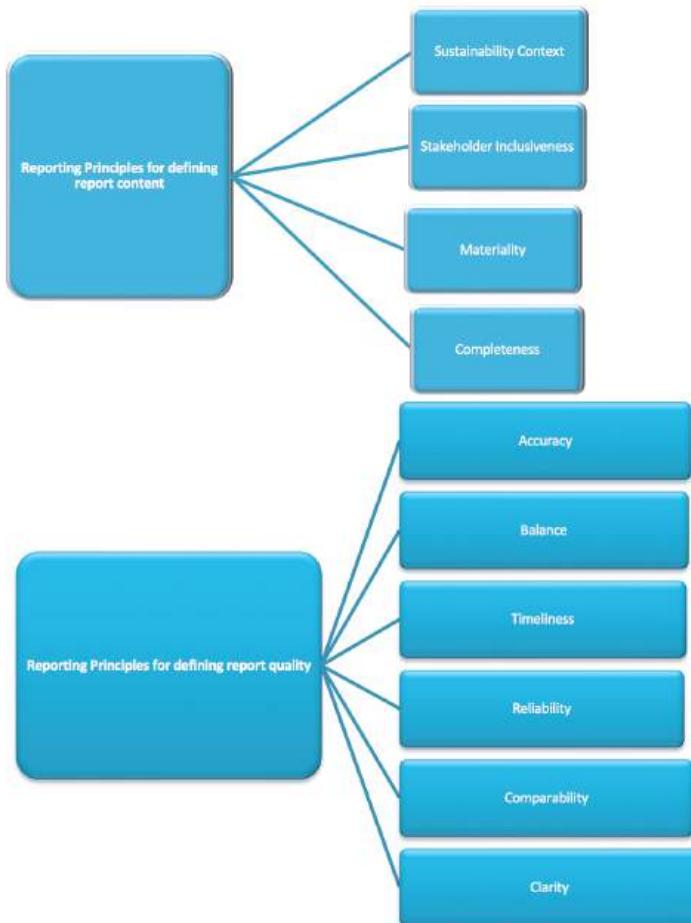




SUSTAINABILITY REPORT

The Sustainability Reporting Process

To work credibly towards integrating sustainability into business operations and developing, a sustainability report is important to adhere to principles that help identify, prioritize and define sustainability issues. The GRI Standards are principle-based, so IBBPLC used them to define the content of the report as well as the quality of the information it communicates. The principles are:



The GOALS for Sustainable Development

Our planet faces massive economic, environmental and social challenges. Sustainable Development Goals (SDGs) were designed to help society and business focus on solving global sustainability challenges. As a key stakeholder, the business sector was closely involved in the development of this process. The SDGs provide a vision of a sustainable future and propose actionable targets for current major sustainability challenges, including: - climate change - water scarcity - food insecurity - waste and pollution - inequality - human rights-urbanization



1 NO POVERTY

Providing livelihood trainings to marginalised communities via social entrepreneurship program at 36 cities and villages across India.



2 ZERO HUNGER

Supporting farmers through sustainable farming opportunities via food waste to compost supply chain for rural sector.



3 GOOD HEALTH AND WELL-BEING

Supporting communities with integrated approaches to address the intersections of gender, health and climate change.



4 QUALITY EDUCATION

Conducting activity based environmental education for all through educational and creative workshop in schools.



5 GENDER EQUALITY

Giving women the tools and trainings to become entrepreneurs, to get access to resources and to be financially autonomous.



6 CLEAN WATER AND SANITATION

Ensuring access to clean water through water body cleanups and promoting rainwater harvesting and waste water recycling techniques.



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



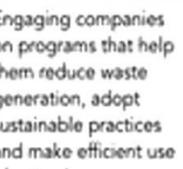
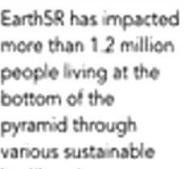
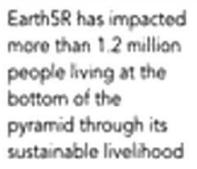
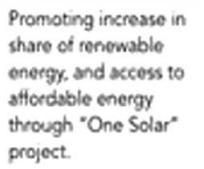
10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Reducing human impact on the environment through education, awareness-raising and mitigation programs via Green Citizens Project.

Organising cleanups for water bodies to reduce water pollution. Setting up waste management systems to prevent littering of water bodies.

