NCC Bank
with you always

LEADING SUSTAINABILITY, CREATING IMPACT



Sustainability Report 2025



Leading Sustainability, Creating Impact

“Leading Sustainability, Creating Impact” reflects the commitment of NCC Bank PLC for incorporating sustainability into its business strategy, financing decisions, risk management and stakeholder relationships. The theme represents the Bank’s determination to move beyond sustainability commitments toward measurable and meaningful outcomes for the economy, society, environment, and its stakeholders.

“Leading Sustainability” signifies the commitment of NCC Bank to the responsible and forward-looking banking specially strengthening sustainable finance, integrating ESG and climate-related considerations into decision-making, managing evolving risks and opportunities and continuously improving its sustainability practices.

“Creating Impact” focuses on transforming these commitments into measurable results. It highlights the Bank’s contribution through green and sustainable finance, climate action, financial inclusion, responsible banking, community & employee progress and other initiatives that create long-term value. The theme also line up with the spirit of IFRS S1 and IFRS S2, highlighting transparency around sustainability- and climate-related risks and opportunities, strategic responses, performance, metrics, and targets.

Together, **“Leading Sustainability, Creating Impact”** conveys a clear message that, NCC Bank is not only pursuing sustainability rather taking leadership for a greener and more resilient future along with turning responsible finance and sustainability commitments into measurable impact.


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TOP SUSTAINABLE BANK IN BANGLADESH
NCC BANK IS HONORED TO BE RECOGNIZED AMONG THE TOP BANKS IN THE "SUSTAINABILITY RATING 2024" BY THE BANGLADESH BANK

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NCC BANK WINS

SUSTAINABILITY RATING 2024

AWARD BY BANGLADESH BANK



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About this **Report**

Field	Description
Purpose of the Report	To transparently communicate NCC Bank PLC's overall sustainable performance, strategy, and climate-related risks and opportunities to its stakeholders, supporting informed decision-making, transparency and accountability.
Reporting Cycle	Annual
Reporting Period	January 2025 to December 2025
Basis of Preparation	Prepared in accordance with IFRS S1, General Requirements for Disclosure of Sustainability-related Financial Information, and IFRS S2, Climate-related Disclosures, issued by the International Sustainability Standards Board. The report is also aligned with Bangladesh Bank's Guideline on Sustainability and Climate-related Financial Disclosure 2023 and Climate Risk Management Guideline 2025.
Materiality Determination	Material environmental, social and governance topics were identified through engagement with relevant internal stakeholders, including the Sustainable Banking Division and senior management. The process was informed by regulatory priorities, sectoral risk exposure, the Bank's business activities and stakeholder expectations.
Data Measurement Standards	Financial information was sourced from the Bank's audited financial statements. Scope 1, Scope 2 and Scope 3 greenhouse gas emissions were calculated using the Joint Impact Model Foundation toolkit. The Operational Control Approach was applied to determine the organizational boundary for greenhouse gas accounting.
Comparability and Restatements	Information covering from January 2025 to December 2025 has been presented where available to support year-on-year comparison and trend analysis.
External Assurance	All the information, relevant dataset used in this report has been internally verified but external assurance has not been sought for this year.
Feedback and Queries	Stakeholders may submit feedback, queries or comments regarding this report to the Sustainable Banking Division of NCC Bank PLC through the Bank's official website: www.nccbank.com.bd

Report Highlights

About NCC Bank PLC

Network Infrastructure (2025)

132 Branches | **10** Sub-Branches



26 AD Branches

145 ATMs & CRMs

363 Foreign Correspondents

2,473 Permanent Employees

Income Statement & Profitability

- Total income: **BDT 40,119** million
- Total expenses: **BDT 27,044** million
- Operating profit: **BDT 13,074** million

Environmental Highlights

Green & Sustainable Finance

- Green finance disbursement: **BDT 669.19** Crore, up **2.89% YoY**
- **18 LEED** Certified Customers
- Sustainable Finance disbursement: **BDT 17,005.33** Crore, up 13.90% YoY.
- Sector-wise Green Finance (2025): led by Energy & Resource Efficiency **(69.86%)**, Green SRF **(11.65%)**, Green/Environment Friendly Establishments **(8.49%)**
- Sustainable Linked Finance: **BDT 7,646.79** Crore to Sustainable MSME, **BDT 2,274.72** Crore to Socially Responsible Financing, **BDT 192.78** Crore to Sustainable Agriculture
- Green Refinance disbursement: **BDT 43.65** Crore in 2025

Climate Disclosure

- Total GHG emissions: **550,371.04 tCO2e (Scope 1: 2,288.80 / Scope 2: 6,056.87 / Scope 3** financed emissions: **542,025.37 tCO2e**)



Governance Highlights

- NPL ratio improved to **4.12%** in 2025 from **7.32%** in 2024 — reflecting strengthened credit risk governance
- Capital to Risk Weighted Assets Ratio (CRAR): **15.54%**, maintained above regulatory minimum, indicating sound capital governance

Social Highlights

Green & Sustainable Finance

- Agri Loan disbursement: 101.50% of the year 2025 target achieved
- CMSME loan portfolio crossed BDT 6,400 Crore+, growing 30.80%
- 10,413 new school banking accounts opened in 2025
- 36,542 total student accounts as of 31 December 2025
- 74 School Banking Campaigns and 68 Financial Literacy Programs held nationwide

Community Investment (CSR)

- More than Tk. 2.4 million spent on CSR through Financial Literacy Programs and School Banking Campaigns

Workforce Development

- 245 Training Programs for 8,102 participants
- 126 training courses/workshops/seminars with 7,641 executives/officers trained internally
- 461 officials trained externally; 5 executives sent on overseas training
- Tk. 2,26,88,027 invested in training & capability building internally and extrnally

Workforce Diversity & Composition

- 2,473 permanent employees
- Gender mix: 438 Female / 2,035 Male
- Female representation grew from 356 (2021) to 438 (2025)

Our **Ethos**

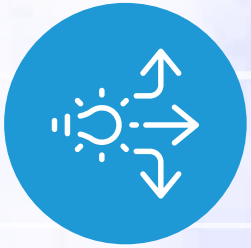
As we step into the 33rd year of dedicated service, we remain humble reiterating our commitment ensuring an uninterrupted customer service not driven by profit only adage but perpetual values. Hence our aims focus on maximising return of shareholders wealth by mitigating risks and applying prudent technology. We strive for a sustainable business growth for our valued customers, satisfying their evolving and demanding needs. For us, our beliefs remain to be customer-centricity, as we remain with them always. At NCC Bank, our customers are at the forefront of our service delivery, and we take utmost care to adhere to the highest principles and standards of integrity and trustworthiness, while rendering our unique service excellence.



Protection



Decision



Relationship



Choice





Teamwork

Mission

Ensuring customers delight by upgrading Process, Product and People for a long-lasting relationship.

Maximizing stakeholder value.

We will continuously explore gap in the market, process and product features to ensure our products and process suit all segments of our target customer.

Focusing on financial inclusion, SME, Retail and Women's segments for sustainable growth. Ensure respect for the community, good governance and compliance in everything we do.

Expanding Islamic Banking to meet the needs of a broader customer base.

Prioritizing people and planet in our every decision to ensure sustainability for all.

Accelerating innovation through digital footprint.

Vision

To be a leading commercial bank in Bangladesh, dedicated to delivering long-term stakeholder value by driving sustainable growth of the bank and contributing to the nation's broader development goals.



Core Values

Confidentiality

Integrity

Respect for Nature

Commitment

Professionalism

Respect for Individual

Accountability

Group Corporate Structure

National Credit and Commerce Bank PLC

NCCB Securities & Financial Services Limited

NCCB Capital Limited

Milestones Towards Development

1985

November 18

Incorporation of the company as Investment Company/ Certificate of Commencement of Business as Investment Company

1988

March 10

Membership of Dhaka Stock Exchange Limited with National Credit Limited

1993

May 15

Converted and newly incorporated from Investment Company to Banking Company

May 17

License issued by Bangladesh Bank

1997

December 09

Membership of Dhaka Stock Exchange Limited with NCCBL

1999

November 30

Initial Public Offering: Prospectus date

December 12

Subscription Opened

December 26

Subscription Closed

2000

May 16

Listed with Chittagong Stock Exchange

May 28

Listed with Dhaka Stock Exchange

2005

December 21

First Time Issuance of Right Shares: Prospectus Date

2006

January 04

First Time Issuance of Right Shares: Subscription Closes

2007

October 11

Membership of Chittagong Stock Exchange Limited

2010

April 01

Incorporation of NCCB Capital Limited

April 04

Incorporation of NCCB Securities and Financial Services Limited

April 11

Second Time Issuance of Rights Share

May 06

Second Time Issuance of Rights Share: Subscription Closes

2011

June 14

Incorporation of NCCB Exchange House (UK) Limited

2013

May 19

NCCB Mobile Banking "SURE CASH" Launching

December 29

Hundred Branch Coverage of NCC Bank Limited

2014

December

Shifting of Corporate Head Office of the Bank at its own 22 storied Building NCC Bank Bhaban at Motijheel. Unveiling our New Face: Change of logo of the Bank

2015

Certificate of appreciation from Bangladesh Bank for achieving the distribution target of (Agricultural) a Rural Credit for the year 2013-2014

2017

November 25

The Bank has launched state-of-the-art Data Centre at its Head Office NCCB Bhaban

December 26

The Bank has launched modern Cafeteria Fitness Centre and Medical Services for its employees

2018

May 17

Celebrated 25th year anniversary

2022

February 01

Inauguration of country's first Innovation Centre & Digital on boarding service for banking services

November 20

Launching Islamic Banking Operations

2024

February 25

Launched Women Banking 'NCC Parama'

2025

August 20

Awarded by Bangladesh Bank as one of the Top 10 Sustainable Banks in Bangladesh

Board of Directors



Standing from Left to Right

Mr. Meer Sajed-Ul-Basher, FCA
Independent Director

Mrs. Nahid Banu
Director

Mr. Morshedul Alam Chaklader
Director

Mr. Syed Asif Nizamuddin
Director

Mr. Mohammed Sazzad Un Newaz
Director

Mr. Khairul Alam Chaklader
Director

Mr. Mohammed Nurun Newaz
Chairman



Standing from Left to Right

Mr. Abdus Salam
Vice-Chairman

Mr. Amjadul Ferdous Chowdhury
Director

Mr. Mohammed Moinuddin
Director

Ms. Tanzina Ali
Director

Ms. Shamima Newaz
Nominee Director

Mr. Md. Amirul Islam, FCS, FCA
Independent Director

Mr. M. Shamsul Arefin
Managing Director

Corporate **Information**

CHAIRMAN

Mr. Mohammed Nurun Newaz

VICE CHAIRMAN

Mr. Abdus Salam

CHAIRMAN
EXECUTIVE COMMITTEE OF THE BOARD

Mr. Khairul Alam Chaklader

CHAIRMAN
RISK MANAGEMENT COMMITTEE OF THE BOARD

Mr. Mohammed Nurun Newaz

CHAIRMAN
AUDIT COMMITTEE OF THE BOARD

Mr. Md. Amirul Islam, FCS, FCA

MANAGING DIRECTOR

Mr. M. Shamsul Arefin

HEAD OF INTERNAL CONTROL & COMPLIANCE

Mr. Mohammed Morshedul Quader Khalili

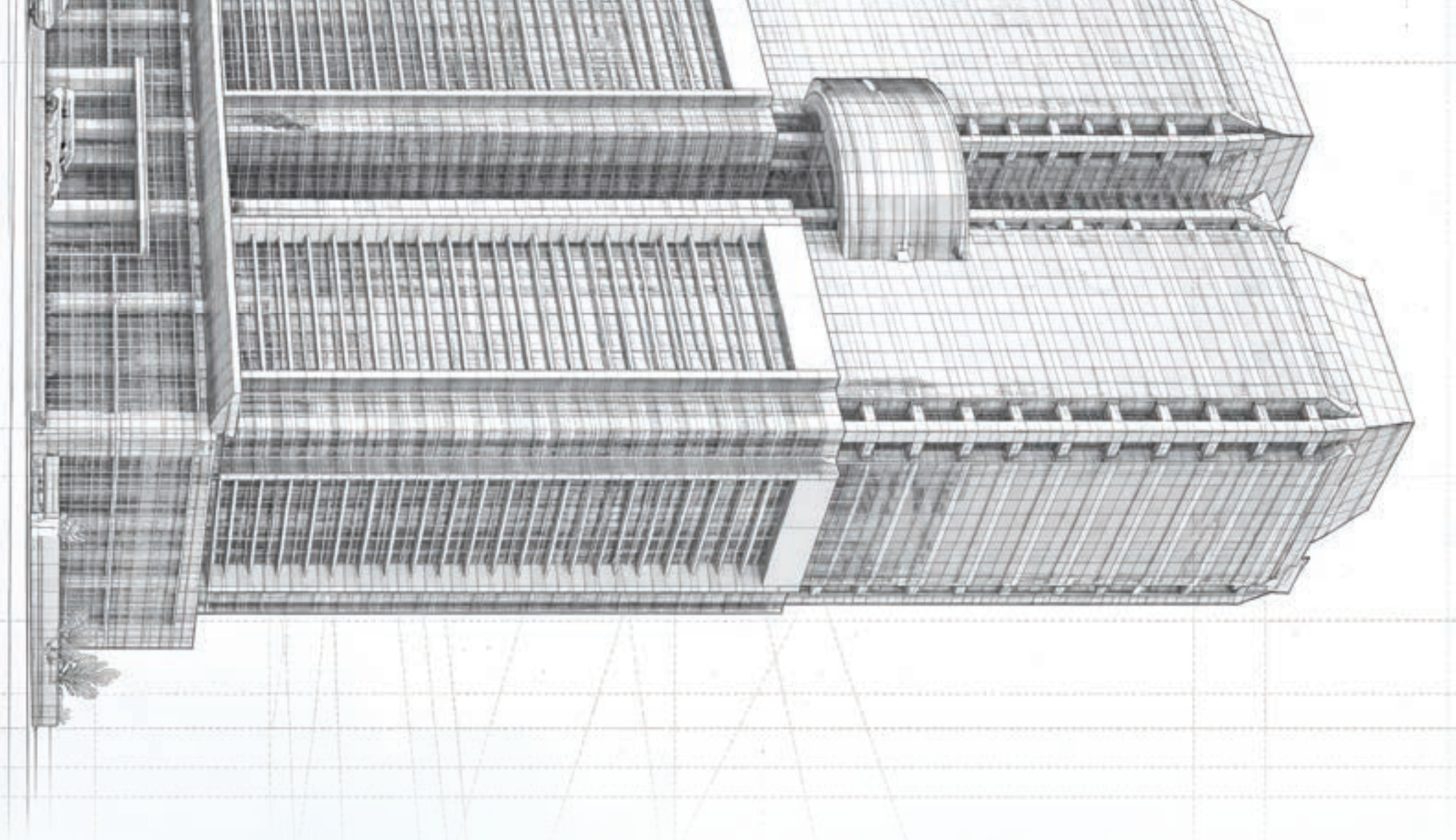
CHIEF FINANCIAL OFFICER (CFO)

Mr. Mohammed Mizanur Rahman FCA

COMPANY SECRETARY

Mr. Md. Nazrul Islam Chowdhury FCS







Corporate Strategy

Our strategy is centered on achieving sustainable long-term business growth by optimizing the deposit mix, enhancing asset quality, and maintaining disciplined cost management. We aim to improve operational efficiency and maximize resource productivity while ensuring prompt and high-quality customer service. Strengthening our risk management framework and corporate governance standards also remains a key priority. NCC Bank PLC, as a fully compliant organization, remains dedicated to achieving steady and sustainable profitability by upholding the highest standards of accountability, integrity, ethics, and transparency across all areas of operation.

