800.

**MOTIJHEEL BRANCH**

1st floor of Motaleb Mansion, 2 No. R.K mission road, Ward no:39, Dhaka-1223

**MOUCHAK BRANCH**

House: 80/A Shahjalal Tower(1st fl), Road: Siddeswari Circular Road, Area: Malibagh, PO: Shantinagar, PS: Ramna, Dist: Dhaka - 1217.

**MOGHBAZAR BRANCH**

House: 1 Razzak Plaza(1st fl), Road: New Eskaton Road, Area: Moghbazar, PO: GPO, PS: Ramna, Dist: Dhaka - 1000.

**MADHABDI BRANCH**

House: 4(1st & 2nd fl), Road: Bank Road, Area: Madhabdi Bazar, PO: Madhabdi, PS: Narsingdhi, Dist: Narsingdhi - 1604

**NIKUNJA BRANCH**

House: Lotus Kamal Tower-1, 57 Zoar Shahara(GR fl), Road: Airport Road, Area: Nikunja-2, PO: Khilkhet, PS: Khilkhet, Dist: Dhaka - 1229.

**NEW MARKET BRANCH**

House: 5 Novera Square( fl), Road: 2, Area: Dhanmondi R/A, PO: Dhanmondi, PS: Dhanmondi, Dist: Dhaka - 1205.

**NARAYANGANJ BRANCH**

House: 72 Islam Market(1st fl), Road: BB Road, Area: Narayanganj, PO: Narayanganj, PS: Narayanganj, Dist: Narayanganj - 1400.

**NARSINGDI BRANCH**

House: 192 Bazar(1st fl), Area: Narsingdi, PO: Narsingdi, PS: Narsingdi, Dist: Narsingdi - 1600.

**NAWABPUR BRANCH**

House: Anowara Bhavan (1st fl), Road: 12-14 Nawabpur Road, PO: Nawabpur, PS: Wari, Dist: Dhaka -1203

**NAWABGANJ BRANCH**

House: Younus Shoping Complex(1st fl), Area: Nawabgonj Main Road, Area: Nawabgonj Upozilla, : PO:Nawabgonj, PS: Nawabgonj, Dist: Dhaka - 1320.

**NETAIGANJ BRANCH**

House: 217(1st fl), Road: BK Road, Area: Netaigonj, PO: arayangonj, PS: Narayanganj, Dist: Narayanganj - 1400.

**PRINCIPAL OFFICE BRANCH**

House: 10 Jibon Bima Tower(GR fl), Area: Dilkusha Commercial Area, PO: GPO, PS: Motijheel, Dist: Dhaka - 1000.

**PAGLA BRANCH**

Al-hajj Afsar Karim Plaza, Pagla Bazar, Mouja: Dhopatita Union Parishad, Upazila: Fatullah, District: Narayanganj.

**POSTA BRANCH**

House: 35 Seraj Court(1st & 2nd fl), Road: Shaesta Khan Road, Area: Lalbagh, PO: Posta, PS: Chak Bazar, Dist: Dhaka - 1211.

**PALLABI BRANCH**

House: 132 Spring Rahmat-E-Tuba Complex(1st fl), Road:2, Block: A, Section:12, PO: Mirpur, P.S: Mirpur, Dhaka- 1216.

**PROGATI SARANI BRANCH**

The Pearl Trade Center (Ground Floor), Cha-90/3, Progati Sarani, Shahjadpur, Dhaka-1212

**REKABI BAZAR BRANCH**

House: Abdul Motalebs House(1st fl), Road: Binodpur High School Road, Area: Ponchasar, PO: Rekabi Bazar, PS: Munshigonj Sadar, Dist: Munshigonj - 1501.

**ROKEYA SARANI BRANCH**

Dinaj Tower (1st floor), Holding No. 752/2, West Shewrapara, Begum Rokeya Sarani, Mirpur, Dhaka-1216

**SONARGAON JANAPATH, UTTARA**

House-02, Sector-12, Sonargaon Janapath Road, Uttara Model Town, Union- Harirampur, Uttara, Dhaka-1230

**SAVAR SME/AGRI BRANCH**

House: 111/A(1st fl), Road: Savar Bazar Road, Area: Savar, PO: Savar, PS: Savar, Dist: Dhaka - 1340.

**SADARGHAT BRANCH**

House: Patuatuly Bhaban(2nd fl),  
Road: 78 Loyal Street, Patuatuly,  
Area: Sadarghat, PO: Sadarghat,  
PS: Kotwali, Dist: Dhaka - 1100.

**SHAYMOLI BRANCH**

House: 23/6 Rupayan  
Shelford(1st fl), Road: Khilji  
Road, Block: B, Area: Shaymoli,  
PO: Mohammadpur, PS:  
Mohammadpur, Dist: Dhaka -  
1207.

**SHIBPUR BRANCH**

1st Floor ,Holding No: 181,Ward  
No: 5 ,Shibpur Sadar Road  
,Shibpur Bazar Road ,Thana  
& Pourashava : Shibpur,  
Narsingdhi-1620

**TANGAIL BRANCH**

House: 1869/77(1st fl), Road:  
Main Road, PO: Tangail Sadar, PS:  
tangail Sadar, Dist: Tangail - 1900.