Enhancing biodiversity through urban farming practices and afforestation under green citizens program.

Advocating and partnering with policy makers across different countries to promote small scale producers overcome social, economical and political barriers.

Multi-stakeholder partnerships with Government, Civic and Corporate sector for research, awareness and implementation of sustainable development.



Sustainable Finance and Green banking activities

IBBPLC. has broadened its sustainable banking initiatives in the 3 (three) major categories like Sustainable Finance including Green Finance & Green Banking, Corporate Social Responsibility and Financial Inclusion aligning with the Sustainable Development Goals (SDGs), Integrated Nationally Determined Contribution (INDC), Islamic Shariah oriented objectives and mission/ vision of the bank.

The achievement of Green Term Investment Disbursement in the year 2023 was tremendous that exceeded more than four times of the 5% target fixed by Bangladesh Bank. On the other hand, 15.18% Sustainable Finance disbursement has been achieved against 20% target fixed by Bangladesh Bank.

The detailed scenario of the sustainable and green finance disbursement during the year against BB target is given below in comparison to the previous year:

Green Term Investment Disbursement Target Achievement

(BDT in million)

Achievement Target (Bangladesh Bank fixed achievement target of green term investment disbursement in respect of total term investment disbursement)	Achievement-2022		Achievement-2023		Growth
	Volume	%	Volume	%	
5%	20,711.99	16.72%	21,606.95	22.50%	5.78%

Sector-wise Term Disbursement

(BDT in million)

Sl. No.	Sectors of Green Finance	2022	2023	Growth
1	Renewable Energy	83.63	80.99	(3.16)%
2	Energy & Resource Efficiency	5,363.86	4,564.49	(14.90)%
3	Alternative Energy	-	-	-
4	Liquid Waste Management	1,173.80	803.79	(31.52)%
5	Solid Waste Management	-	-	-
6	Circular Economy & Eco-Projects Financing	5,580.60	3,834.50	(31.29)%
7	Environment Friendly Brick Production	166.65	247.82	48.71%
8	Green/ Environment Friendly Establishments (with LEED certificates)	8,343.45	12,075.36	44.73%
Total		20,711.99	21,606.95	4.32%

Sustainable Investment disbursement target achievement

(BDT in million)

Achievement Target (BB fixed sustainable finance disbursement (including green term disbursement) achievement target in respect of total investment disbursement)	Achievement-2022		Achievement-2023		Growth
	Volume	%	Volume	%	
20.00%	166,737.11	11.72%	182,222.11	15.18%	3.46%

Sector-wise Sustainable Linked Investment Disbursement

(BDT in million)

Sl. No.	Sectors of Sustainable Linked Finance	2022	2023	Growth
01.	Sustainable Agriculture	90,352.24	72,299.93	(19.98)%
02.	Sustainable MSME	25,176.22	31,827.46	26.42%
03.	Working Capital & Demand Inv. for Green Products	23,564.28	49,649.49	110.70%
04.	Priority Green & Eco-Friendly Products for Trading Sector	6,932.38	6,838.28	(1.36)%
Total		146,025.12	160,615.16	9.99%

Green Transformation Fund (GTF)

The bank signed Participation Agreement with Bangladesh Bank for availing re-finance from GTF in FC (USD & Euro) and BDT. The bank availed 21.88 million Euro from GTF (FC) fund.

Environmental & Social Risk Rating

The Bank has incorporated Environmental & Social Risk Management as part of the existing investment risk methodology to assess the customers through Environmental & Social Due Diligence (ESDD) checklists during induction. Total 108,416 numbers of projects have been rated under Environmental & Social Risk Rating (ESRR) in 2023.

Dedicated Sustainable Finance Help Desk

The bank established the 'Dedicated Sustainable Finance Help Desk' at potential IBBPLC. branches for rendering sustainable linked finance and green finance. The quarterly reports to Bangladesh Bank on the activities/ performances and progresses of the Desks are being submitted as a regulatory issue.

Sustainability Rating

IBBPLC. has been rated and listed as the top 10 (ten) high performed Banks in Bangladesh in terms of Sustainability Rating for the year 2020 & 2021. This rating added points in our CAMELS rating.

Technological Advancement for Green Activities and Green Growth

The bank is practicing Online and Internet banking, ATM, CRM, Visa Card, Credit Card, CellFin, mCash, Call centre and all other types of innovative, modern and automated banking services that help environment friendly practices and reduce carbon footprint.