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এনসিসি এসএমই

ছোট উদ্যোগে বড় সাফল্য



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Risk Management
Committee of the Board



Standing from Left to Right

Mr. Syed Asif Nizamuddin
Member

Mr. Khairul Alam Chaklader
Member

Mr. Mohammed Nurun Newaz
Chairman

Mr. Abdus Salam
Member

Mr. Mohammed Sazzad Un Newaz
Member

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এনসিসি কার লোন

স্বপ্ন হোক সত্যি, সহজেই!



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Mohammed Nurun Newaz
Chairman

Message from the **Chairman**

Dear Stakeholders,

It is my privilege to present NCC Bank PLC's Annual Sustainability Report 2025, reflecting another important step in the Bank's continuing journey toward responsible, resilient and sustainable banking. Sustainability today is no longer viewed simply as a regulatory obligation or a separate corporate initiative. It is increasingly connected to the way financial institutions govern themselves, manage emerging risks and opportunities, serve customers and contribute to the long-term development of the economy and society.

For NCC Bank, this responsibility carries particular significance. Bangladesh is highly exposed to the effects of climate change while simultaneously pursuing rapid economic development, industrial transformation, greater financial inclusion and technological advancement. The banking sector therefore has an important role in supporting this transition—by directing finance toward productive and sustainable activities, strengthening resilience within the financial system, and ensuring that economic progress remains inclusive.

The Board recognizes that sustainability must be embedded within the Bank's broader governance and strategic decision-making framework. During 2025, environmental, social and climate-related considerations received increasing attention within the Bank's governance and risk management discussions. In line with Bangladesh Bank's Guideline on Sustainability and Climate-related Financial Disclosure, we remain committed to progressively strengthening the governance structures, institutional capabilities, data systems and analytical processes required to understand and manage emerging sustainability-related risks and opportunities.

Climate change is one such area requiring sustained institutional attention. Its implications extend beyond environmental considerations to credit quality, business continuity, sectoral competitiveness, customer resilience and long-term financial stability. NCC Bank is therefore building on its existing Environmental & Social Risk Management framework while progressively developing stronger climate-related assessment and disclosure capabilities. Our participation in the Partnership for Carbon Accounting Financials (PCAF) and collaboration with the Joint Impact Model (JIM) Foundation represent important steps in strengthening the Bank's understanding of the environmental impact associated with its financing activities and establishing a stronger foundation for future climate-related decision-making.

Our sustainability ambition, however, extends well beyond climate. Responsible banking also means broadening access to finance, supporting entrepreneurs and productive sectors, empowering women, investing in our people, embracing responsible digital transformation, maintaining strong ethical and risk-management standards, and contributing meaningfully to the communities in which we operate. These priorities reinforce our belief that financial performance and sustainability are not competing objectives; when governed effectively, they are mutually reinforcing elements of long-term value creation.

The Board is particularly encouraged by NCC Bank's recognition as one of Bangladesh Bank's Top 10 Sustainable Banks under the Sustainability Rating 2024. We view this recognition not as an endpoint, but as an affirmation of the direction we have taken and a responsibility to continue improving. Sustainable leadership must be demonstrated through consistency, transparency, sound governance and measurable progress over time.

This Annual Sustainability Report also reflects our commitment to greater transparency. The disclosures are governed by the principles of IFRS S1 and IFRS

S2, alongside Bangladesh Bank's sustainability and climate-related regulatory framework, as we progressively strengthen the quality, connectivity and decision-usefulness of our sustainability reporting. Our objective is not merely to report more information, but to provide stakeholders with a clearer understanding of how sustainability-related considerations are becoming integrated into the Bank's governance, strategy, risk management and performance.

Looking ahead, the Board will continue to support management in strengthening Green and Sustainable Finance, climate-risk capabilities, responsible lending, financial inclusion, digital transformation, human-capital development and transparent disclosure. Our approach will remain progressive and pragmatic—grounded in regulatory expectations, institutional capacity and the evolving needs of our customers, shareholders, employees, communities and the wider economy.

We are grateful to Bangladesh Bank, our shareholders, customers, employees, business partners and all other stakeholders for their continued confidence in NCC Bank. With strong governance, responsible financing and a clear sense of purpose, we remain committed to building an institution that contributes not only to financial prosperity, but also to a more inclusive, resilient and sustainable Bangladesh.

Sd/-
Mohammed Nurun Newaz
Chairman

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এনসিসি ক্রেডিট কার্ড

কার্ড এক, সুবিধা অনেক



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M. Shamsul Arefin
Managing Director

Message from the **Managing Director**

Dear Stakeholders,

2025 was a year of impactful progress and organizational strengthening for NCC Bank PLC. Against a backdrop of evolving economic conditions, rising regulatory expectations, rapid technological change and growing sustainability and climate-related considerations, we remained focused on building a stronger, more responsible and resilient Bank. Our progress this year shows that sustainability is increasingly integrated into how we finance businesses, manage risk, serve customers, develop our people and create long-term value and impact for society.

A major milestone in 2025 was the strengthening of our climate-related measurement and disclosure capabilities. NCC Bank became a signatory to the Partnership for Carbon Accounting Financials (PCAF) and collaborated with the Joint Impact Model (JIM) Foundation to advance the measurement of financed emissions. For the year, the Bank disclosed total greenhouse gas emissions of 550,371.04 tCO2e, including 542,025.37 tCO2e of Scope 3 financed emissions. This represents a significant step toward more robust portfolio-level carbon accounting and provides a stronger foundation for improving data quality, understanding financed-emissions exposure and progressively strengthening climate-related risk assessment and disclosure.

We also continued to strengthen Environmental and Social Risk Management within our credit processes. The introduction of ESRM Solve, our automated Environmental & Social Risk Management solution, has enhanced the consistency, efficiency and documentation of ESRR assessment for eligible credit proposals. This digital foundation will support the Bank as we progressively incorporate broader climate-related considerations into credit and portfolio risk management in line with Bangladesh Bank guidance.

Our sustainable finance performance reflects the increasing integration of sustainability into our core business. In 2025, NCC Bank achieved BDT 669.19 Crore disbursement in Green Finance which represents significant growth. This performance demonstrates our growing capacity to channel finance toward environmentally and socially beneficial activities while responding to Bangladesh Bank's Sustainable Finance Policy framework.

Financial inclusion remained equally important to our sustainability journey. Our dedicated women's banking platform, NCC Parama, recorded remarkable progress, with its deposit portfolio increased by 632% to BDT 1,170.54 Crore and its loan portfolio increased by 846% to BDT 38.04 Crore. During the year, the Bank also disbursed BDT 659.46 Crore to women-led SME sectors, while women represented 22% of recruits. These results reflect our commitment to advancing women's economic participation both through our customer proposition and within our own workforce.

Our broader financial inclusion agenda also continued to expand. CMSME lending grew by 30.80%, while agricultural loan disbursement reached 101.50% of the annual target. School Banking remained another important channel for building financial awareness among younger generations, with 10,413 new accounts opened in 2025, bringing the cumulative total to 36,542 student accounts. The Bank also conducted 74 School Banking Campaigns and 68 Financial Literacy Programmes across the country throughout the year.

Digital transformation continued to support both customer convenience and operational efficiency. Through NCC Always, NCC ICON, D-Toll, Bangla QR, NCC NeoX and the expansion of ATM services at MRT Line-6 stations, we continued to broaden access to technology-enabled financial services. These initiatives also support our sustainability objectives by reducing dependence on paper-based processes and

unnecessary branch visits while improving accessibility across our customer base.

Our people remain central to delivering these commitments. In 2025, NCC Bank conducted 245 training programmes involving 8,102 participant engagements, including dedicated capacity-building on sustainable finance, ESRM and related areas. Investment in learning and development is essential to ensuring that our employees can respond effectively to emerging regulatory, technological and sustainability-related expectations.

Our commitment to society also extended beyond banking. NCC Bank spent BDT 9.88 Crore on CSR initiatives in 2025, supporting social welfare, disaster relief, food security, healthcare, education and environmental programmes.

Recognition as one of Bangladesh Bank's Top 10 Sustainable Banks under the Sustainability Rating 2024, with the recognition received in 2025, further reinforces our conviction that sustained performance must be built across the full spectrum of sustainable banking—not through isolated initiatives.

Looking forward, our priorities are clear. We will continue to strengthen Green and Sustainable Finance, improve financed-emissions data quality and portfolio analysis, expand financial inclusion and women's banking, enhance sustainability-related performance management, and progressively build stronger capabilities in climate risk assessment, scenario analysis and disclosure. These priorities will be pursued in alignment with Bangladesh Bank guidance and evolving IFRS S1 and IFRS S2 practices.

This Sustainability Report reflects both what we have achieved and the direction in which we are moving. Our objective is to ensure that NCC Bank continues to create value not only through financial performance, but also through responsible financing, inclusive growth, environmental stewardship, sound governance and long-term institutional resilience.

We thank our shareholders, customers, regulators, employees, business partners and communities for their continued trust and support.

Sd/-
M. Shamsul Arefin
Managing Director

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Message from the **Chairman of Sustainable Banking Committee**



M. Khurshed Alam
AMD & Chief Risk Officer

Dear Stakeholders,

The risk landscape facing financial institutions is becoming increasingly interconnected. Credit, environmental, social, climate, operational, technological and reputational risks can no longer be considered in isolation. For NCC Bank PLC, this changing environment reinforces the importance of maintaining a risk management framework that is responsive to emerging challenges while remaining firmly grounded in prudent banking principles, regulatory discipline and responsible financing.

To my perspective, sustainability is an integral part of sound risk management. The role of the Sustainable Banking Committee here is not limited to monitoring Green and Sustainable Finance performance; it also provides an important forum for strengthening Environmental & Social Risk Management, coordinating regulatory sustainability requirements, improving sustainability-related data and disclosure, and supporting the progressive integration of emerging climate-related considerations into the Bank's wider governance and risk-management processes.

During 2025, NCC Bank continued to reinforce the foundations of responsible lending through its established Environmental & Social Risk Management (ESRM) framework. Environmental and social considerations are incorporated into the assessment of eligible credit proposals, enabling identified risks to receive appropriate due diligence, mitigation and escalation before financing decisions are finalized. The introduction of ESRM Solve, the Bank's automated ESRM solution, further strengthened the consistency, efficiency and documentation of Environmental & Social Risk Rating assessments and provides an important digital platform for future enhancement of sustainability-related risk management.

A strong risk culture also depends on clearly allocated responsibilities. NCC Bank's existing Three Lines of Defence framework provides an important organizational foundation for sustainability and climate-related risk management. Business units and credit officers remain responsible for identifying and managing risks at source; the Risk Management and Sustainable Banking functions provide oversight, policy coordination and monitoring; and Internal Audit provides independent review of the effectiveness of governance, controls and risk-management processes. As climate-related requirements evolve, these existing lines of accountability can be progressively strengthened to incorporate more specific climate-risk responsibilities, indicators and analytical capabilities.

Climate risk is receiving increasing attention because of its potential effects can ultimately transmit through traditional banking risks. Flooding, cyclones, heat stress and other physical hazards may affect borrower operations, collateral, repayment capacity and business continuity, while changes in regulation, technology, energy systems and market expectations may create transition pressures for certain industries. NCC Bank therefore recognizes the importance of gradually improving its understanding of these transmission channels and their implications for credit quality, portfolio concentrations and institutional resilience.

The Bank's climate-risk journey will necessarily be progressive. Our immediate priority is to strengthen the underlying building blocks—governance, data, sectoral understanding, borrower information, risk methodologies and analytical capacity. Over time, these foundations will support more structured physical and transition risk assessment, portfolio-level analysis, climate scenario analysis and the integration of material climate considerations into broader risk-management and strategic decision-making processes. This approach is consistent with Bangladesh Bank's evolving climate-risk expectations while allowing NCC Bank to develop capabilities that are proportionate to its business model and data maturity.

Another important area is the growing connection between sustainability information and risk intelligence. Financed-emissions assessment, ESRM data, Green and Sustainable Finance performance, sectoral exposure information and portfolio-quality indicators can collectively provide a more comprehensive view of how environmental and climate-related factors interact with the Bank's lending activities. Strengthening the quality and connectivity of these data sets will therefore be an important priority in building a more forward-looking risk-management framework.