**TONGI BRANCH**

Sena Kalyan Commercial  
Complex (1st floor) Holding No-  
9/F, Dhaka Mymensingh Highway,  
Ward No:57, Gazipur City  
Corporation, Thana: Tongi,  
District:Gazipur-1710

**UTTARA BRANCH**

House: 8 Barek Monjl(GR fl),  
Road: Rabindro Sarani Road,  
Sector-7, Area: Azampur, P.O:  
Uttara, P.S: Uttara, Dist: Dhaka  
- 1230.

**URDU ROAD BRANCH**

House: Haji Mansion (2nd Floor),  
Road: 10 Urdu Road, Area:  
Dhaka City Corp, PO: Posta, PS:  
Chawkbazar, Dist: Dhaka - 1211.

**VIP ROAD BRANCH**

Orchad Faruque Tower, 72, Naya  
Paltan, VIP Road, Dhaka-1000

**ZINZIRA BRANCH**

Amin Complex, 1st Floor, Zinzira  
Bus Stand Road, Zinzira Bazaar,  
Dhaka-1310

**ARAIHAZAR SUB BRANCH**

Rezia Complex, Araihaazar  
General Hospital Road,Ward  
No-08, Pourashava- Araihaazar,  
Thana- Araihaazar , District-  
Narayanganj

**BANASREE SUB BRANCH**

Joypurhat Tower,Holding  
Number-2 & 3, Blook-F, Banasree  
Main Road,Ward No- 22,Dhaka  
North City Corporation, Thana-  
Khilgao, District -Dhaka

**BHANGA SUB BRANCH**

Abdus Sobhan Complex, Holding  
No-74, Ward-8, Pourashava-  
Bhang, Upzila- Bhanga, District-  
Faridpur

**ELEPHANT ROAD SUB BRANCH**

Plaza Central, Holding-136, S  
Kamruzzaman Sharani Road,  
Elephant Road, Ward No-18  
Dhaka South City Corporation  
Thana-Newmarket, Dist-Dhaka

**GHATAIL SUB BRANCH**

Talukdar Tower, Holding No-799,  
Main Road, Ward-07, Pourashava-  
Ghatail, PSGhatail, District-  
Tangail.

**GORAI SUB BRANCH**

Abdur Rahman Khan Super  
Market Tower, Gorai, Dag No-  
3202/3305/4403, Khatian No-  
276/3821 Mouja- Gorai Momin  
Nagar,Union-10 No Gorai, Thana  
- Mirzapur , District- Tangail.

**HEMAYETPUR SUB BRANCH**

Makka Tower,Village:  
Jadurchor,Dag No:RS257, Khatian  
No:193, Mouja: Bilamalia, Union:  
Talutjhora, Thana: Savar, Dist:  
Dhaka

**HIRAJHEEL SUB BRANCH**

Asma Villa, Holding No-A-  
286, Road No-04 Ward No-01,  
Narayanganj City Corporation,  
Thana- Siddhirganj, District-  
Narayanganj

**KAMRANGIRCHAR SUB BRANCH**

Mahin Palaza, Holding Number:  
992, West Rasulpur Main Road,  
Ward 56, Dhaka South City  
Corporation ,PS- Kamrangirchar,  
District-Dhaka

**KAPASIA SUB BRANCH**

Rony Market, Safaisree, Holding  
No: 11/01, Mouza No: 189  
Safaisree, Union No: 9 Kapasia,  
Upazilla: Kapasia, District:  
Gazipur

**KERANIGONJ SUB BRANCH**

Din Complex, Kadamli Goal  
Chattor, Daag No-3485 &  
3486, Khotian No-470/1,Mouja-  
Shuvadda, Union-Aganagor,  
Thana-South Keranigonj, District  
-Dhaka

**KONABARI SUB-BRANCH**

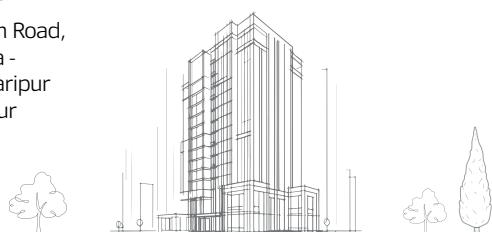
Trade Center Tower ,Holding  
No:150, Dhaka Tangail Highway,  
Ward No: 09, Gazipur City  
Corporation, PS: Konabari,  
District: Gazipur.

**MADANI AVENUE SUB BRANCH**

Hamid Plaza, Holding  
Number-19, Blook- A,Ward No-  
39,Dhaka North City Corporation,  
Thana- Vatara ,District -Dhaka

**MADARIPUR SUB-BRANCH**

Holding No-620-01, Main Road,  
Ward No-02, Pourashava -  
Madaripur, Thana- Madaripur  
Sadar, District- Madaripur



**MOGRAPARA SUB BRANCH**

S Plaza, Dag No-RS 235, Khatian No-884, Village: Habibpur, Union: Mograpara, PS: Sonargao

**MONOHARDI SUB BRANCH**

Happy Palace, Holding No-16, Sadar Road, Ward No-07, Pourashava- Monohardi, Thana-Monohardi, District- Narsingd

**MUNSHIGONJ SUB BRANCH**

Islampur Bhaban, Holding Number-434, Ward No-2, Pouroshava- Munshiganj , Thana-Munshiganj Sadar,District- Munshiganj

**NIKUNJA SUB BRANCH**

DSE Tower, House 46, Level 2, Road 2, Nikunja 2, PO: Khilkhet, PS: Khilkhet, Dist: Dhaka - 1229.

