



# SUSTAINABILITY REPORT



# SUSTAINABLE FINANCE AND GREEN BANKING ACTIVITIES

IBBPLC has expanded its sustainable banking efforts across three key categories: Sustainable Finance which includes Green Finance and Green Banking, Corporate Social Responsibility and Financial Inclusion aligning with the Sustainable Development Goals (SDGs), the Integrated Nationally Determined Contribution (INDC), Islamic Shari‘ah principles and the bank’s overall mission and vision.

In 2024, the bank achieved remarkable success in Green Term Investment Disbursement surpassing the 5% target set by Bangladesh Bank by more than four times. Additionally, the Sustainable Finance disbursement reached 14.13% against the 20% target established by Bangladesh Bank.

A detailed overview of sustainable and green finance disbursement for the year, in comparison to the previous year and Bangladesh Bank’s targets, is presented below.

## Green Term Investment Disbursement Target Achievement

(Amount in million Tk.)

Achievement Target (Bangladesh Bank set a target for green term investment disbursement as a percentage of total term investment disbursement)	Achievement 2023		Achievement 2024		Growth
	Volume	%	Volume	%	
5%	21,606.95	22.50%	17,171.83	24.16%	1.66%

## Sector-wise Term Disbursement

(Amount in million Tk.)

Sl. No.	Sectors of Green Finance	2023	2024	Growth
1	Renewable Energy	80.99	69.22	(14.53)%
2	Energy & Resource Efficiency	4,564.49	2,638.34	(42.19) %
3	Alternative Energy	-	-	
4	Liquid Waste Management	803.79	530.62	(33.98) %
5	Solid Waste Management	-	-	
6	Circular Economy & Eco-Projects Financing	3,834.50	2,367.55	(38.25) %
7	Environment Friendly Brick Production	247.82	219.49	(11.43) %
8	Green/ Environment Friendly Establishments (with LEED certificates)	12,075.36	11,346.61	(6.03) %
<b>Total</b>		<b>21,606.95</b>	<b>17,171.83</b>	

## 2. Sustainable Investment disbursement target achievement

(Amount in million Tk.)

Achievement Target (BB set a target for sustainable finance disbursement, including green term disbursement, as a percentage of total investment disbursement)	Achievement-2023		Achievement-2024		Growth
	Volume	%	Volume	%	
20.00%	182,222.11	15.18%	95,362.67	12.57%	(2.61)%

## Sector-wise Sustainable Linked Investment Disbursement

(Amount in million Tk.)

Sl. No.	Sectors of Sustainable Linked Finance	2023	2024	Growth
01.	Sustainable Agriculture	72,299.93	29,873.72	(58.68)%
02.	Sustainable MSME	31,827.46	13,850.42	(56.48)%
03.	Socially Responsible Finance	-	-	-
04.	Other Sustainable Linked Finance	56,487.77	34,466.70	(38.98)%
<b>Total</b>		<b>160,615.16</b>	<b>78,190.84</b>	

## Sector-wise Top Contribution by Our Customers

(Amount in million Tk.)

Sl. No.	Sectors	Items	Amount Disbursed in 2024	% of total green term disbursement	Number of clients
1	Green/ Environment Friendly Establishments	Green Industry certified with LEED Gold	11,346.61	66.08%	6
2	Energy & Resource Efficiency	LED Bulb/ Tube Manufacturing/ Assembly Plant	96.57	0.56%	1
3	Recycling & Manufacturing of Recyclable Goods	Paper Recycling Plant	1,461.14	8.51%	8
4	Environment Friendly Brick Production	Tunnel Kiln	219.49	1.28%	4

## Green Transformation Fund (GTF)

The bank entered into a Participation Agreement with Bangladesh Bank to access refinancing from the Green Transformation Fund (GTF) in both foreign currency (USD & Euro) and BDT. The bank secured Euro 3.39 million and BDT 1,000 million from the GTF.

## Environmental & Social Risk Rating

The bank has incorporated Environmental & Social Risk Management into its investment risk framework utilizing Environmental & Social Due Diligence (ESDD) checklists to evaluate customers during the onboarding process.

## Dedicated Sustainable Finance Help Desk

The bank has set up 'Dedicated Sustainable Finance Help Desks' at selected IBBPLC branches to facilitate sustainable linked and green financing. Quarterly reports on the activities, performance, and progress of these desks are submitted to Bangladesh Bank as part of regulatory compliance.

## Sustainability Rating

IBBPLC has been recognized as one of the top ten high-performing banks in Bangladesh based on the Sustainability Rating for 2020 and 2021. This achievement has positively contributed to our CAMELS rating.

## Technological Advancement for Green Activities and Green Growth

The bank offers a comprehensive range of modern and automated banking services including online and internet banking, ATMs, CRM, Visa & credit cards, CellFin, mCash and a dedicated call center. These innovative solutions promote environment friendly practices and help reduce the institution's carbon footprint.