The Sustainable Banking Committee will continue to play a coordinating role in this process by bringing together risk, credit, business, finance, compliance, human resources, technology and sustainability functions. This cross-functional approach is essential because sustainability-related risks and opportunities rarely sit within a single department; they require shared ownership, informed oversight and coordinated implementation across the institution.

Our objective is clear: to ensure that NCC Bank's sustainability initiatives contribute to strengthening its overall financial resilience rather than operating separately from it. By continuing to enhance responsible lending, risk governance, data quality, internal capability and climate-related assessment, we aim to support better-informed decisions and a portfolio that remains resilient as the operating environment evolves.

We remain committed to advancing this journey with discipline, transparency and a strong sense of responsibility to our customers, shareholders, regulators and the wider economy.

Sd/-
M. Khurshed Alam
Additional Managing Director & Chief Risk Officer

Sustainable Banking

Sustainable Finance and Climate Responsibility: A Commitment beyond Compliance

In a country highly vulnerable to climate change, sustainable banking is both a regulatory responsibility and a developmental imperative. NCC Bank PLC recognizes its role as a financial intermediary in order to lending toward environmentally sound, socially inclusive and climate-resilient economic initiatives

At NCC Bank PLC, sustainability is not treated as a parallel initiative - it is embedded into the Bank's belief of responsible intermediation. In alignment with the Sustainable Finance Policy and the Environmental & Social Risk Management (ESRM) Guidelines issued by Bangladesh Bank, the Bank continues to integrate environmental, social and governance (ESG) considerations into its credit operations, risk framework, governance structure and stakeholder engagement.

Complying with the Bangladesh Bank Guidelines on Sustainability, the Bank has started calculating and reporting Scope 1 and 2 emissions generated by its own operations and Scope 3 emission generated by its financed activities according to IFRS S1 and S2 standards. Sustainable Banking Division is acting as a centre for implementing the regulatory requirements in collaboration with the Branches, Sub-Branches and Regional Offices along with the concerned Divisions, Departments, Units and Cells of Head Office of the Bank.

A Pinnacle Achievement: Recognized as One of the Top 10 Sustainable Banks:

It is a matter of pride that NCC Bank PLC has honored as one of the Top 10 Sustainable Banks in Bangladesh by the Central Bank in its Sustainability Rating 2024. This prestigious recognition serves as a testament to our unwavering commitment to environmental, social, and governance (ESG) excellence.
NCC Bank received the Certificate of Excellence and Crest from the Governor of Bangladesh Bank. This award reflects Bank's balanced performance across all parameters of Sustainability Rating of Bangladesh Bank. To provide a comprehensive view of this achievement, the following sections describe the performance of NCC Bank PLC in direct alignment with the five core Bangladesh Bank Sustainability Rating parameters:

Sustainable Finance Indicators: At NCC Bank PLC, the Sustainable Finance Indicators represent more than just a regulatory checklist. By aligning operations with 55 quantitative and qualitative indicators, the Bank has moved beyond traditional lending to achieve Green and Sustainable Finance targets. This progress is driven by financing toward high-impact sectors like CMSMEs and sustainable agriculture while maintaining rigorous ESRM compliance and portfolio quality.

NCC Bank PLC has transformed its internal operations by prioritizing gender equality and in-house green practices, fostering inclusive workplace policies and gender-responsive leadership. The Bank is reducing its operational footprint through a digitized banking ecosystem and maintains accountability via transparent climate-related financial disclosures following Bangladesh Bank guidelines. Supported by robust MIS integration, these initiatives ensure sustainability is fully embedded in the Bank's corporate governance.

Core Banking Sustainability: NCC Bank implants sustainability goals in its financial strength and ethical governance. The Bank ensures institutional resilience by adhering to 13 quantitative metrics, maintaining superior asset quality (low Net NPL), strong capital adequacy (CRAR and Tier-1), and healthy liquidity positions (LCR/ NSFR) while driving consistent profitability.



Photo: Managing Director of NCC Bank received Crest and Certificate from Bangladesh Bank for being recognized as one of the Top Sustainable Banks.

Beyond the numbers, NCC Bank maintains regulatory excellence by meeting 11 qualitative factors, ensuring full compliance with SLR, CRR, and single-borrower exposure limits. The Bank integrates stability with social mandates by prioritizing CMSME loan growth. Through transparent governance and long-term integrity, NCC Bank ensures its sustainable banking remains stable, compliant and inclusive.

CSR Activities: NCC Bank PLC has shifted its CSR framework toward social equity and climate resilience. The Bank provides structured support across all CSR segments, prioritizing gender-responsive governance and workplace inclusivity. Key measures include enforcing zero-tolerance harassment policies.

NCC Bank has been focusing on CSR expenditure to rural areas to support underserved communities. The Bank prioritizes climate adaptation projects that empower women and promote their leadership in sustainable industries.

Banking Services Coverage: NCC Bank PLC expands its physical and digital footprint to reach underserved communities through an extensive network of branches and sub-branches. By increasing deposit and loan account volumes, the Bank fosters participation in the formal economy and aligns traditional banking with sustainable development requirements.

NCC Bank has established Sustainable Finance Help Desks in 30 Branches, providing nationwide access to specialized green products. To ensure seamless service, the Bank offers free access to over 14,000+ ATM and CRM terminals across the country. This reach provides 24/7 transaction capabilities, bridging the gap between traditional banking and the requirements of a sustainable economy.




Bangladesh Bank
Central Bank of Bangladesh

30 August 2025

Letter of Appreciation

Congratulations for being one of the Top Banks/FCs in Sustainability Rating 2024. Your dedicated efforts, innovative strategies, and unwavering commitment to Sustainable Finance, Core Banking Activities and Inclusive Green Finance are truly commendable and have left an indelible mark on our collective journey toward a more sustainable future.

Your dedication to promoting sustainable practices and fostering awareness about the importance of aligning financial activities with broader sustainability goals has been both impressive and impactful.

Once again, I would like to congratulate you and your entire team for your relentless pursuit of excellence in the realm of Sustainable Finance activities.

Dr. Ahsan H. Mansur
Governor
Bangladesh Bank

Managing Director/Chief Executive Officer
NCC Bank PLC

Photo: NCC Bank Received Crest and Certificate for being one of the 10 Sustainable Banks in Bangladesh.

Green Refinance: NCC Bank PLC proactively utilizes Bangladesh Bank's low-cost funding windows to scale eco-friendly investments and provide affordable refinance facility. The Bank's performance is evaluated by the annual percentage of refinance claimed across three primary channels i.e. the Refinance Scheme for Environment-Friendly Products/ Projects/Initiatives, the Technology Development/Up-gradation Fund (TDF/TUF) and the Green Transformation Fund (GTF).

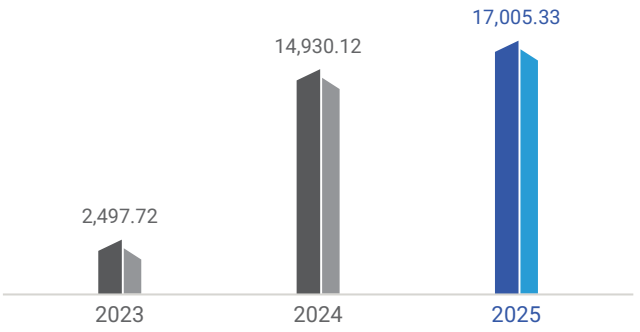
Through the strategic allocation of these funds into diverse sectors, NCC Bank PLC remains incentivized to drive industrial modernization while placing a heavy emphasis on gender equality. By prioritizing projects that empower women within the green economy, the Bank ensures that its sustainability efforts are both environmentally impactful and socially inclusive. This active participation as a Participatory Financial Institution (PFI) reinforces the Bank's role in bridging the gap between central bank facilities and real-world sustainable development.

Exceptional Growth in Sustainability Parameters:

Our dedication is backed by significant capital allocation towards an eco-friendly and socially impactful projects. As of 31 December 2025, our performance against major sustainability parameters has been exemplary.

Sustainable Finance: In alignment with the Bank's commitment to large-scale impact, NCC Bank PLC achieved a remarkable disbursement of BDT 17,005.33 Crore under Sustainable Finance. This performance represents a significant and scaled contribution toward the growth of sustainable sectors and the transition to a greener economy.

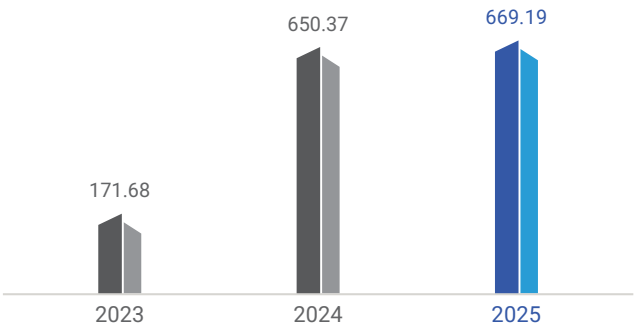
Year wise Disbursement : Sustainable Finance in BDT Crore



Graph: Year wise Disbursement under Sustainable Finance.

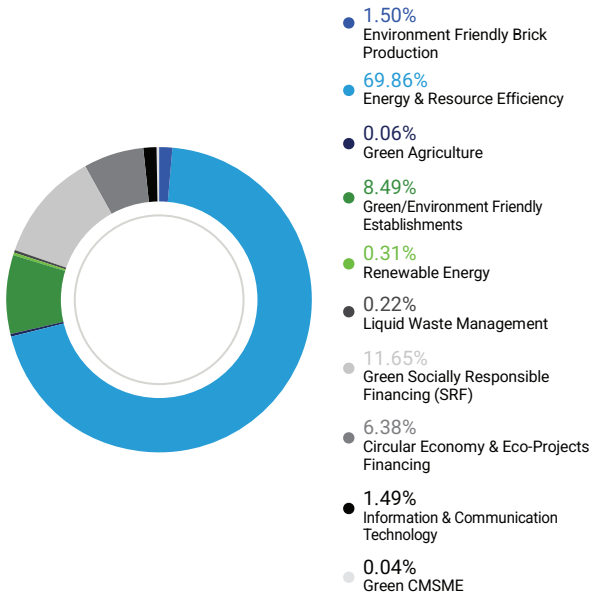
Green Finance: In 2025, NCC Bank PLC disbursed BDT 669.19 Crore under Green Products/ Projects/ Initiatives. While green finance disbursement remained below due to the last moment policy change by the Bangladesh Bank along with prevailing sluggish economic conditions and constrained credit growth across Bangladesh's financial sector, the Bank has taken proactive measures to counter these headwinds. By instituting intensified branch-level engagement, strategic monitoring and priority processing mechanisms, the Bank is positioned to accelerate growth in this vital segment as market conditions stabilize in the coming years.

Year wise Disbursement : Green Finance in BDT Crore



Graph: Year wise Disbursement under Green Products/ Projects/Initiatives.

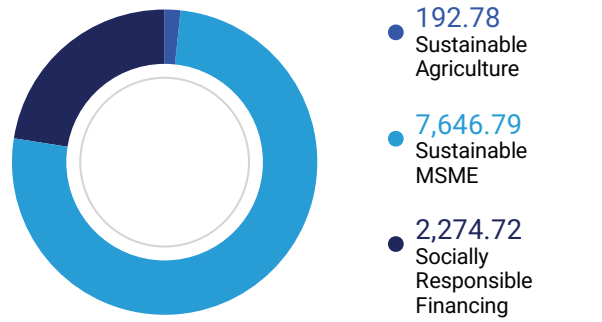
Sector-wise Green Finance



Graph: Sector wise Disbursement under Green Finance-2025

Sustainable Link Finance (SLF): In 2025, NCC Bank PLC demonstrated its commitment to impactful lending by disbursing a total of BDT 10,114.29 Crore under Sustainable Linked Finance (SLF) framework. This disbursement was heavily concentrated in Sustainable MSMEs, which covered BDT 7,646.79 Crore, highlighting the Bank's role in driving industrial and entrepreneurial growth Furthermore, the Bank disbursed BDT 2,274.72 Crore under Socially Responsible Financing (SRF) and 192.78 Crore under Sustainable Agriculture, ensuring a diverse and balanced portfolio that addresses social equity and food security needs within the national economy.

Disbursement Under Sustainable Linked Finance in BDT Crore



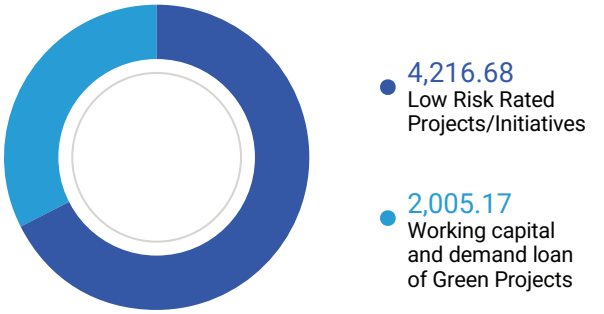
Graph: Sector wise Disbursement under Sustainable Linked Finance-2025.

Other Sustainable Link Finance (OSLF): NCC Bank PLC demonstrated its commitment to high-quality sustainable lending by disbursing a total of BDT 6,223.17 Crore under

its Other Sustainable Linked Finance (OSLF) framework in 2025. This portfolio reflects a strategic focus on both stability and eco-friendly operational growth, with BDT 4,216.68 Crore disbursed to Low Risk Rated Projects/Initiatives. Furthermore, the Bank financed BDT 2,006.49 Crore in working capital and demand loans for Green Products/Projects/Initiatives, ensuring that environmentally conscious enterprises have the necessary liquidity to maintain and balance their sustainable operations.