**PALAS SUB BRANCH**

Chowdhury Complex, Holdings-280, Shahid Abdus Sattar Road, Pourashava-Ghorashal, Ward No: 02, Police Station: Palash, Narshingdi

**SHARIATPUR SUB BRANCH**

Abdullah Plaza ,Holding No: 811,Palong Uttar Bazar, Shariatpur Sadar. Shariatpur

**SREENAGAR SUB BRANCH**

Toha Complex, Dag No/RS-908/909, Khatian No/RS-1603 Mouja- Sreenagar, Union-Sreenagar, Thana-Sreenagar, District- Munshigong

**SINGIAR SUB BRANCH**

Riaz Mansion, Holding No-540, Hemayetpur- Manikganj Road,Ward-3, , Pourashava-Singiar, Thana- Singiar

**Chatogram****ABDULLAHPUR SUB BRANCH**

Minnat Palaza, Arear-Kolakandi, Mouja: Abdullaipur; Teghoria Union parishad ,Thana- South Keranigonj , District- Dhaka

**AGRABAD BRANCH**

House: Banani Complex, 942/A (Gr fl), Area: Agrabad C/A, Road: Sheikh Mujib Road,PO: Bandar, PS: Double Mooring, Dist:Chittagong - 4100.

**ANDARKILLA BRANCH**

Equity Antara. Holding No. 352/536. 1st Floor 123, Momin Road, Kotowali Chatogram-4000

**BANDARTILA BRANCH**

House: 2461 A-Chamber (1st fl), Road: Airport Road, Area: Bandartila, PO: Sailor's Colony, PS: Bandar, Dist: Chittagong - 4218.

**BRAHMANBARIA BRANCH**

House: 1329/1 Razzaque Plaza(1st fl), Area: Kawtali, PO: Brahmanbaria Sadar, PS: Brahmanbaria Sadar, Dist: Brahmanbaria - 3400

**BHATIARY SME/AGRI BRANCH**

House: Rahman Tower, Bhatiary Bazar, Road: Bhatiary Station Road, PO: Sitakunda, PS: Sitakunda, Dist: Chittagong - 4310

**BANGABANDHU SHEIKH MUJIB SHILPA NAGAR BRANCH**

Bangabandhu Sheikh Mujib Shilpa EPZ, Zone No-1 , Union-Ichhakhali, P.S: Zorargonj, District : Chittagong

**CHOWMUHANI BRANCH**

Chowmuhani Plaza, D.B. Road (1st Floor) Chowmuhani. PS: Begumgonj, Noakhali-3820

**CHANDPUR BRANCH**

House: 57/54 Rajanigandha Shoping Centre(1st fl), Road: Comilla Road, Area: Natun Bazar, PO: Chandpur, PS: Chandpur, Dist: Chandpur - 3600.

**COX'S BAZAR BRANCH**

House: Ali Noor Plaza(1st fl), Road: Main Road, Area: West Bazarghata, PO: Cox's Bazar, PS: Cox's Bazar Sadar, Dist: Cox's Bazar - 4700.

**CHAUDDAGRAM BRANCH**

House: 1st floor of Baitul Maleque Mansion, Chaudagram Bazar, Dhaka- Chatogram High Way Area: Chaudagram Bazar, PO: Chaudagram, PS: Chaudagram, Dist: Comilla - 3550.

**COMILLA BRANCH**

House: 437 Artisan Nasir Centre(1st fl), Road: Nazrul Avenue,Kandirpar, Area: Comilla, PO: Comilla Sadar, PS: Comilla, Dist: Comilla - 3500.

**CHANDRAGANJ BRANCH**

Lakshmipur, Shahjoki Shopping Complex, Poeshim Bazar, Chondrogonj-3708

**CHAWK BAZAR BRANCH**

System Imperial Complex (1st Floor), Kapasgola Road, Ward No:16, Chatogram City Corporation, Thana: Kotowali, District:Chatogram

**DAULATGANJ BRANCH**

Al Madina Tower, Daulatgonj Bazar , Holding No-1271, Mouja-Laksham, Pourashava- Laksham, Thana/ Upozila-Laksham , District -Cumillah .

**FENI BRANCH**

188, Sadek Building (1st floor), Road: SSK Road, Area: Feni, PO: Feni, PS: Feni Sadar, Dist: Feni: 3900.

**FATIKCHHARI BRANCH**

Fatikchhari Branch, Ananda Tower (1st Floor), Ananda Tower, Jhankar Moor, Mouza: Farhadabad, Puroshova : Najirhat, Upazila : Fatikchhari, District : Chittagong-4350

**GOURIPUR BRANCH**

Jasim Tower, Village : Charmahmuddi , Dag No: 460 ( Hal ), Khatian No:BS-99, Mouja:Nayagaou, Thana: Daudkandi , District: Comilla

**HAJIGANJ BRANCH**

House: Royal Rowshan Super Market(1st fl), Road: Main Road, Area: Hajigonj, PO: Hajigonj, PS: Hajigonj, Dist: Chandpur - 3610

**HALISHAHAR BRANCH**

C.K. Tower (1st floor), House No.02 & 04, Road No. 03, Lane-03, Block- K, HalishaharH/E, Chattogram-4216

**JUBILEE ROAD BRANCH**

House: 181 Gulshan Plaza(1st fl), Road: Golap Shing Lane, Area: Chittagong, PO: GPO, PS: Kotwali, Dist: Chittagong - 4000.