In house management: Utility Consumption

As part of the continuous effort of positively upholding the Green Banking initiatives, the bank has developed the Principles for In-house Green Operations, - a general guideline to facilitate the in-house management and to the efficient uses of resources, which accordingly circulated among all concerned.

Employees Training and Capacity Building

Total 1,275 numbers of employees have been trained on Green and Sustainable Finance during the year-2023 covering all investment in-charges, dedicated officials and almost all the entry level officials. Some Executive Development Programs (EDP) were also conducted by IBTRA on Sustainable Finance Policy and Sustainability Rating.

CSR Activities

CSR activities are running under the CSR Policy of the bank in line with Bangladesh Bank's directive. A detailed contribution of CSR fund is included in the CSR part.

Climate Risk Fund

IBBPLC. can use the Climate Risk Fund to invest in the projects linked to Socially Responsible Finance (SRF) specially in the affordable basic infrastructure, access to essential services (such as health and healthcare), employment generation, food security, socioeconomic advancement and empowerment, financing in orphanage/ child rehabilitation center/ old age home, shelter for cold affected people etc.

Major Achievements of Green Banking Department in 2023

- ✓ Achievement of 22.50% Green Term Investment Disbursement Target against the 5% target fixed by Bangladesh Bank.
- ✓ IBBPLC. has signed Participation Agreement with Bangladesh Bank for availing re-finance from GTF in BDT in addition to the GTF in euro.
- ✓ Special emphasis has been given to obtain more LEED certificates for green buildings/ industries by convincing new or existing investment clients.
- ✓ ICTW has completed the Software up gradation covering the total sustainable taxonomy.
- ✓ Initiatives have been taken for installation of Solar Panel for ATM/CRM services at branch/ office premises.
- ✓ All investment in-charges and dedicated officials for Green & Sustainable Finance Desks have been brought under training on Sustainable & Green Finance. A list of need-based training programs is submitted to the bank's training academy.

Strategic Plan of Green Banking Department for 2024

- ✓ Giving special focus to achieve Sustainable Finance disbursement target.
- ✓ Keeping the high ranked position in banking sector in terms of Sustainability.
- ✓ Taking initiatives for carbon footprint measurements and disclosure of information about sustainability and climate related financial risks and opportunities in its annual reports step by step.
- ✓ Reducing utility consumption (electricity, gas, water and other utilities) to the reasonable level and prioritizing the installation of Solar panel for ATM/CRM services at branch/ office premises.
- ✓ Arrangement of Zone/ Branch wise special programs/ events for potential customers to build their awareness on environment friendly activities and sustainable/ green finance.
- ✓ Arranging EDPs & training programs regarding awareness and capacity building for the disclosure of sustainability and climate related financial risks and opportunities for all concerns of the bank.



Islami Bank handed over a cheque of Tk. 1 crore to Proyash Donation Fund

Corporate Social Responsibility (CSR)

The Bank is committed to improve the life style of the inhabitants of the country. Since inception, IBBPLC. has been contributing to serve the Distressed People, improvement of Education, extend Health and Medicare facilities, promoting Arts, Culture, Literature, Sports, Science and Technology, creating facilities for productive self employment through Human Resources Development, help to Humanitarian and Disaster Management, Relief and Rehabilitation, Environment and Climate Risk Fund. In 2023, IBBPLC. spent Tk.997.86 million among 0.30 million of beneficiaries and in 2022 Tk.3,273.69 million for 0.63 million beneficiaries under different sectors. However, the total accumulated CSR expenditure incurred by the Bank is Tk.16,581.80 million since 1983-2023 among 18.41 million of beneficiaries in different sectors.

Promoting of Education Sector

We made donated Tk.50.00 million to Prodhan Monir Shikkha Sohayota Trust Tohbil and Tk.10.00 million to PROYASH institute of special education, organizing by Bangladesh Army to provide educational opportunities to the Autistic students as per guideline of Bangladesh Bank. An amount of Tk.62.82 million was spent for education purpose in the year 2023.

Promoting of Health Care Sector

IBBPLC. spent an amount of Tk.2,716.35 million for 7,244,620 beneficiaries from 1983-2023 for this purpose. Out of which Tk.252.85 million for 08 beneficiaries were contributed in 2023.