Disbursement Under Other Sustainable Linked Finance

in BDT Crore

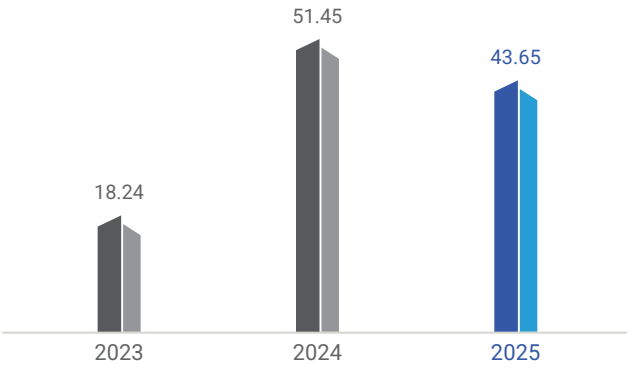


Graph: Sector wise Disbursement under Other Sustainable Linked Finance-2025.

Green Refinance: NCC Bank PLC has streamlined the processing of the Green Transformation Fund (GTF) Technology Development Fund (TDF) and the Refinance Scheme for Environment-Friendly Products/Projects/ Initiatives. This operational efficiency enabled the Sustainable Banking Division to process total 26 numbers of files since July 2025 and receipt refinance BDT 43.65 Crore at the end of the year. By optimizing these channels the Bank ensures that clients can more effectively access low-cost fund to scale their eco-friendly investments and industrial modernizations.

Year wise Disbursement : Green Refinance

in BDT Crore



Graph: Year wise Disbursement under Green Refinance Schemes.

Strategic Alignment with Bangladesh Bank Guidelines:

Sustainable Finance Framework: In alignment with the Bangladesh Bank Sustainable Finance Policy, NCC Bank PLC has integrated sustainability into its core operations by separately tracking green finance portfolios and aligning internal targets with regulatory benchmarks. The Bank reinforces this strategy by providing structured guidance to Branches/Sub-Branches before proposal submissions and foster accountability and performance improvements through useful engagement.

NCC Bank PLC ensures sustainability is anchored at the highest level through robust governance; including the reconstitution of the Sustainable Banking Committee. During the year, the Sustainable Banking Committee conducted 03 (Three) Sustainable Banking Committee (SBC) meetings, with minutes regularly submitted and guided by the Risk Management Committee (RMC) of the Board of the Bank to ensure integration into institutional accountability. To further embed these values, the Bank disseminated Bangladesh Bank's Sustainability Rating parameters to Branches/Sub-Branches and Regional Offices including concerned Divisions/ Departments/ Units/ Cells of Head Office ensuring that senior management's strategic direction translates into measurable performance across all levels of the organization.

Environmental & Social Risk Management (ESRM)
NCC Bank PLC highlights its commitment to sustainable banking through the rigorous implementation of ESRM Guidelines, which integrate environmental and social due diligence and sector-specific risk categorization into its credit operations. By embedding mitigation measures into loan covenants and launching an Automated ESRM system in recent time for real-time monitoring, the Bank effectively safeguards against environmental degradation along with credit, market operational, legal and reputational risks while balancing profitability with responsibility.



Photo: Launching Ceremony of Automated ESRM Solution named "ESRM Solve".

Climate Risk Management (CRM): In alignment with the Guidelines on Climate Risk Management, NCC Bank PLC has fortified its climate governance framework by identifying climate-sensitive sectors and prioritizing financing for low-carbon and climate-resilient projects. The Bank has further solidified its commitment by enhancing internal expertise to better manage the physical and transition risks associated with climate change.

Partnership for Calculation of GHG Emission: The Bank partnered with the Joint Impact Model (JIM) Foundation and also became a signatory of the Partnership for Carbon Accounting Financials (PCAF), committing to internationally recognized methodologies for measuring and disclosing financed emissions. This step marks an important milestone in aligning with global climate disclosure standards.



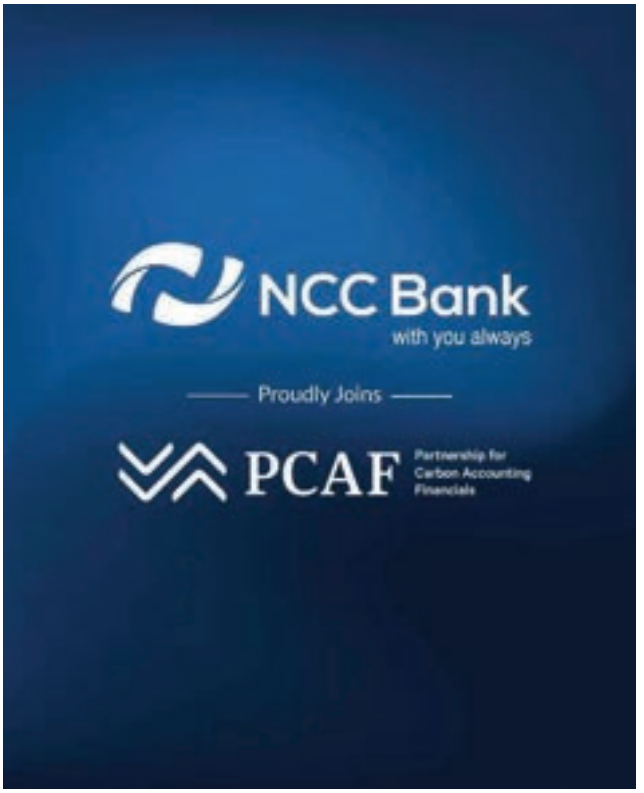


Photo: NCC Bank partnered with JIM Foundation and became a Signatory of PCAF.

Capacity Building on Sustainability Reporting: In a significant move to strengthen its commitment to sustainable banking, NCC Bank PLC organized a capacity-building session titled "Beyond Compliance: How Sustainability Reporting Drives Bank Strategy". By moving beyond mere regulatory adherence, NCC Ban is fostering a culture of transparency and accountability ensuring that its sustainability reporting actively shapes its roadmap toward a resilient, low-carbon future.





Photo: Workshop on "Beyond Compliance: How Sustainability Reporting Drives Bank Strategy".

Capacity Building & Cultural Transformation:

To drive institutional sustainability, NCC Bank PLC prioritized employee engagement in 2025 by training more than 480 officials on sustainable finance, green finance & ESRM. The Bank streamlined operations by introducing priority processing for green finance proposals and sharing regular sustainability MIS reports with concerned to ensure data-driven decision-making. Furthermore, by promoting responsible water, electricity, paper consumption and structured training, the Bank has fostered a culture of accountability that aligns internal behavior with its broader environmental and social goals.

Awareness Building Program on Sustainable Finance:

In 2025, NCC Bank PLC hosted intensive Awareness Building Programs on Sustainable Finance led by exper executives and Officers from the Bangladesh Ban Sustainable Finance Department (SFD). These sessions empowered 150 executives/officials with regulator insights, fostering a deeper understanding of Green & Sustainable finance, ESRM, Green Refinance and sustainability reporting benchmarks. By bridging the gap between policy and practice, this collaboration ensures the Bank's workforce is fully equipped to meet nationa sustainability standards.







Photo: Awareness Building Program on Sustainable Finance at NCC Bank Head Office.

Green Olympiad 2025: To foster environmental stewardship, NCC Bank PLC organized the "Green Olympiad 2025," a signature initiative that saw active participation from more than 250 employees across three competitive groups. This event successfully translated sustainability goals into employee engagement, with the Bank's Management honoring 16 outstanding performers with cash rewards and certificate distribution as recognition to their environmental consciousness. By incentivizing green knowledge, the Bank continues to build a socially responsible workforce that is deeply aligned with its long-term sustainable banking vision.



Photo: Distribution of Certificate and Prize Money to the Winner of NCC Green Olympiad-2025.

GoGreen Plus: With an aim to strengthening environmentally responsible and sustainable banking practices, NCC Bank has entered into a strategic partnership with DHL Express under "GoGreen Plus-Carbon Reduced Service". This collaboration marks a significant milestone in integrating environmental protection objectives with the delivery of financial services.

Through this strategic partnership with DHL Express, NCC Bank PLC will utilize Sustainable Aviation Fuel (SAF) to significantly lower the carbon emissions associated with its international air shipments. This initiative directly supports the Bank's broader commitment to sustainable banking. By collaborating with a global logistics leader, the Bank aligns its operations with international standards, accelerating its transition toward a green and resilient economy.



Photo: NCC Bank partnered with DHL Express to cut carbon emissions throgh "GoGreen Plus".

IT Initiatives to Reduce Paper and Promote other Digital Solutions: NCC Bank PLC has undertaken comprehensive IT-driven initiatives to reduce paper consumption and promote environmentally sustainable banking operations. Through its flagship digital platforms such as NCC Always and NCC ICON, customers can open accounts (FDR/DPS), submit service requests, approve RTGS transactions, fund transfer, pay utility bills and government fees via online A-Chalan, manage MFS payments, and access digital statements-significantly reducing reliance on printed forms, physical vouchers and branch visits.

The introduction of TakaPay, Bangladesh's national debit card under NPSB, further promotes cashless and paperless transactions through secure ATM, POS, contactless and online payments in local currency, minimizing manual processing and paper-based receipts.

Additionally, the implementation of the Loan Management System (LMS) has streamlined end-to-end retail loan processing, automated documentation workflows, enhanced data accuracy, and reduced extensive paper files traditionally associated with credit operations. Internally, centralized dashboards, BI reporting and the NCCB Help Desk have minimized manual record-keeping and physical file movement.

These digital initiatives collectively enhance operational efficiency, transparency, and regulatory compliance while lowering carbon footprint, conserving natural resources and aligning the Bank's ICT strategy with sustainable finance and green banking objectives of Bangladesh Bank.

Disclosure & Stakeholder Engagement:

Annual Sustainability Report: In a landmark achievement, NCC Bank PLC published its inaugural Annual Sustainability Report 2024, significantly bolstering its corporate transparency and ESG disclosure practices. Meticulously prepared in alignment with Global Reporting Initiative (GRI) Standards, the report provides a comprehensive overview of the Bank's impact across its nationwide operations while highlighting its strategic alignment with the United Nations Sustainable Development Goals (SDGs). By formalizing these disclosures, the Bank offers stakeholders a transparent, data-driven account of its commitment to environmental stewardship, ethical governance and inclusive financial growth, effectively bridging the gap between its commercial objectives and long-term sustainable value creation. The Annual Sustainability Report of NCC Bank PLC is available at https://www.nccbank.com.bd/assets/files/annual_report/sustainability_report_2024_updated_dec.pdf.



Disclosure of GHG Emission: In alignment with the Sustainable Finance Policy, Environmental & Social Risk Management (ESRM) Guidelines and Sustainability and Climate-Related Financial Disclosure requirements of Bangladesh Bank, NCC Bank PLC has systematically assessed and disclosed its Greenhouse Gas (GHG) emissions across Scope 1, Scope 2 and Scope 3 categories. For the year 2025, the Bank reported total emissions of 550,371.04 tCO2e, with Scope 1 (direct emissions) accounting for 2,288.80 tCO2e and Scope 2 (indirect emissions from purchased electricity) totals 6,056.87 tCO2e. The vast majority of the footprint, amounting to 542,025.37 tCO2e, originated from Scope 3 (financed emissions), reflecting the carbon intensity of the Bank's lending and investment portfolio. The scope 3 emission has been calculated by using the toolkit of Joint Impact Model (JIM) Foundation.

This detailed disclosure underscores a steadfast commitment to transparent climate risk reporting and portfolio-level carbon accounting. By integrating these climate considerations into its credit risk assessment framework, the Bank highlights the role of green finance expansion and sectoral transition strategies. This data-driven approach supports Bangladesh's low-carbon development pathway while remaining fully compliant with the central Bank's sustainable finance and climate risk management frameworks.

Earth Day Photography Contest: NCC Bank celebrated Earth Day-2025 by organizing Photography Competition with the participation of the employees of the Bank in order to create environmental awareness.

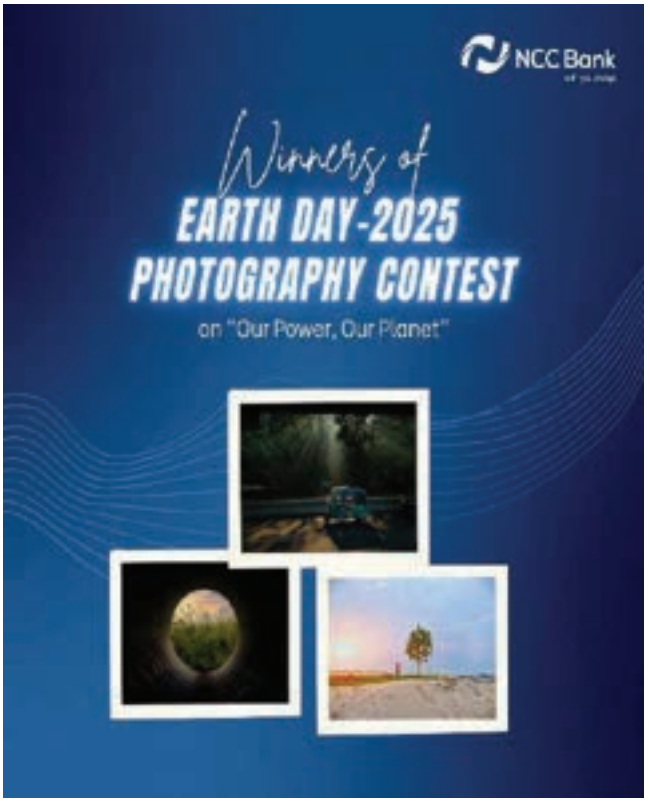




Photo: NCC Bank celebrated Earth Day-2025 by organizing a Photography Competition.

This initiative has taken to build environmental consciousness among younger generations as a part of contribution to carbon absorption and ecological restoration.

As Bangladesh advances toward a low-carbon, inclusive and resilient economy, NCC Bank PLC remains dedicated in its commitment to responsible financing today without compromising tomorrow. At NCC Bank, every sustainable loan disbursed represents more than a financial transaction; it symbolizes support for a cleaner factory, a solar-powered and energy efficient enterprise, a climate-resilient farmer or a socially responsible entrepreneur. NCC Bank PLC believes that sustainable banking is ultimately about protecting livelihoods, preserving ecosystems and ensuring equality.