**KHATUNGONJ BRANCH**

1628/1671, Ramjoy Mohajon Lane (1st Floor), Asadgonj, P.O. Lamarbazar, PS: Kotwali, Dist: Chittagong- 4000

**KADAMTALI BRANCH**

House: 295 Rahat Centre(1st fl), Road: DT Road, Area: Chittagong, PO: Chittagong Sadar, PS: Double Mooring, Dist: Chittagong - 4000.

**KABIRHAT BRANCH**

Momtaj Mahal, D.B. Road (1st Floor), Chaprashirhat Bazar, PS: Kabirhat, Dist: Noakhali-3807

**KALURGHAT BRANCH**

Kalurghat Branch, Holding No : 2898/4561 (1st Floor), Chandgaon, Kaptai Raster Matha, Ward No: 5, Thana : Chandgaon, Chittagong City Corporation, District : Chittagong-4212

**KACHUA BRANCH**

House: Biponi Polash(GR fl), Road: Hospital Road, Area: Polashpur, PO: Kachua, PS: Kachua, Dist: Chandpur - 3630.

**LAXMIPUR BRANCH**

House : Kundo Tower (1st Floor) Road : Chak Mosjid Road PO: Lakshmipur Sadar PS : LakshmipurDist : Lakshmipur Post Code : 3700

**LOHAGARA SME/AGRI BRANCH**

House: Mostafa City (1st fl), Area: Amirabad, Lohagara, PO: Lohagara, PS: Lohagara, Dist: Chittagong - 4396.

**MAJDY COURT SME/AGRI BRANCH**

Nasir Brothers Bhabon(1st fl), Holding No: 1458,Main Road, Ward No:04, Thana:Majdee Court ,District: Noakhali

**OXYGEN MOOR BRANCH**

M Rahman Heights (1st Floor) Oxygen Moor, Ward No- 2 no. Jalalabad, P.S.- Bayezid Bostami, Chittagong City Corporation, Dist- Chittagong-4210

**O.R. NIZAM ROAD BRANCH**

1st Floor, 1 Shahid Abdul Hamid Road EastNasirabad, GEC crossing, Chittagong-4225

**PRABARTAK BRANCH**

House: 1486/1672 Al-Nur Badrun Center(1st fl), Road: O.R Nizam Road, Area: Probartak Moor, PO: Ctg Medical, PS:Panchlaish, Dist: Chittagong - 4203.

**PATHERHAT BRANCH**

House: Hazi Siddique Ahmed (1st fl), Road: Kaptai Road, Area: Noapara,Guzra Union, PO: Guzra Noapara, PS: Raozan, Dist: Chittagong - 4340.

**PAHARTALI BRANCH**

House: Yakub Tower (1st fl) 940/A (new) & 516/810 (old), Road: D. T. Road, Dilli Lane, P.O: Pahartali, P.S: Double Mooring, Dist: Chittagong - 4202.

**RAIPUR BRANCH**

Holding No. 517, Shahid Plaza, Pir Fozlullah Sarak, Raipur, Laxmipur-3710

**SATKANIA BRANCH**

House: 580 Mokbul Seraji Shopping Complex(1st fl), R:Station Road, Area: Satkania, PO: Satkania, PS: Satkania, Dist: Chittagong - 4386.

**SENBAGH BRANCH**

D.K. Plaza (1st Floor), Holding no : 346, Upozila Road, Senbagh Bazar, Senbagh, Noakhali-3860

**SUBARNACHAR BRANCH**

Rubina Super Market (1st Floor), Dag No : MRR : 880, Khatian No: MRR : 248, Char Bata Union Parishad, P.S : Subarna char, Noakhali-3812

**BANCHARAMPUR SUB-BRANCH**

Datta Master Shopping Complex Holding No-682, Ward No-04, Pourashava- Bancharampur, Thana- Bancharampur District- Brahmanbaria



**BARURA SUB BRANCH**

Miazi Market, Holding Number-34, Bank road, Ward No-03, Pourashava- Barura, District-Cumilla

**CHAKARIA SUB BRANCH**

Shaheda Complex (1st floor), Rastar Matha Chiringa, Mouja: Kochpara, Pourashava: Chakaria Thana: Chakaria, District: Cox's Bazar.

**CHANDGAON SUB-BRANCH**

Jinat Center-5, Road: Arakan Road, Ward No: 04, Chattogram City Corporation, PS: Chandgaon, District: Chattogram.