## In-house Management

To reinforce its commitment to Green Banking initiatives, the bank has established the Principles for In-house Green Operations, a comprehensive guideline designed to enhance internal resource management and efficiency. This guideline has been distributed to all relevant stakeholders.

## Employees Training and Capacity Building

A total of 771 employees received training in Green and Sustainable Finance throughout the year including all investment in-charges, designated officials and nearly all entry-level personnel. Additionally, IBTRA conducted several Executive Development Programs focusing on Sustainable Finance Policy and Sustainability Rating.

## CSR Activities

The bank's CSR activities are conducted in accordance with its CSR policy aligned with the directives of Bangladesh Bank.



*MoU signing ceremony for fees collection*

## Climate Risk Fund

IBBPLC can utilize the Climate Risk Fund to invest in projects associated with Socially Responsible Finance (SRF) particularly those focused on affordable basic infrastructure, access to essential services such as healthcare, job creation, food security, socioeconomic development and empowerment. Additionally, the fund can support financing for orphanages, child rehabilitation centres, elderly care homes and shelters for individuals affected by cold weather.

## Key Accomplishments of the Green Banking Department in 2024

- ▶ Achieved 24.16% disbursement of the Green Term Investment target, significantly surpassing the 5% benchmark set by Bangladesh Bank.
- ▶ Secured refinancing from the Green Transformation Fund (GTF) in Bangladeshi Taka (BDT) in addition to the existing Euro-denominated GTF facility.
- ▶ Prioritized the acquisition of additional LEED certifications for green buildings and industries by actively engaging with new and existing investment clients.
- ▶ Initiated the installation of solar panels for ATM and CRM services at branch and office premises.
- ▶ Provided comprehensive training on Sustainable & Green Finance to all investment in-charges and dedicated officials managing Green & Sustainable Finance Desks. A tailored list of required training programs has been submitted to the bank's training academy.

## Strategic Plan for Green Banking Department for 2025

- ▶ Placing a special emphasis on achieving the Sustainable Finance disbursement target.
- ▶ Maintaining a leading position in the banking sector in terms of sustainability.
- ▶ Working on disclosure of the bank's sustainability and climate-related financial risks and opportunities under the guidelines of Bangladesh Bank.
- ▶ Taking proactive steps to measure and disclose carbon footprint and sustainability, as well as climate-related financial risks and opportunities, in the bank's annual reports progressively.
- ▶ Reducing utility consumption to a reasonable level and prioritizing the installation of solar panels for ATM/CRM services at branch and office locations.
- ▶ Organizing branch- or zone-specific programs and events for potential customers to raise awareness of environmentally friendly practices and sustainable/green finance.
- ▶ Organizing EDPs and training programs focused on raising awareness and building capacity for disclosing sustainability and climate-related financial risks and opportunities for all relevant stakeholders within the bank.



Scholarship Awarding Program

## Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) of the Islami Bank Bangladesh PLC. covers the entire process by which institution approaches, defines and develops its relationships with stakeholders for the common good and demonstrates its commitment in this regard by adoption of appropriate strategies and programs. IBBPLC started its CSR activities from 04th July, 1983 immediately after its inception by creating a charitable fund named "Sadaqah Tahbil" (Charity Fund) which was later renamed as "Islami Bank Foundation (IBF)" on 20th May, 1991. Since its inception, IBBPLC has been fulfilling the aspiration of the Society particularly the distressed and neglected ones within the country thereby creating a harmonious relationship between the Bank and the peripheral segments of the society and stakeholders at large. In 2024 IBBPLC spent Tk.424.48 million among 0.43 million of beneficiaries under different sectors. However, the total accumulated CSR expenditure incurred by the IBBPLC is Tk.17006.29 million from 1983 to 2024 among Tk.18.84 million of beneficiaries in different sectors. Below is a breakdown of CSR activities of the Bank.

- Promoting of Education Sector :** In 2024, we made a donation of Tk.50.00 million to Prodhan Montrir Shikkha Sohayota Trust Tohbil to provide educational opportunities to the Poor but talented students as per guideline of the Bangladesh Bank. A one-time grant of Tk.3.00 Million has been given to the 02 (Two) children of a Journalist martyred in the July'2024 revolution to continue their Education. IBBPLC spent an amount of Tk.4,627.13 million for 0.60 million beneficiaries from 1983 to 2024 for this purpose. Out of which Tk.53.15 million was spent for 0.01 million beneficiaries for this purpose in the year'2024.
- Promoting of Health Care Sector :** IBBPLC spent an amount of Tk.2717.46 million for 7.24 million beneficiaries from 1983 to 2024 for this purpose. Out of which Tk.1.11 million for 10 beneficiaries were contributed in 2024.

**(3) Environment and Climate Change, Mitigation & Adaptation Sector :** IBBPLC contributed an amount of Tk.201.07 million to 3.92 million beneficiaries from 1983 to 2024 for environmental issues of the country.