এনসিসি ইসলামিক

এনসিসি ব্যাংক
আপনার সাথেই সবসময়

এনসিসি ইসলামিক

বিশ্বাসের সাথে লেনদেন হোক নিশ্চিন্তে



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www.nccbank.com.bd

Corporate Social Responsibility



NCC Bank PLC donated 1,000 umbrellas to the members of Dhaka Metropolitan Police (DMP), as part of its Corporate Social Responsibility (CSR). At a recent program held at the Ministry of Home Affairs, Chairman of NCC Bank Mohammed Nurun Newaz Salim symbolically handed over an umbrella to Dr. Nasimul Gani, Senior Secretary of the Ministry of Home Affairs.

In the contemporary business ecosystem, Corporate Social Responsibility (CSR) is a strategic imperative, embedding accountability to stakeholders, society, and the environment into the core of corporate governance. This philosophy creates shared value: it fortifies corporate reputation while catalyzing socio-economic progress. For a financial institution like National Credit and Commerce Bank PLC (NCC Bank), CSR is not a peripheral activity but a fundamental duty, a recognition that a thriving business can only exist within a healthy, resilient society.

With a 32-year legacy of excellence, NCC Bank has moved beyond the traditional paradigm of profit maximization to embrace a purpose-driven model of value creation. Guided by our vision for inclusive growth and national advancement, our CSR framework is meticulously aligned with the United Nations Sustainable Development Goals (SDGs). This alignment ensures our investments serve as a direct and measurable force for poverty reduction, human capital development, environmental stewardship, and community resilience.

Governance and Implementation Framework

To ensure efficacy and strategic coherence, our initiatives are executed through a robust governance structure, spearheaded by the NCC Bank Foundation. This framework features:

- **Board-Level Oversight:** Ensuring long-term strategic alignment with business and national priorities.
- **Professional Execution:** Management-led implementation with rigorous monitoring.
- **Regulatory Compliance:** Strict adherence to Bangladesh Bank's CSR guidelines.
- **Transparency and Accountability:** A commitment to clear, quantifiable reporting on all social investments.

Financial Metric	Amount (BDT Crore)
Total CSR Budget	11.00
Climate Risk Fund (CRF) Allocation	1.10
Net Operational Budget	**9.90**
Total CSR Expenditure	**9.8767**
Budget Utilization Rate	**99.76%**

CSR Financial Performance: A Testament to Commitment

In 2025, NCC Bank demonstrated unparalleled fiscal discipline and social commitment, achieving near-complete deployment of its dedicated resources.

Portfolio by Strategic Sector

Our investments were directed toward a diversified, high-impact portfolio addressing both immediate humanitarian needs and long-term developmental goals.

Strategic Sector	Expenditure (BDT Crore)	Portfolio Weight	Primary SDG Alignment
Education	0.7238	7.33%	SDG 4, SDG 10
Health	0.8915	9.03%	SDG 3
Environment & Climate Action	0.0984	1.00%	SDG 13, SDG 15
Social Welfare, Disaster Relief & Food Security	8.1630	82.65%	SDG 1, SDG 2, SDG 11
Total	**9.8767**	**100%**	

The significant allocation toward Social Welfare and Disaster Relief reflects our agile response to pressing socio-economic urgencies, notably food security and humanitarian assistance, underscoring our role as a steadfast community anchor.

1. Sectoral Impact and Initiative Highlights

1.1 Education: Architecting Human Capital (SDG 4 & 10)

Funding BDT 0.7238 Crore

We believe education is the cornerstone of equitable national development. Our strategy targets inclusion and merit, removing barriers for the next generation.

- **Inclusive Education:** Contributed BDT 3.00 million to BN Ashar Alo, supporting the center dedicated to the education and rehabilitation of children with autism and special needs, operated by the Bangladesh Navy Family Welfare Association.
- **Merit Scholarship Programs:** Awarded renewable monthly scholarships to high-achieving, underprivileged students, ensuring sustained academic pursuit.
- **Knowledge Dissemination:** Partnered with the Greater Noakhali Welfare Samity, providing BDT 0.23 million for the distribution of books to meritorious students, fostering a culture of literature and learning.
- **Future-Ready Skills:** Executed nationwide financial literacy and school banking programs, empowering youth with essential life skills for economic participation.



On the occasion of World Earth Day, NCC Bank has undertaken an extensive nationwide tree plantation program as part of its corporate social responsibility, aiming to plant more than 14,000 trees across the country. The initiative, themed "Apner Sathay Sobujer Pothay" (Towards a Greener Future with You) was inaugurated by the Managing Director of NCC Bank, M. Shamsul Arefin at Begum Nurjahan Memorial Girls' High School in Mohammadpur, Dhaka.

1.2 Health: Enhancing Well-being and Dignity (SDG 3)

Funding: BDT 0.8915 Crore

Addressing the critical parameter of healthcare, we provided a lifeline to the vulnerable, ensuring access to treatment and strengthening medical infrastructure.

- **Life-Saving Curative Support:** Disbursed Tk. 6.67 million (approx.) in individual financial aid to 30 patients battling critical illnesses, including kidney disease, cancer, and heart conditions.
- **Diagnostic Infrastructure:** Funded a portable echocardiogram machine for the National Heart Foundation Hospital & Research Institute in Feni, valued at Tk. 2.33 million (approx.), enhancing localized diagnostic capability.
- **Honoring National Heroes:** Extended a grant of Tk. 0.1 million (approx.) to the Bangladesh Noubahaini Muktijodha Foundation for the medical treatment of ailing freedom fighters.

1.3 Environment & Climate Action: Sowing Seeds of Resilience (SDG 13 & 15)

Funding: BDT 0.0984 Crore

Our environmental philosophy, "Apnar Sathe, Sabujer Pothe" (With You, on the Green Path), is a promise to intergenerational equity, integrating climate consciousness into our operational ethos.

- **NCC Nishorgo Afforestation Drive:** Successfully planted 5,300 trees across 40 schools nationwide. This initiative transforms educational institutions into green lungs, providing shade and contributing to carbon absorption and ecological restoration.
- **Consciousness and Culture:** Celebrated Earth Day with an internal photography contest themed around the environment, fostering a deep-rooted culture of stewardship among employees. This program extends to building environmental awareness among the youth.
- **Climate Risk Management:** The dedicated BDT 1.10 crore Climate Risk Fund underpins our commitment, providing resources for climate resilience support for flood-affected communities and future green finance initiatives.



As part of its Corporate Social Responsibility (CSR) initiatives, NCC Bank has extended support to the "SeaSafe Lifeguard" program operated by the Centre for Injury Prevention and Research, Bangladesh (CIPRB) at Cox's Bazar sea beach, aiming to address drowning-related public health risks and enhance public awareness across the country.

1.4 Social Welfare, Disaster Relief & Food Security: The Anchor of Compassion (SDG 1, 2 & 11)

Funding: BDT 8.163 Crore

This pillar represents our most profound commitment, standing with our communities during times of acute vulnerability. It is a direct expression of our corporate compassion.

- **Food Security & Zero Hunger:** Launched a massive drive during Ramadan 2025, distributing 42,000 essential food packets (rice, dal, oil) to underprivileged families, addressing immediate hunger with an investment of Tk. 65.68 million.
- **Humanitarian Winter Relief:** Demonstrated solidarity during severe cold waves by distributing 40,000

blankets through our own channels, safeguarding warmth and dignity for the most affected, with an investment of Tk. 13.47 million.

- Disaster Response & Community Resilience: Extended financial assistance and direct support during emergencies, including aid to journalists and other vulnerable groups during crises, reinforcing the fabric of our communities.
- **Institutional and Cultural Support:** Invested in the maintenance of orphanages and madrasas, and supported national events and sports, fostering social cohesion and community spirit.



As part of its ongoing Corporate Social Responsibility (CSR) initiatives, NCC Bank distributed blankets among poor and helpless cold-stricken people across the country to help them cope with the severe winter.

2. Integrated Impact and the Path Forward

Our CSR model is deliberately holistic, creating a multiplier effect where a single initiative can combat poverty, enhance health, and build resilience simultaneously. This integrated approach ensures that every taka spent catalyzes multi-dimensional progress. As we look ahead, our vision is to deepen this impact by:

- Scaling up green and climate-resilient financing.
- Pioneering digital financial literacy for inclusive economic growth.
- Forging stronger, outcome-based healthcare partnerships.
- Developing sophisticated ESG and impact measurement frameworks for even greater transparency.

3. Conclusion: A Promise for Generations

In 2025, NCC Bank PLC moved beyond traditional philanthropy to strategic, integrated impact. With a 99.76% budget utilization rate, our investments have touched lives through education, healed through healthcare, and provided sanctuary in times of crisis. At NCC Bank, every loan for a sustainable enterprise, every scholarship granted, and every tree planted is more than a transaction—it is a symbol of our belief that banking is ultimately about human dignity, protecting ecosystems, and ensuring intergenerational equity. Compliance provides our framework, but compassion defines our purpose. Sustainability is not a destination; it is the way forward.

NCC Bank
with you always



This achievement reinforces our promise to be your reliable

FINANCIAL PARTNER

today, tomorrow and always!

Ratings	Year	
	2024	2023
Long Term	AA+ (Higher Safety and High Credit Quality)	AA+ (Higher Safety and High Credit Quality)
Short Term	ST-1 (Highest Certainty of Timely Repayment)	ST-1 (Highest Certainty of Timely Repayment)
Outlook	Stable	Stable
Valid From	June 24, 2025	June 24, 2024
Valid Till	June 23, 2026	June 23, 2025
Rating Action	Surveillance	Surveillance
Rated by	Credit Rating Information and Services Ltd.	Credit Rating Information and Services Ltd.

A Bank rated **'AA+'** in the long term is adjudged to be of high quality, offer higher safety & have high credit quality and rated **'ST-1'** in the short term indicates highest certainty of timely payment, short term liquidity is very strong and safety is almost like risk free Government short - term obligations. **Stable** outlook indicates rating is likely to remain unchanged.

Five Years Performance
At a Glance

Figures in BDT Million

Standalone Information	2021	2022	2023	2024	2025
Balance sheet metrics					
Authorised capital	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**
Paid up capital	10,169	10,575	11,104	11,104	11,104
Statutory reserve	9,693	10,575	11,104	11,104	11,104
Other reserve	668	564	375	562	1,003
Retained earnings*	4,172	**4,495**	2,646	4,101	6,951
Shareholders' equity*	24,701	26,211	25,230	26,871	30,162
Borrowings	21,179	29,091	35,147	20,167	30,652
Deposits	203,244	215,850	221,835	257,353	297,389
Loans and advances	189,490	209,738	228,697	240,246	262,699
Investments	**49,298**	53,594	54,676	75,891	**98,400**
Fixed assets	**2,585**	2,701	3,024	3,463	3,328
Interest earning assets*	246,043	268,383	286,401	307,944	363,063
Non-interest earning assets*	31,110	35,992	33,015	40,262	35,766
Total assets (excluding contra items)*	277,153	304,374	319,416	348,206	398,829
Total assets (including contra items)*	376,947	412,969	435,774	484,133	562,500
Capital metrics					
Total risk weighted assets (RWA)	205,011	**220,852**	207,762	212,838	256,791
Tier-I capital	25,986	**27,285**	28,546	**29,094**	31,501
Tier-II capital	6,535	**5,455**	4,514	3,123	8,403
Total capital	32,521	32,741	33,060	32,216	39,904
Tier-I capital adequacy ratio	12.68%	12.35%	13.74%	13.67%	12.27%
Tier-II capital adequacy ratio	3.19%	2.47%	2.17%	1.47%	3.27%
Capital to Risk Weighted Assets (CRAR)	15.86%	14.82%	15.91%	15.14%	15.54%
Asset quality metrics					
Amount of non-performing loans (NPLs)	8,665	14,359	12,955	17,589	10,836
Non performing loans as % of total loans	4.57%	6.85%	5.66%	7.32%	4.12%
Specific provision against classified loans	6,680	**8,475**	10,864	14,533	6,566
General provision against un-classified loans	3,240	**2,875**	2,656	2,157	4,696
General provision against off-balance sheet items	936	981	1,058	966	1,307
Percentage (%) of net classified loan	1.05%	2.81%	0.91%	1.27%	1.63%
Interest suspense balance	5,674	7,762	**8,920**	10,331	10,703
Cumulative amount of bad debts written off	9,913	10,014	11,140	13,540	**27,020**
Trade/Foreign exchange business metrics					
Import	132,891	144,541	173,552	236,898	246,078
Export	71,237	87,600	82,483	95,600	133,483
Inward Remittance	46,018	55,127	72,129	**82,050**	**57,282**
Guarantee	27,836	26,674	47,943	37,206	37,598
Income statement metrics					
Interest income on loans & advances	13,518	13,906	17,293	23,120	25,667
Interest paid on deposits & borr.	7,806	**9,049**	11,793	17,015	**20,040**
Net interest margin	5,712	**4,857**	5,501	6,105	5,626
Net interest margin (%)	2.39%	1.89%	1.98%	2.05%	1.68%
Non-interest income	5,936	7,818	9,001	11,468	14,452
Total operating income	11,647	12,675	14,501	17,573	**20,078**
Non-interest/operating expenses	5,168	5,521	6,264	6,481	**7,004**
Total income	19,453	21,724	26,294	34,588	40,119
Total expenses	12,974	14,570	18,057	23,496	**27,044**
Operating profit	6,479	7,154	8,237	11,091	13,074