**CHANDINA SUB BRANCH**

Bhuyan Complex, Dag:1903, Khatian: BS 1740, Village: Chandina, Union: Chandina, PS: Chandina, District: Comillah

**CHATIPOTTI SUB BRANCH**

Plaza AK, Holding-187, Old Dhaka Chittagong Trunk Road ,Word No-12, Comilla City Corporation , Thana- Kotowali, District- Comilla

**CHHAGALNAIYA SUB BRANCH**

Bashar City Complex,Holding No1220, Chhagalnaiya Main Road,Word No-06, Pourashava - Chhagalnaiya, PS Chhagalnaiya, District-Feni

**FARIDGANJ SUB BRANCH**

Kolabagan Bazar, Holding No-840, Faridganj Pourashava Road, Ward-08 Pourashava- Faridganj, Thana- Faridganj, District- Chandpur

**KASBA SUB BRANCH**

Society Building, Kaimpur Union, Station Road, Ward No- 7, Pourashava - Kasba, Thana- Kasba, District- Brahmanbaria

**KATIADI SUB BRANCHES**

Katiadi Sub Branch- Abdul Khalek Tower, Holding No-1267, CNB Road, Ward No-03, Pourashava- Katiadi, Thana- Katiadi, District- Kishoreganj.

**NABINAGAR SUB BRANCH**

Abdul Latif Member Super Market , Holding No-4040, Dakbanglo Sharok, Pouroshava-Nabinagar, Ward No-04, Police Station: Nabinagar, District: Brahmanbaria.

**PATENGA SUB BRANCH**

Eklasur Rahman Bhaban, Katghar, Muslimabad, North Patenga, Chattogram City Corporation, Thana- Patenga, District- Chattogram

**PATIYA SUB BRANCH**

A.b. Plaza, Holding No 599, Arakan Road, Ward No 07, Pourosova: Patiya, Thana: Patiya, District: Chattogram

**Barishal****COMPANIGANJ SUB BRANCH**

Engineers Tower, Uttar Trish, Mouja: Trish, Union: Nobipur West, Thana: Muradnagar, District: Cumilla

**BARISHAL BRANCH**

SS Tower, Road no-109, Shahid Birshresta Captain Mohiuddin Zhanagir Sarak,( Sadar Road), Ward no-17, Barisal City Corporation, PS-Kotowali Model, District-Barishal

**PATUAKHALI BRANCH**

Patuakhali Branch, Holding No : 063-01 (1st floor), Old Steamer Ghat Road, Natun Bazar, Ward no : 6, Puroshova : Patuakhali, Upazila : Patuakhali, District : Patuakhali-8600

**AMTALI SUB BRANCH**

Poura Bhabon ,Holding Number:392,Sadar Road, Ward No:04, Pourashava: Amtali, Thana: Amtali, Dist: Barguna

**Khulna****BENAPOLE BRANCH**

House: 381, Selim Sumon Super Market (Ground Floor), Jessore Road, P.O.: Benapole, P.S.: Benapole, Dist: Jessore - 7431.

**JESSORE BRANCH**

Mirza Complex, Holding No-1391, Road No-35, MK Road, Ward No-06, Pourashava- Jashore, Upazilla- Jashore Sadar, District-Jashore .

**KUSHTIA BRANCH**

House: 114 Kadari Super Market ( fl), Road:R.A. Khan Chow Sarak, Area: Sapla Chattar, PO: Kushtia, PS: Kushtia, Dist: Kushtia -7000.

**KHULNA BRANCH**

House: 7(GR fl), Road: Sir Iqbal Road, Area:Khulna Sadar, PO: GPO, PS: Kotwali, Dist : Khulna - 9100.

**PHULTALA BRANCH**

Phultala Branch, Hazi Marker (1st Floor), Khulna Jessore Main Road, Union : 4 no. Phultala, Upazila : Phultala, District : Khulna-9210

**SATKHIRA BRANCH**

House: 400/450 City Market(1st fl), Road: Boro Bazar Road, Area: Satkhira, PO: Satkhira, PS: Satkhira Sadar, Dist: Stakhira- 9400.

**BAGERHAT SUB BRANCH**

Holding No-0091 , Khanjahan Ali Road, Ward-6, Pourashava-Bagerhat, P:SBagerhat, District-Bagerhat

**CHAUGACHHA SUB BRANCH**

Holding No-147/1,Kotchandpur Road, Ward No-04, Pourashava - Chaugachha, Thana- Chaugachha, District-Jashore.

**CHUADANGA SUB-BRANCH**

Holding No-147,147/1,  
Kotchandpur Road, Ward No-  
04, Pourashava - Chaugachha,  
Thana- Chaugachha, District-  
Jashore

**DIGRAJ SUB BRANCH**

Rai Market-2 (1st Floor), Digraj,  
2 No Buridanga Union, Thana-  
Mongla, District- Bagerhat.  
Controlling Branch : Khulna  
Branch

**JHIKORGACHA SUB BRANCH**

Jhikorgasa Bazar, Dag No/  
CS-S-A 2248, Khatian No/  
SA-280 Mouja- Krishno nagar,  
Pourashava - Jhikorgasa, Thana-  
Jhikorgasa,District-Jashore.

**MONIRAMPUR SUB BRANCH**

Abdul Bari Mansion,Holding  
Number-132, Ward No-3,  
Pourashava- Monirampur, Thana-  
Monirampur, District- Jashore

**Mymensingh****NARAIL SUB BRANCH**

Islam Complex, Dag No:45,  
Khatian No:86, Narail Jessore  
Road, Ward No:16, Pourashava:  
Narail, Thana: Narail Sadar,  
District: Narail

**JAMALPUR SME/AGRI BRANCH**

Kazi Gold Market, JL No-275/5,  
Dag No- 7578, Khatian No-8347  
& 19899, Medical Road, Ward  
No-5, Pourashava- Jamalpur,  
P.S- Jamalpur Sadar, District-  
Jamalpur

**MYMENSINGH BRANCH**

House: 20(1st fl), Road: Choto  
Bazar, Area: Mymensingh, PO:  
Mymensingh, PS: Kotwali, Dist:  
Mymensingh - 2200.