**(4) 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. Already this year, IBBPLC across the country have distributed a total number of 4,55,000 pieces winter blankets to the poor peoples under its CSR activities including 2,50,000 in the Prime Minister Relief Fund and we have donated Tk.10.00 Crore to the Chief Advisor's Relief Fund to address the devastating floods and damage caused by upstream floods in Feni, Noakhali and Cumilla regions in 2024. An amount of Tk.8,044.82 million for 6.19 million vulnerable persons was spent by IBBPLC from 1983 to 2024. Out of which Tk.369.48 million for 0.42 million beneficiaries were contributed in 2024.

**(5) Infrastructure Development :** In 2024, we have donated an amount of Tk.0.40 million to the Child Day Care Center PUSPITA, Motijheel C/A, Dhaka-1000 to provide day care and educational opportunities to sons and daughters of the private bankers as per guideline of the Bangladesh Bank. An amount of Tk.499.76 million to 0.41 million beneficiaries was spent by IBBPLC from 1983 to 2024 for this purpose.

**(6) Promoting of Arts, Literature, Culture & Sports :** Financial Assistance to various Arts, Literature, Cultural & Sports events every year by IBBPLC. An amount of Tk.469.28 million to 0.25 million beneficiaries was spent by IBBPLC from 1983 to 2024 for this purpose. Out of which Tk.0.08 million contributed for 01 (One) beneficiary like National Legal AID Day. It was held at Feni Judge Court, Feni in 2024.

## SECTOR WISE CSR EXPENDITURE OF IBBPLC FROM 1983 TO 2024 :

(Amount in Million Taka)

Year	Promoting of Education Sector 30%			Promoting of Health Care Sector 30%			Environment and Climate Change, Mitigation & Adaptation Sector 20%			Disaster Management			Infrastructure Development			Promoting of Arts, Literature, Culture & Sports			Other Sector's 20%			Other's (When the authorities deem it necessary)			Total			
	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	Amount	Beneficiary	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	18	19	20	21	22	23	24	25	26	27	28	
1983-2009	285.34	265197	873.62	6055481	---	---	217.61	452291	60.83	413622	68.75	187107	61.31	56674	1567.46	7430372												
2010	67.80	98787	64.11	721,160	7.36	15,240	64.06	158,760	12.00	2	11.22	41,964	11.87	655	238.42	1036568												
2011	56.17	128925	25.78	128556	0.48	3	21.79	32,928	248.75	636	7.15	643	50.55	118115	410.67	409806												
2012	83.80	3014	39.75	19230	12.48	493822	87.93	597866	1.61	144	8.24	11	75.38	34438	309.19	1148525												
2013	135.26	7756	71.50	95,255	22.94	592722	140.10	254078	78.97	7	5.86	21	21.79	768	476.42	950607												
2014	161.34	7928	89.47	125079	21.12	723673	190.16	498768	40.20	5	15.21	17	7.02	51	524.52	1355521												
2015	175.24	8930	226.04	99469	21.42	757558	323.90	606320	26.60	6	5.12	643	22.11	33	800.43	1472959												
2016	161.00	14235	16.84	209	26.39	690251	425.95	481644	0.00	0	0.12	4	40.47	751	670.77	1187094												
2017	382.82	12924	28.97	116	26.40	644162	568.46	420566	21.00	2	11.50	3	18.62	20	1057.77	1077793												
2018	2118.57	7792	1.80	22	1.00	4	663.86	271962	8.20	3	6.40	10	13.24	32	2813.07	279825												
2019	585.66	8858	0.86	4	0.45	3	180.04	421485	0	0	150.00	1	114.14	7	1031.15	430358												
2020	186.91	10039	15.75	18	---	---	505.79	403594	0.8	1	145.37	10	0.62	3	855.24	413665												
2021	64.99	6982	1000.74*	7	0.43	3	482.81	256992	00	0	4.26	20678	1.91	3	1555.14	284665												
2022	46.26	63	8.27	6	20.20	22	3197.05	632580	00	0	0.00	0	0	1.91	3	3273.69	632674											
2023	62.82	10003	252.85	8	40.40	514	605.83	285471	0.40	1	30.00	2	5.56	3398	997.86	299397												
2024	53.15	10004	1.11	10	---	---	369.48	416636	0.40	1	0.08	1	0.27	829	424.48	427481												
<b>Total-</b>	<b>4627.13</b>	<b>601437</b>	<b>2717.46</b>	<b>7244630</b>	<b>201.07</b>	<b>3917977</b>	<b>8044.82</b>	<b>6191941</b>	<b>499.76</b>	<b>414430</b>	<b>469.28</b>	<b>251115</b>	<b>446.77</b>	<b>215780</b>	<b>17006.29</b>	<b>18837310</b>												

In 2021, Number of Health Sector beneficiaries are 07 (Seven) out of which 01 (One) is 'Islami Bank Foundation (IBF). A huge amount was donated to IBF for proper management of Health Sector of the Country in special Covid-19 situation.