Figures in BDT Million

Standalone Information	2021	2022	2023	2024	2025
Specific provision against classified loans	2,067	1,882	3,176	5,465	2,229
General Provision against UC Loans	(114)	(365)	(219)	(499)	2,539
General Provision against Off- Balance Sheet	97	45	77	(92)	342
Provision for other inv. Fluctuation,asset & others	30	381	392	1,162	2,060
Total Provision for loans & other Provisions	2,079	1,943	3,427	6,036	7,169
Profit before tax	4,399	5,211	4,810	5,055	5,905
Provision for tax*	1,211	1,897	1,325	682	1,044
Profit after tax*	3,188	3,314	3,486	4,373	4,861
Share Based Metrics					
Earnings per share (EPS)	2.46	2.50	2.07	2.09	4.38
Earnings per share (EPS)-Restated	2.87	2.98	3.14	3.94	4.38
Price earnings (PE) ratio-times*	5.33	4.62	4.17	2.74	2.79
Dividend : Cash (%) (Proposed for 2025)	12.00%	5.00%	12.00%	13.00%	17.00%
Bonus (%) (Proposed for 2025)	4.00%	5.00%	-	-	4.00%
Net asset value (NAV) per share	21.83	21.78	21.70	22.24	27.16
Net asset value (NAV) per share-Restated	22.25	23.60	22.72	24.20	27.16
Net operating cash flow per share	1.30	1.85	8.46	2.26	13.74
Market value of share	15.30	13.80	13.10	10.80	12.20
Market capitalisation	1,556	1,459	1,455	1,199	1,355
Number of shares (Nos.)	1,016,870,967	1,057,545,805	1,110,423,095	1,110,423,095	1,110,423,095
Number of shareholders (Nos.)	40,300	37,746	37,482	34,981	33,553
Management Efficiency Ratios					
Credit Deposit Ratio (CDR) (%)	81.38%	76.83%	85.57%	82.30%	74.87%
Return on equity (ROE) (%)*	13.44%	13.02%	13.55%	16.79%	17.05%
Return on assets (ROA) (%)*	1.19%	1.14%	1.12%	1.31%	1.30%
Cost of fund (COF) (%)	6.09%	6.47%	7.03%	8.51%	8.81%
Cost of deposits & borrowings (%)	3.66%	4.02%	4.59%	6.21%	6.57%
Yield on advances (YOA) (%)	7.40%	7.05%	7.74%	9.80%	10.14%
Interest spread (YOA-CODB) (%)	3.74%	3.03%	3.15%	3.59%	3.57%
Cost of operation/administration (%)	2.43%	2.45%	2.44%	2.30%	2.24%
Cost income ratio (%)	44.37%	43.56%	43.20%	36.88%	34.88%
Burden coverage ratio (%)	45.11%	75.82%	62.20%	62.19%	63.25%
Operating income per employee	5.35	5.12	6.11	7.09	8.12
Operating cost per employee	2.38	2.23	2.64	2.62	2.83
Operating profit per employee	2.98	2.89	3.47	4.48	5.29
Profit before tax per employee	2.02	2.10	2.03	2.04	2.39
Deposits Mix (Low : High)	41:59	43:57	44:56	42:58	38:62
Distribution Network					
Number of branches	125	126	128	129	132
Number of Sub-Branches	6	6	7	9	10
Number of AD Branches	25	25	26	26	26
Number of ATMs & CRMs	144	152	152	128	145
Number of employees (permanent)	2,176	2,477	2,374	2,478	2,473
Number of foreign correspondents	345	358	366	357	363
Credit rating					
Credit rating agency (local)	CRISL	CRISL	CRISL	CRISL	CRISL
Long term	AA	AA	AA+	AA+	AA+
Short term	ST-1	ST-1	ST-1	ST-1	ST-1

* Previous year's figures have been restated for better presentation and comparability with the current year.

NCC Bank
with you always

NCC BANK WINS

BEST PRIMARY DEALER AWARD

FROM BANGLADESH BANK
FOR THE 12TH TIME



Joint Impact MODEL

NCC Bank
with you always

NCC BANK RECEIVED A CERTIFICATE FOR CARBON ACCOUNTING OF FINANCED EMISSIONS BY THE JOINT IMPACT MODEL FOUNDATION



NCC Bank
with you always

NCC BANK WINS
EMERGING ASIA BANKING AWARD
FOR BEST PERFORMANCE ON RISK MANAGEMENT – BANGLADESH



Online **Banking**

Facilitating real time online banking
Connecting all 132 Branches &
10 Upa-Shakhas



01	Dhaka Division	51 Branches
02	Mymensingh Division	04 Branches
03	Chattogram Division	47 Branches
04	Rajshahi Division	07 Branches
05	Khulna Division	05 Branches
06	Sylhet Division	12 Branches
07	Rangpur Division	05 Branches
08	Barishal Division	01 Branches
09	Upa-Shakha	10 Sub-Branches


SYEDPUR
LALMONIRHAT
DINAJPUR
05
RANGPUR
NAOGAON
BOGURA
04
MYMENSINGH
SUNAMGANJ
12
SYLHET
TANGAIL
07
RAJSHAHI
MOULVIBAZER
NABIGONG
GAZIPUR
B. BARIA
NARSINGDI
51
DHAKA
KUSHTIA
NARAYANGONG
CUMILLA
CHANDPUR
MADARIPUR
JASHORE
LAKSHMIPUR
FENI
NOAKHALI
SATKHIRA
05
KHULNA
01
BARISHAL
47
CHATTOGRAM
COX'S BAZAR

NCC Bank
Event Highlights



NCC Bank has been recognized as one of the Top 10 Sustainable Banks in Bangladesh, based on the Sustainability Rating 2024 conducted by the Bangladesh Bank. This prestigious recognition reflects the bank's strong performance across five key indicators: Core Banking Sustainability (including Bank's core ratios, Non-performing loans, capital adequacy, and annual profit), Green and Sustainable Finance, Banking Cover age components, Corporate Social Responsibility (CSR) activities, and Green Refinance. The award was officially presented during a special ceremony held on August 20, 2025, at the Head Office of Bangladesh Bank. Dr. Ahsan H. Mansur, Governor of Bangladesh Bank, handed over the Certificate of Excellence and Crest to M. Shamsul Arefin, Managing Director of NCC Bank.



NCC Bank has been honored as Runner-Up in the Risk Management category at the prestigious "3rd ICC Emerging Asia Banking Conclave & Awards 2025", organized by the Indian Chamber of Commerce (ICC). The award ceremony was held on 29 August, 2025 at Le Méridien, New Delhi. Accepting the recognition on behalf of NCC Bank, M. Khurshed Alam, Additional Managing Director & Chief Risk Officer, received the crest from Arijit Basu, Non-Executive Chairman, HDB Financial Services Ltd., and former Managing Director, State Bank of India.



With the objective of expanding financing in the start-up sector, NCC Bank has signed a participating agreement with Bangladesh Bank. Under this agreement, NCC Bank will be able to disburse loans to eligible start-up entrepreneurs using refinance funds received from Bangladesh Bank. The primary objective of the BDT 5 billion fund is to support the development of new, technology-driven, innovative, and scalable entrepreneurial ventures across the country.



As part of its strategic expansion plan, NCC Bank has commenced the rollout of ATM booths across all 16 stations of the Mass Rapid Transit (MRT) Line-6, beginning with the formal inauguration of an ATM booth at the Shahbagh Metro Rail Station. The inauguration ceremony was graced by the presence of Faruque Ahmed, Managing Director of Dhaka Mass Transit Company Ltd. (DMTCL), and M. Shamsul Arefin, Managing Director of NCC Bank.



NCC Bank officially launched its 1st Annual Sustainability Report 2024 during an "Awareness Building Program on Sustainable Finance" organized by the Bank. The report, prepared by prioritizing Environmental, Social, and Governance (ESG) issues, is expected to help enhance the awareness and capacity of the Bank's executives and officials regarding sustainable banking practices and contribute to achieving the Bank's long-term strategic goals.



NCC Bank has officially launched an advanced Automated Environmental and Social Risk Management (ESRM) system in line with its testament to eco-friendly financing and sustainable banking. This technology-driven platform will embark an innovative shift in the Bank's credit process, making Environmental and Social Risk assessments faster, more accurate, and transparent in terms of business and compliance.



NCC Bank and Meghna Life Insurance Company Ltd. have recently signed a strategic Memorandum of Understanding (MoU) at the bank's Head Office, aimed at ensuring enhanced financial security for home loan customers. Under this agreement, all regular home loan borrowers of NCC Bank will automatically be brought under life insurance coverage provided by Meghna Life Insurance.



Under its Transaction Banking and Cash Management, NCC Bank has launched a new digital service, enabling customers to pay 206 types of government fees—including passport fees, income tax, VAT, customs duties, and surcharges—using the online A-Chalan platform. From now on, customers can pay these fees from anywhere, at any time, through the bank's internet banking.



NCC Bank in collaboration with Bangladesh Bank, has launched a month-long Entrepreneurship Development Program (EDP) in Mymensingh. The program aims to create new entrepreneurs and accelerate inclusive economic growth. It is a vital component of the government's Skills for Industry Competitiveness and Innovation Program (SICIP), which is funded by the Asian Development Bank (ADB).



A month-long entrepreneurship development training program in Mymensingh was organized by Bangladesh Bank and in collaboration with NCC Bank under the 'Skills for Industry Competitiveness and Innovation Program (SICIP)' implemented by the Finance Department of the Ministry of Finance with funding from ADB, at the end of the program certificates were awarded to the entrepreneurs and loans were distributed among the trained entrepreneurs through a closing ceremony.



NCC Bank and Mastercard have announced a strategic collaboration with the launch of an exclusive portfolio of premium cards designed to deliver enhanced convenience, financial flexibility, and world-class privileges to customers. This marks the first-ever association between the two entities—a significant milestone in their shared commitment to strengthening Bangladesh's digital payments ecosystem.



NCC Bank has officially launched its Visa Business Multicurrency Debit Card, a cutting-edge financial solution tailored to meet the evolving needs of SMEs & startups clients. The Visa Business Multicurrency Debit Card is designed to provide businesses with enhanced financial control, increased transaction limits, and real-time expense tracking. This dual-currency card is internationally operable and features business name embossing, allowing companies to enhance their brand presence with every transaction.



With the aim of empowering the young generation of the country and achieving sustainable economic growth, NCC Bank has recently signed a Memorandum of Understanding (MoU) with the Department of Youth Development. Under this strategic collaboration, NCC Bank will provide SME loan facilities in potential sectors to the young entrepreneurs trained by the Department of Youth Development. As a result, the trained youth will be able to become self-reliant and contribute to the economic development of the country.



NCC Bank has recently signed a Memorandum of Understanding (MoU) with Dhaka North City Corporation (DNCC), enabling NCC Bank customers to conveniently pay various fees and taxes — including Holding Tax, Trade License Fee, Hotel Tax, Market Salami, Wheel Tax, Other Municipal charges — through the Bank's wide branch network across the country as well as its digital platforms.



NCC Bank has commenced its three-week-long "82nd Foundation Training Program" for officers at the Bank's Learning and Development Center.



A four-day training program titled "Leadership Development and Team Building" for banks officials were held at NCC Bank's Learning and Development Center for its officers.



NCC Bank has signed a Memorandum of Understanding (MOU) with six leading Companies of Akij Resource- Akij Essentials Limited, Hashem Rice Mills Limited, Akij Agro Feed Limited, Akij Ispat Limited, Nobayon Traders Limited, and Akij Cement Company Limited—to introduce a comprehensive Supply Chain Finance (SCF) arrangement for their designated suppliers. Under this strategic collaboration, NCC Bank will extend supply chain financing facilities to eligible and reputed suppliers. The initiative is designed to meet suppliers' working capital needs by enabling timely access to finance against buyer-approved invoices.



With the aim of strengthening environmentally responsible and sustainable banking practices, NCC Bank has entered into a strategic partnership with DHL Express under "GoGreen Plus- Carbon Reduced Service". This collaboration marks a significant milestone in integrating environmental protection objectives with the delivery of financial services.



NCC Bank has recently signed a Memorandum of Understanding (MoU) with Sayeman Beach Resort Limited and Sayeman Heritage, two premium five-star beach resorts located in Cox's Bazar. Under this agreement, NCC Bank's Signature and Platinum Credit Cardholders will enjoy exclusive privileges on selected accommodation packages and food & beverage services, along with a range of complimentary facilities at both properties. This initiative is designed to enhance lifestyle benefits for the Bank's valued customers.



NCC Bank has recently signed a Memorandum of Understanding (MoU) with Ramada by Wyndham Cox's Bazar, one of the most renowned hospitality destinations in the country. Under this strategic partnership, NCC Bank cardholders and employees will enjoy a wide range of exclusive privileges and attractive discounts at Ramada, enhancing their travel experiences. This MoU marks another milestone in NCC Bank's journey to create meaningful partnerships that bring convenience, comfort, and exclusive privileges to its stakeholders.



To ensure that entrepreneurs in the country's CMSME (Cottage, Micro, Small, and Medium Enterprises) sector receive bank loans quickly and more easily, NCC Bank has recently signed an agreement with ichiiba Limited. This signing marks a significant milestone in enhancing the country's financial inclusion, developing supply chain efficiency, and ensuring the sustainable growth of small and medium businesses. Through this partnership, entrepreneurs in the CMSME sector within ichiiba's network will gain access to faster and easier financing facilities for procurement of goods, payments, collections, and managing daily business operations in suitable and potential areas.



NCC Bank has entered into a strategic partnership with FinCoach Bangladesh Limited, an online financial marketplace, to enhance customer access to deposit products, retail and SME loan products through digital platforms. Under this agreement, FinCoachBD will act as a sales referral partner of NCC Bank, generating business leads and applications via its online platform. This collaboration aims to provide customers with a seamless experience in searching, comparing, and applying for various banking products. NCC Bank will process the loan and deposit applications referred by FinCoachBD and will ensure timely updates on product features, enabling accurate data maintenance and effective lead generation.



NCC Bank has signed two significant financing agreements with SME Foundation aimed at expanding access to finance for Cottage, Micro, Small, and Medium Enterprises (CMSMEs) in Bangladesh. The agreements cover the Credit Wholesaling Program under the Government's Revolving Fund and a participation agreement under the Food Value Chain Improvement Project (FVCIP).



NCC Bank has entered into a Memorandum of Understanding (MoU) with the Bangladesh Investment Development Authority (BIDA) to deliver faster, more efficient and integrated services for investors. This integration is designed to provide investors with seamless access to essential banking and related services through a single digital interface. Under this agreement NCC Bank will facilitate online bank account opening along with other relevant banking services via the One Stop Service (OSS) platform.