**MUNSHI BAZAR SUB BRANCH**

Talukdar Complex, Holding No-  
173, Munshi Bazar, Ward No-02,  
Pourashava- Sherpur, Thana-  
Sherpur Sadar, District- Sherpur

**Rajshahi****NANDINA SUB BRANCH**

Al-Hajj Karim Tower, Nandina  
Bazar,Mouja- Nandina Union-09  
Ranagasa, Thana - Jamalpur,  
District- Jamalpur

**NETROKONA SUB BRANCH**

RK Mention, Holding No-0067-  
00, Main Road, Pouroshava:  
Netrokona, Ward No-06, Police  
Station: Netrokona, District:  
Netrokona.

**BOGRA BRANCH**

Masuma Plaza, Holding No. 766  
Rangpur Road, Borogola, Dutta  
Bari Bogura-5800

**CHAPAINAWABGONJ BRANCH**

House: 11 Jabun Nessa Super  
Market(1st fl), Road: Godagari  
Road, Area: Chapainawabgonj,  
PO: Chapainawabgonj,  
PS: Chapainawabgonj, Dist:  
Chapainawabgonj - 6300.

**NAOGAON BRANCH**

Amir Uddin Bhaban,  
Chakdevpara Holding No: 20674,  
Ward no: 03, P.S: Naogaon,  
Puroshava: Naogaon, Dist:  
Naogaon-6500

**NATORE SME/AGRI BRANCH**

House: 240/241, F.K. Zaman  
Plaza(GR fl), Area: Alaipur  
Boipatty, PO: Natore, PS: Natore  
Sadar, Dist: Natore - 6400.

**PABNA BRANCH**

House: 472(1st fl), Road:  
Aurangzeb Road, Area: Pabna,  
PO: Pabna, PS: Pabna Sadar, Dist:  
Pabna - 6600.

**RAJSHAHİ BRANCH**

House: 125 Star Mansion(1st fl),  
Road: Natore Road, Area: Shaheb  
Bazar 0 Point, PO: Ghoramara,  
PS: Boalia, Dist: Rajshahi -6100.

**ROHANPUR BRANCH**

Holding No: 1125, Godown Road,  
Ward no: 05, P.S.: Gomostapur,  
Puroshava: Rohanpur, Dist:  
Chapainawabganj.-6320

**SIRAJGANJ BRANCH**

House: 979(1st fl), Road: SS Road,  
Area: Sirajgonj, PO: Sirajgonj, PS:  
Sirajgonj, Dist: Sirajgonj - 6700.

**SHERPUR BRANCH**

Holding No: 1761-05/06,Mahmud  
Tower, Ground floor, Dhaka  
Bogura High Way, Pousrova  
Road, Sherpur Bus Stand,  
Sherpur, Bogura-5840

**ISHWARDI SUB BRANCH**

RRP Center, Holding: 263/1,Ward  
No: 8, Union : Ishwardi, PS :  
Ishwardi District: Pabna

**Rangpur****JOYPURHAT SUB BRANCH**

Vokto Complex, Dag  
No:3167/13139, Khatian No: 777,  
Jaipurhat Sadar Batar Mor, Ward  
No:05, Pourashava: Jaipurhat,Thana:  
Jaipurhat Sadar, District: Jaipurhat

**DINAJPUR BRANCH**

House: 1067, 1070 & 1078,Mona  
Tower & Shopping Complex  
(1st Floor), Area: Modern Moar,  
Goneshtola PO: Dinajpur, PS:  
Dinajpur Sadar, Dist: Dinajpur -  
5200

**GOBINDAGANJ BRANCH**

1st floor of Parboti Super Market,  
Holding No. 0578, Pourashava &  
Thana: Gobindagonj, (Bogura-  
Rangpur Highway), Gaibandha





#### RANGPUR BRANCH

House: 97/1 Central Point(1st fl), Road: Central Road, Area: Rangpur Town, PO: Rangpur Sadar, PS: Kotwali, Dist: Rangpur-5400.

#### SAIDPUR BRANCH

Nahar Plaza, Holding No-0053-0054, Shahid Dr. Zikrul Haque Road, Ward No: 12, Po: Saidpur Ps: Saidpur Dist: Nilphamari-5310

#### PALASHBARI SUB BRANCH

Chowdhury Bhabon, Holding No.1265, Gaibandha Road, Puroshava- Palashbari, Thana-Palashbari, District-Gaibandha

#### THAKURGAON SUB BRANCH

IRS Tower, Bangabandhu Sarak, Chowrasta, Pourasova - Thakurgaon, Thana - Thakurgaon, District - Thakurgaon.

### Sylhet

#### AMBARKHANA BRANCH

House: B 100, 1st Floor, East Dargha Gate, Airport Road, Ambarkhana, Sylhet-3102

#### BANDAR BAZAR BRANCH

House: Metro Centre(1st fl), Road: South Dhopadighir Paar, Bandar Bazar East, Area: Sylhet, P.O: Sadar, P.S: Kotwali, Dist: Sylhet-3100.