Environment and Climate Change, Mitigation & Adaptation

IBBPLC. contributed an amount of Tk.201.07 million to 3,917,977 beneficiaries from 1983-2023 for environmental issues of the country. Out of which Tk.40.40 million for 514 beneficiaries were contributed in 2023.

Disaster Management

Being a corporate citizen of the country, IBBPLC. always stands beside the distressed humanity. Disaster relief program including winter blanket and relief distribution, donation to Prime Minister Relief Fund and rehabilitation program etc. An amount of Tk.7,675.34 million for 5,775,305 vulnerable persons was spent by IBBPLC. from 1983-2023. Out of which Tk.605.83 million for 285,471 beneficiaries were contributed in 2023.

Infrastructure Development

In 2023, we have donated of Tk.0.40 million to Child Day Care Center "PUSPITA", Motijheel, Dhaka to provide day care and educational opportunities to sons and daughters of the Bankers as per guideline of Bangladesh Bank.

Promoting of Arts, Literature, Culture & Sports

IBBPLC. sponsors various Arts, Literature, Cultural & Sports events every year. An amount of Tk.968.16 million to 665,542 beneficiaries was spent by IBBPLC. from 1983-2023 for this purpose. Out of which Tk.30.00 million contributed for 02 (Two) beneficiaries like Bangladesh Olympic Association, Father of the Nation Bangabondhu Sheikh Mujibur Rahman Memorial Trust in 2023.

Our Commitment to the Communities

We support (1) Education, (2) Health Care, (3) Disaster Relief, (4) Sports, Arts, Literature & Culture, (5) Environment & Climate Change, (6) Infrastructure Development, (7) Humanitarian & Social Care and (8) Others etc. An amount of total Tk.16,581.80 million for 18,409,829 beneficiaries spent by IBBPLC. from 1983-2023 in the above mentioned areas. Out of which Tk.997.86 million for 299,397 beneficiaries were contributed in 2023.

Sector wise CSR expenditure of IBBPLC. from 1983 to 2023

(Amount in Million Tk.)

Year	Disaster Management		Education Sector		Health Care Sector		Infrastructure Development		Arts, Literature, Culture & Sports		Environment & Climate Change		Others Sectors		Total	
	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1983-2009	218	452,291	285	265,197	874	6,055,481	61	413,622	69	187,107	-	-	61	56,674	1,567	7,430,372
2010	64	158,760	68	98,787	64	721,160	12	2	11	41,964	7	15,240	12	655	238	1,036,568
2011	22	32,928	56	128,925	26	128,556	249	636	7	643	0	3	51	118,115	411	409,806
2012	88	597,866	84	3,014	40	19,230	2	144	8	11	12	493,822	75	34,438	309	1,148,525
2013	140	254,078	135	7,756	72	95,255	79	7	6	21	23	592,722	22	768	476	950,607
2014	190	498,768	161	7,928	89	125,079	40	5	15	17	21	723,673	7	51	525	1,355,521
2015	324	606,320	175	8,930	226	99,469	27	6	5	643	21	757,558	22	33	800	1,472,959
2016	426	481,644	161	14,235	17	209	-	-	0	4	26	690,251	40	751	671	1,187,094
2017	568	420,566	383	12,924	29	116	21	2	12	3	26	644,162	19	20	1,058	1,077,793
2018	664	271,962	2,119	7,792	2	22	8	3	6	10	1	4	13	32	2,813	279,825
2019	180	421,485	586	8,858	1	4	-	-	150	1	0	3	114	7	1,031	430,358
2020	506	403,594	187	10,039	16	18	1	1	145	10	-	-	1	3	855	413,665
2021	483	256,992	65	6,982	1,001	7	-	-	4	20,678	0	3	2	3	1,555	284,665
2022	3,197	632,580	46	63	8	6	-	-	-	20	22	2	2	3	3,274	632,674
2023	606	285,471	63	10,003	253	8	0	1	30	2	40	514	6	3,398	998	299,397
Total	7,675	5,775,305	4,574	591,433	2,716	7,244,620	500	414,429	469	251,114	201	3,917,977	447	214,951	16,582	18,409,829

* In 2021, No of health sector beneficiary is 07 (seven) out of which one is ‘ Islami Bank Foundation’. A huge amount was donated to ‘ Islami Bank Foundation’ for proper management of health sector of the country in special Covid-19 situation.