NCC Bank has recently signed a Memorandum of Understanding (MoU) with Sonali Bank PLC to enhance cooperation in digital payment solutions. Through this partnership, NCC Bank will now be able to collect government challans, utility bills, universal pension installments, and various service-related fees and charges via its internet banking portal using the Sonali Payment Gateway (SPG).



NCC Bank has formally launched its Digital Loan Management System (DLMS) across all branches, marking a significant milestone in the Bank's ongoing digital transformation journey. The state-of-the-art solution has been designed and implemented by Unisoft Systems Limited, a leading technology service provider.



Embracing the slogan "Go Digital, Go Green," NCC Bank has launched a fully digital and eco-friendly savings account named "NCC NeoX" under its retail banking portfolio. The primary objective of this initiative is to promote sustainable banking practices while ensuring modern and convenient digital banking services for customers. Through the NCC NeoX Account, customers can open accounts entirely online, complete e-KYC verification, and enjoy the benefit of a recyclable debit card. Funds deposited in this account will be invest ed in various green initiatives, including renewable energy, waste management, and sustainable agriculture.



NCC Bank has officially launched "NCC Retailers," a specialized deposit and loan product designed for informal and marginal entrepreneurs within SME sector. This initiative aims to bring underbanked business owners into the formal financial fold by addressing their evolving banking and credit needs. With the introduction of this product, informal and marginal entrepreneurs—who often face hurdles in access to finance—can now easily open dedicated business accounts and apply for business loans through any NCC Bank branch nationwide.



An orientation program for newly joined Management Trainee Officers at NCC Bank was held at the bank's head office.



NCC Bank has recently organized a comprehensive mental health awareness session titled "Mind Matters: Workplace Mental Health Talk for Women" for its women employees at the Head Office, reaffirming its commitment to fostering a supportive, inclusive, and healthy workplace environment.



On the occasion of International MSME (Micro, Small, Medium and Cottage Industries) Day, NCC Bank organized a customer gathering. The event featured an awareness workshop on CMSME financing, open loan disbursements, the unveiling of the SME Visa Multi-Currency Debit Card, the launch of the "NCC Always" app for CMSME customers, and the introduction of "QR Code and Chatbot" facilities.

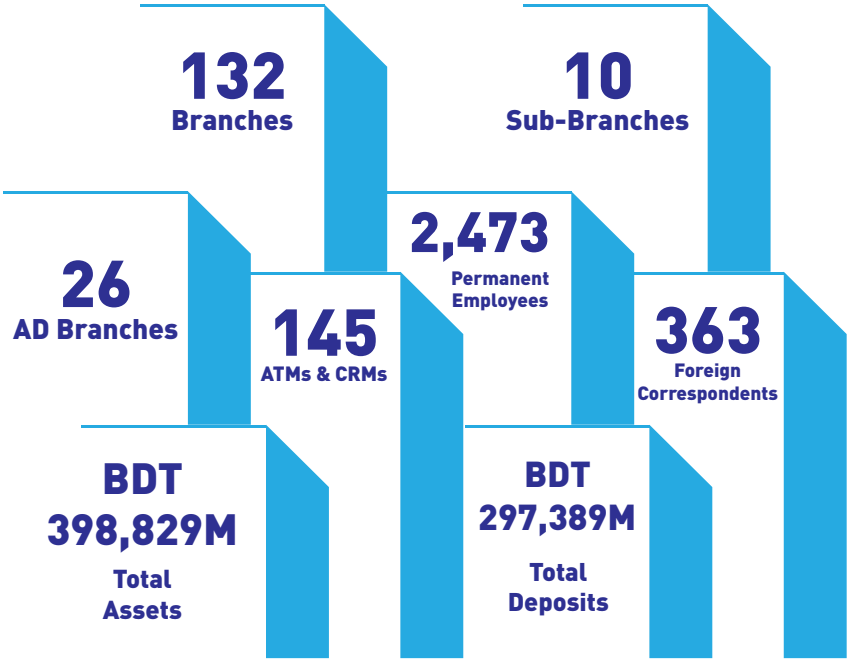


NCC Bank observed Financial Literacy Day with the theme "Initiate Safe Cashless Transactions through Financial Literacy," aiming for greater inclusion in the financial sector on 03 March, 2026. The Bank's Financial Inclusion Cell at its head office organized a discussion meeting on the bank's strategic action plan regarding this topic.

NCC Bank
At a Glance

National Credit and Commerce Bank PLC is one of Bangladesh's leading private commercial banks, incorporated in 1985 and converted from an investment company to a fully licensed commercial bank in 1993. Headquartered at NCC Bank Bhaban, 13/1-2 Toyenbee Circular Road, Motijheel, Dhaka, the Bank has built a distinguished legacy of over three decades of financial services excellence — underpinned by its commitment to sustainable banking, inclusive finance, and national development.

Listed on both the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE), NCC Bank PLC is a publicly traded organization serving individuals, businesses, corporations, SMEs, agricultural communities, and diaspora Bangladeshis through an expanding network of branches, digital platforms, and correspondent banking relationships.



Sustainability Aim & Long-Term Targets

NCC Bank PLC has positioned sustainability as a core organizational priority, extending beyond regulatory compliance to support responsible and resilient growth. Guided by Bangladesh Bank's Sustainable Finance Policy, ESRM Guidelines, Guideline on Sustainability and Climate Related Financial Disclosures and Guideline on Climate Risk Management for Banks and Finance Companies, and informed by IFRS S1 and IFRS S2 (ISSB) standards, the Bank continues to integrate sustainability considerations into its business model, governance framework, risk management practices and long-term strategic direction.

Core Sustainability Commitment

»Integrate Environmental, Social and Governance (ESG) considerations into credit operations, risk framework, governance structure, and stakeholder engagement.
»Systematically calculate and disclose GHG emissions (Scope 1, 2 & 3) in compliance with IFRS S1/S2 and Bangladesh Bank guidelines.
»Expand the green and sustainable finance portfolio year-on-year across all key sectors.
»Maintain compliance with 114 quantitative and qualitative indicators of Bangladesh Bank's Sustainability Rating framework.
»Apply ESRM guidelines to 100% of credit appraisals across all loan categories and branches.
»Foster gender equality in banking by expanding NCC Parama and increasing women's participation in the formal financial system.
»Reduce the Bank's own operational environmental footprint through digitisation, energy efficiency, and green workplace practices.

Long-Term Sustainability Targets (SDG-Aligned)





Target Area	Target Statement	SDG Alignment	Current Progress (2025)
Green Finance Portfolio Growth	Sustain growth in Green Finance disbursement and deepen financing in Energy Efficiency, Renewable Energy and other eligible green sectors.	07 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	BDT 669.19 Crore disbursed under Green Products/Projects/Initiatives in 2025.
GHG Emission Reduction	Establish a Scope 1 & 2 emissions baseline and progressively develop annual emission reduction measures; strengthen Scope 3 assessment through improved financed-emissions methodologies and sector-level analysis.	13 CLIMATE ACTION	Total GHG emissions disclosed: 550,371.04 tCO2e; Scope 1: 2,288.80 tCO2e; Scope 2: 6,056.87 tCO2e; Scope 3: 542,025.37 tCO2e.
CMSME & Agri Financial Inclusion	Achieve and sustain 25%+ CMSME loan portfolio as a share of total loans; exceed 100% of Bangladesh Bank Agri disbursement targets annually.	10 REDUCED INEQUALITIES; 01 NO POVERTY; 08 DECENT WORK AND ECONOMIC GROWTH	24.73% CMSME share; 30.80% growth; 101.50% Agri disbursement target achieved.
Women's Economic Empowerment	Scale NCC Parama and strengthen access to finance for women entrepreneurs; progressively increase women's participation within the Bank's workforce.	05 GENDER EQUALITY	Parama loan portfolio grew by 846%; BDT 659.46 Crore disbursed to female SMEs; 22% of recruits in 2025 were female.
School Banking & Financial Inclusion	Achieve 50,000 cumulative student bank accounts and expand School Banking Campaigns across Bangladesh.	04 QUALITY EDUCATION; 10 REDUCED INEQUALITIES	36,542 total student accounts; 74 campaigns conducted in 2025; 10,413 new accounts opened.
Sustainable Banking Rating	Maintain strong performance across Bangladesh Bank's Sustainability Rating parameters and continue strengthening the Bank's sustainable banking practices.	17 PARTNERSHIPS FOR THE GOALS	Recognized as one of the Top 10 Sustainable Banks in Bangladesh under Bangladesh Bank's Sustainability Rating 2024, with the recognition received in 2025.
Digital Inclusion	Expand the NCC Always user base, strengthen digital banking accessibility, expand ATM coverage, and promote adoption of NCC NeoX and other technology-enabled banking solutions.	09 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES	NCC Always introduced D-Toll; ATMs installed at MRT Line-6 stations; NCC NeoX introduced as part of the Bank's expanding digital banking ecosystem.
ESG Transparency	Continue annual Sustainability Reporting, progressively strengthen climate and GHG disclosures, and advance alignment with IFRS S1 and IFRS S2 requirements.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS	Annual Sustainability Report 2024 published; Annual Sustainability Report 2025 continues the Bank's sustainability reporting journey, with disclosures informed by IFRS S1 and IFRS S2.

Stakeholder Mapping & **Engagement**

IFRS requires that an entity's sustainability disclosures reflect the information needs of its primary users — those who rely on the report to assess enterprise value — while also recognising that a wider stakeholder community shapes the risks and opportunities a bank must manage. NCC Bank PLC has identified key stakeholder groups whose interests and feedback inform the materiality assessment presented in this report.





Primary Users (IFRS S1 Focus)

IFRS requires that an entity's sustainability disclosures reflect the information needs of its primary users — Shareholders, investors, and Bangladesh Bank as prudential regulator sit at the centre of IFRS's primary-user concept — their decisions on capital allocation and regulatory standing are most directly informed by this report. Engagement occurs through annual general meetings, investor disclosures, quarterly regulatory submissions, and the Bangladesh Bank Sustainability Rating process.community shapes the risks and opportunities a bank must manage. NCC Bank PLC has identified key stakeholder groups whose interests and feedback inform the materiality assessment presented in this report.

Broader Stakeholders

Depositors & customers

engaged via branch network, NCC Always, NCC ICON ATM/CRM, digital channels, and customer service feedback

CMSME & agricultural borrowers

engaged through all Branches/sub-Brances/Business Divisions, and Financial Literacy Help Desks

Employees

engaged through the KPI-based performance system, training programmes, and internal grievance channels

Communities & civil society

engaged through CSR programming, tree plantation, financial literacy training, school banking campaigns, and disaster relief response

Correspondent banks & trade partners

engaged through KYC/Wolfsburg Questionnaire review cycles across 363 relationships

Suppliers and Vendors

engaged through procurement and the DHL GoGreen Plus sustainability partnership

We engaged with our key stakeholders through structured and informal channels. The concerns and expectations raised by stakeholders have directly shaped the content and emphasis of this report.

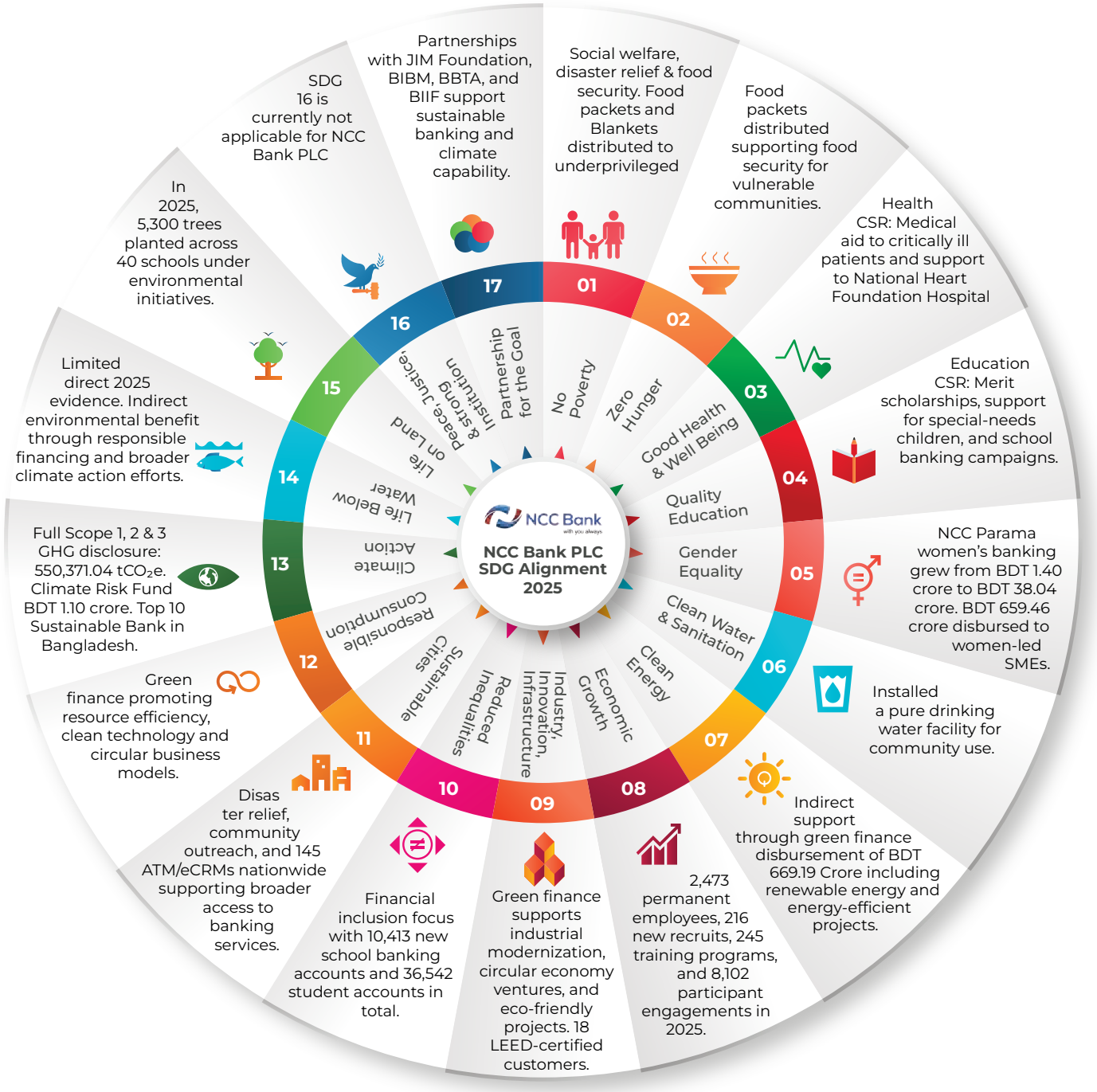
- Bangladesh Bank, our primary regulatory stakeholder, engaged with us through on-site examinations, off-site reporting, and the hosting of an Awareness Building Program on Sustainable Finance at our head office. Key issues raised included Bangladesh Bank compliance, financed emissions methodology, and the quality of climate risk disclosures.
- Our shareholders engaged through the 40th Annual General Meeting (virtual, 2 July 2025) and quarterly financial reporting; their primary concerns centred on asset quality, return on equity (17.05%), and ESG risk management.
- Corporate borrowers, particularly in the RMG and manufacturing sectors, engaged through relationship managers and ESRM screening processes; their concerns included access to green refinance facilities. NCC Parama customers engaged through branch programs, the Bangladesh Bank Fair 2025, and International Women's Day programs.
- Our employees engaged through the Green Olympiad 2025, sustainability training programs, and the 50-city HR Roadshow on Culture, Compliance, and Competency.