#### BISWANATH BRANCH

Rahman Mansion, Dag No-2052(New) 1475(old), Khatian No-937(New) 890(Old) (Jel87), Mouja-Chandoshir Kapon, Ward No-09, Powroshava- Bishwanath, Upozila-Bishwanath, District- Sylhet

#### BEANI BAZAR BRANCH

House: (GR fl), Road: Hospital Road, Area: Nayagram, P.O: Beani Bazar, P.S: Beani Bazar, Dist: Sylhet - 3170.

#### CHHATAK SME/AGRI BRANCH

House: 28 Tahir Centre(1st fl), Road: Traffic Point, Area: Chhatak Municipality, P.O: Chhatak, P.S: Chhatak, Dist: Sunamganj - 3080.

#### DHAKA DAKSHIN BRANCH

House: Latif Mansion (1st floor), Road: College Road, PO: Dhaka Dakshin, PS: Golapganj, Dist.: Sylhet, Post Code : 3161

#### HABIGANJ SME/AGRI BRANCH

House: 3557/KA Amir Chand Complex(1st fl), Road: Badiuzzaman Khan Road, Area: Hobiganj, PO: Hobiganj, PS: Hobigonj Sadar, Dist: Hobigonj - 3300.

#### JAGANNATHPUR BRANCH

House: (GR fl), Road: T & T Road, Area: Jagannathpur, PO: Jagannathpur, PS: Jagannathpur, Dist: Sunamgonj - 3060.

#### KULaura BRANCH

Kulaura Branch, Nazma Gani Market (1st Floor), Holding No : 220, Ward No : 5, Puroshova : Kulaura, Upazila : Kulaura, District : Moulvibazar-3230

#### MOULVIBAZAR BRANCH

House: Kusumbagh Shopping City(2nd fl), Road: Sylhet Road, Area: Moulvibazar, PO: Moulvibazar, PS: Moulvibazar, Dist: Moulvibazar - 3200.

#### SREEMONGAL BRANCH

House: 70 Al-Amin Mansion(1st fl), Road: Moulvi Bazar Road, Area: Sreemongal, PO: Sreemongal, PS: Sreemongal, Dist: Moulvi Bazar - 3210.

#### ZINDABAZR BRANCH

House: Kaniz Plaza(1st fl), Area: Zindabazar, PO: Sylhet, PS: Kotwali, Dist: Sylhet - 3100.





## City Bank PLC

Head Office: City Bank Center, Plot: SE(D)-3, 28, Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh.

Share Department: 11, Dilkusha C/A (1st Floor), Dhaka-1000, Bangladesh.

# NOTICE OF THE 42<sup>ND</sup> ANNUAL GENERAL MEETING

Notice is hereby given to all members of City Bank PLC. ("the Bank" or "the Company") that the 42<sup>nd</sup> Annual General Meeting ("AGM") of the Bank will be held on June 29, 2025 (Sunday) at 2:00 PM (Bangladesh Standard Time) through Digital Platform through the following web-link: <https://cbplc42.agm.watch>, pursuant to the Directive No. BSEC/ICAD/SRIC/ 2024/318/87 dated March 27, 2024, to transact the following business and to adopt necessary resolutions:

## AGENDA

- Agenda-1: To receive, consider and adopt the Accounts of the Company for the year ended on 31<sup>st</sup> December, 2024, along with the Auditors' Report and the Directors' Report thereon.
- Agenda-2: To declare 12.50 % Cash Dividend and 12.50 % Stock Dividend for the year ended 31<sup>st</sup> December, 2024, as recommended by the Board of Directors.
- Agenda-3: To elect/re-elect of Directors.  
[Note: In line with the provision of the Articles of Association of the Bank, the Directors namely (1) Mr. Hossain Mehmood, (2) Mrs. Saveria H. Mahmood and (3) Ms. Rebecca Brosnan shall retire in the 42<sup>nd</sup> AGM and they are also eligible for re-election.]
- Agenda-4: To appoint/re-appoint Statutory Auditor and fixation of their remuneration for the year 2025 of the Company for the term until next AGM.
- Agenda-5: To appoint Corporate Governance Compliance Auditors for the year 2025 for certification on Corporate Governance status under BSEC Corporate Governance Code and to fix his/her/their remuneration.
- Agenda-6: To approve/ratify the appointment of Independent Director (Mr. Nazim Uddin Chowdhury)
- Agenda-7: To consider any other matters, with the permission of the Chair.

By order of the Board,

Sd/-

Md. Kafi Khan  
Company Secretary

Dated : Dhaka

June 2, 2025

## NOTES:

1. The 'Record Date' for the 42<sup>nd</sup> Annual General Meeting (AGM) scheduled on May 22, 2025.
2. Members whose names appeared in the Central Depository System/Register of Members at the close of Record Date i.e. **May 22, 2025** shall be eligible to attend and vote at the AGM and will be entitled for the dividend, as approved. Votes may be given either personally or by an attorney or by a proxy or, in the case of a corporation by a representative duly authorized. As per Article 86 of the Articles of Association of the Company, a Proxy must be a member of the Company.
3. Proxy Form duly stamped and signed by the Member must be submitted to Share Department, City Bank PLC, 11, Dilkusha, 1<sup>st</sup> Floor, C/A, Dhaka at least 48 (Forty-Eight) hours before the time fixed for AGM for attestation. Upon receipt of attested Proxy Form, the nominated person or attorney or authorized person from a Company/Corporation may attend/vote in the AGM. Annual Report-2024, Attendance Slip and Proxy Form may be collected from Share Department or from the website of the Company: [www.citybankplc.com](http://www.citybankplc.com)
4. Link for joining in AGM through Digital Platform: <https://cbplc42.agm.watch>. Shareholders can join virtual AGM from Laptop, PC, Mobile or Tab putting the 16-Digit BO ID and Folio holders can join the AGM putting the 6-Digit Folio number. As per BSEC letter dated January 16, 2024 along with Directive dated 10 March 2021, the facility for e-vote using online platform will be opened 48 hours prior to start of AGM and will remain open up to the closure of AGM. The eligible members may login and cast their vote (e-vote) using online platform during this time. For virtual AGM guidance, the concerned members may contact at the numbers: **01719007279, 01916590708 and 01919280200**.
5. Full login/participation process for the Digital Platform meeting will also be available in the Company's website: [www.citybankplc.com](http://www.citybankplc.com)
6. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/Admin/81 dated 20 June, 2018, link of the downloadable PDF copy of the Annual Report-2024 to respective members' e-mail address available in beneficiary owner (BO) account with the depository participant (DP).
7. Members are requested to submit their queries on the Directors' Report and the Audited Financial Statements for the year ended on 31st December, 2024 through e-mail: [khandakar.aminul@citybankplc.com](mailto:khandakar.aminul@citybankplc.com) or in writing at least 5 (Five) working days before the date of AGM.
8. Respected BO Account Holders who have updated BO Accounts and submitted 12-digit e-TIN to concerned DP house and/or Share Department of City Bank PLC. (in case of Folio) before Record Date, their tax will be deducted at the rate of (a) 10% for individual shareholders & (b) applicable rate of company for company shareholders according to Section 117 of The Income Tax Act, 2023. Mentionable that, rate of tax deduction would be 15% for individual shareholders if the shareholder fails to submit e-TIN.
9. Merchant Banks and Depository Participants (DPs) are requested to send their margin clients list (based on said Record Date) both in hard copy and soft copy (In MS Excel format) of **within June 15, 2025** to *City Bank, Share Department, 11 Dilkusha, 1st Floor, C/A, Dhaka-1000; email address: neaz.khan@citybankplc.com*, for facilitating payment of cash dividend.
10. Election/Re-election Rules and schedule will be displayed at the Share Department, 11, Dilkusha (1<sup>st</sup> floor), Dhaka-1000, duly. And the said Rules and Schedule will be available at bank's website.



To join the  
42<sup>nd</sup> AGM



To download  
Annual Report-2024



Virtual AGM  
System Manual



To download  
Notice & Proxy  
Form



## NOTE



### City Bank PLC

**Head Office:** City Bank Center, Plot: SE(D)-3, 28, Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh.

**Share Department:** 11, Dilkusha C/A (1st Floor), Dhaka-1000, Bangladesh.

### PROXY FORM

I/We..... of.....  
..... being member of City Bank PLC do hereby appoint Mr./  
Mrs./Ms..... of.....  
..... (or failing him/her) Mr./Mrs./Ms.....  
of ..... as my/our proxy to attend and vote for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting  
(AGM) of the Company to be held on June 29, 2025 at 2:00 P.M. (Bangladesh Standard Time) through Digital Platform and at any adjournment  
thereof.

As witness I put my/our hand(s) this.....day of.....2025.

Revenue  
Stamp  
Tk.100/-

Witnesses :

1.....

Signature of Member.....  
Folio/BO A/c. No.....

2.....

Signature of Proxy.....  
Folio/BO A/c. No.....

#### IMPORTANT:

1. This Form of Proxy duly completed must be deposited at the Share Department, City Bank PLC., 11, Dilkusha C/A, Dhaka-1000 at least 48 (forty-eight) hours before the meeting. The proxy will not be valid if it is not duly stamped and signed. Signature of the shareholder(s) and the Proxy must agree with the respective specimen signatures recorded with the Company.
2. A member of the Company may only be appointed as a Proxy.



### City Bank PLC

**Head Office:** City Bank Center, Plot: SE(D)-3, 28, Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh.

**Share Department:** 11, Dilkusha C/A (1st Floor), Dhaka-1000, Bangladesh.

### ATTENDANCE SLIP

I/We.....(Folio/BO A/c. No.) ..... hereby record my/our attendance at the 42<sup>nd</sup>  
Annual General Meeting (AGM) of the Company being held on June 29, 2025 at 2:00 P.M. (Bangladesh Standard Time) through Digital Platform.

\_\_\_\_\_  
Signature of Member/Proxy





**City Bank Center**

28, Gulshan Avenue, Gulshan-1  
Dhaka-1212, Bangladesh  
Phone: +880 2 58813483, 58814375, 58813126  
E-mail: [info@citybankplc.com](mailto:info@citybankplc.com)  
Web: [www.citybankplc.com](http://www.citybankplc.com)



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