SDG Alignment

NCC Bank PLC contributes to the United Nations Sustainable Development Goals through sustainable and green finance, inclusive banking, women's economic empowerment, climate-risk management, employee development, community investment and partnerships with regulators and professional organizations.

The Bank's strongest and most measurable contributions are associated with SDGs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 15 and 17. Contributions to the remaining goals are primarily indirect or require additional data and formal targets before they can be presented as material areas of alignment.

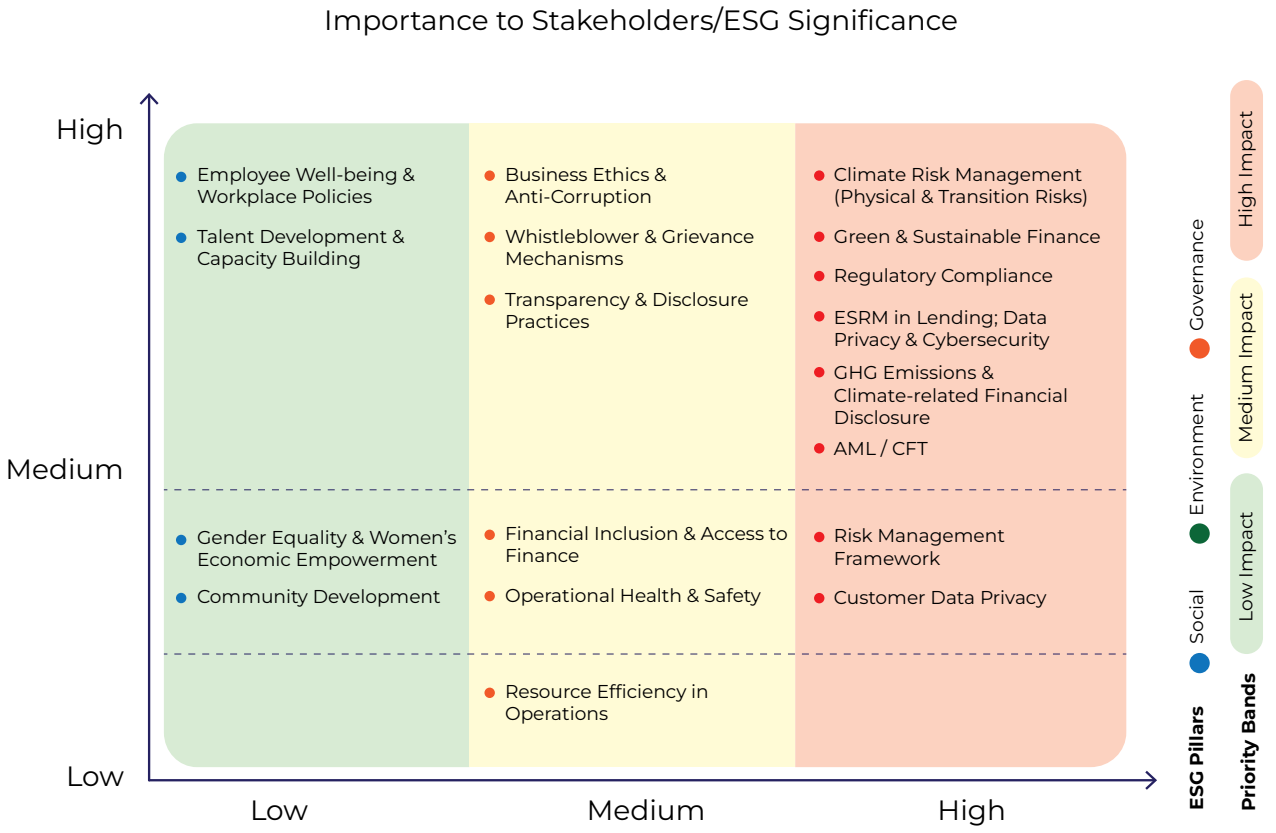
This text lists SDGs 12 and 14 as not among the strongest, but the previous SDG graphic gave both of them cards. SDG 16 was missing from that graphic.



Materiality Assessment

IFRS requires that we disclose information about all sustainability-related risks and opportunities that are material to users of general-purpose financial reports.

Our materiality assessment was conducted through a structured management workshop involving the Board of Directors and different committee as well as department heads.



Impact on NCC Bank's Business, Financial Performance & Strategy

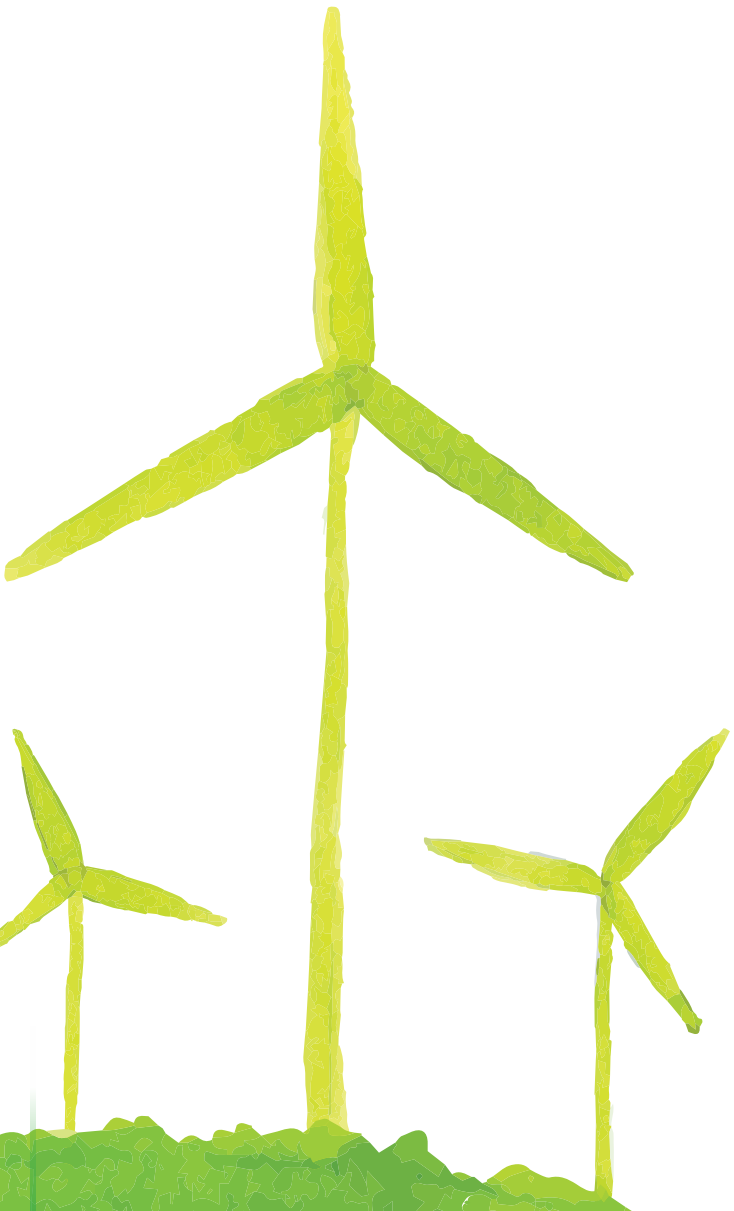
The materiality assessment categorizes topics as High, Medium or Low based on their potential to affect NCC Bank PLC's cash flows, financial position, financial performance, access to finance, cost of capital and strategic resilience over the short, medium and long term.

High-impact topics are closely connected to the Bank's core lending activities, regulatory obligations, capital and risk position, customer trust or strategic growth. Medium-impact topics may generate meaningful effects, but these are currently more indirect, localized, manageable, longer-term or subject to data limitations. Low-impact topics are those for which current evidence does not indicate a reasonable expectation of a significant effect on the Bank's prospects.

The classification represents an entity-specific management assessment and not a rating prescribed by IFRS. The assessment should be reviewed at least annually and following significant changes in regulations, portfolio exposure, business strategy, market conditions or stakeholder and primary-user expectations.

The bullet colours mark the ESG pillar (blue = Social, green = Environmental, orange = Governance), but I couldn't tell the pillar reliably for every topic, so I left the pillars off the individual topics.

Material Topics



GOVERNANCE

GOV-1	Regulatory Compliance
GOV-2	ESRM in Lending
GOV-3	Risk Management Framework
GOV-4	Data Privacy & Cybersecurity
GOV-5	AML / CFT
GOV-6	Business Ethics & Anti-Corruption
GOV-7	Whistleblower & Grievance Mechanisms
GOV-8	Transparency & Disclosure Practices
GOV-9	Tax Transparency & Economic Contribution

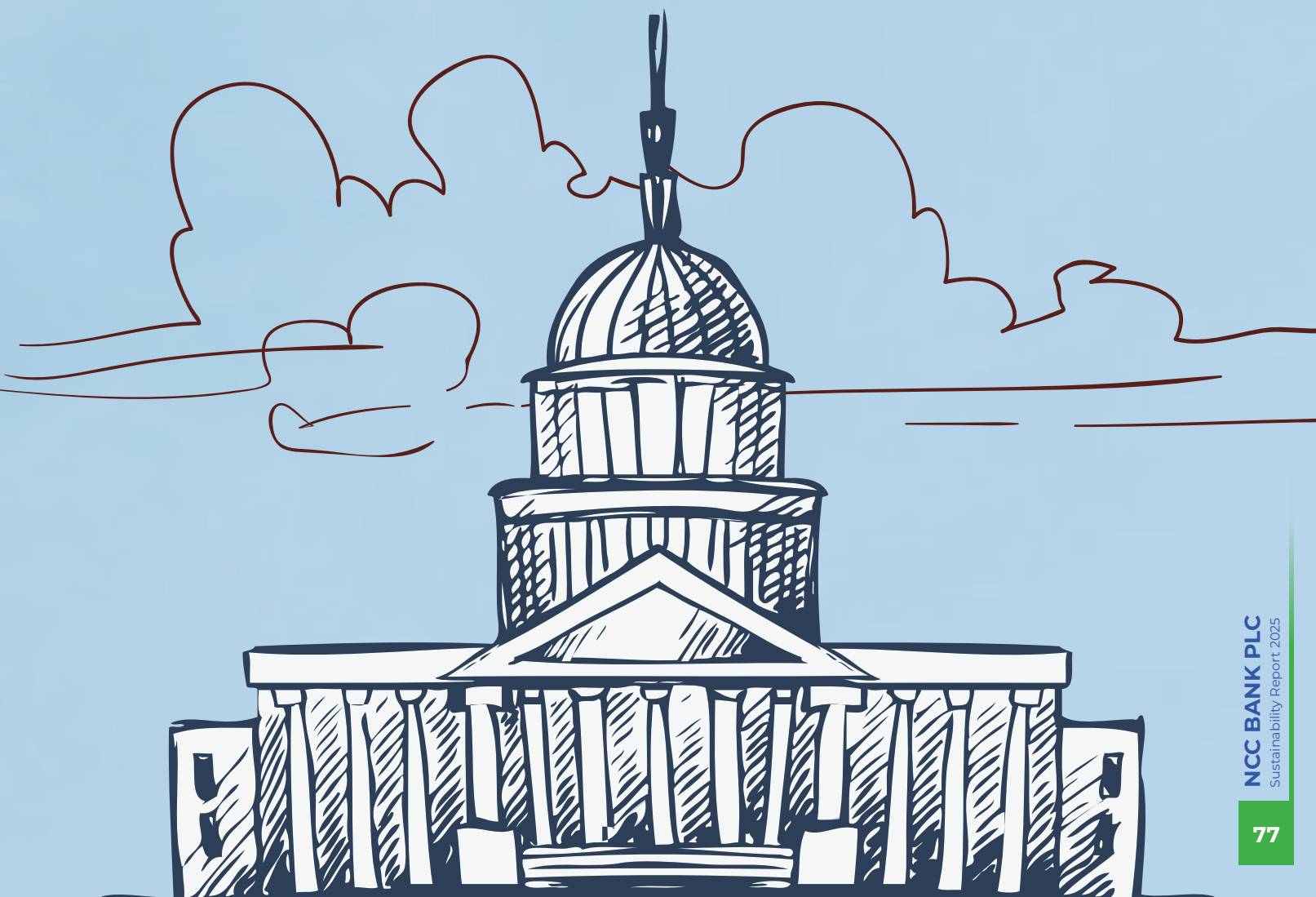
SOCIAL

SOC-1	Financial Inclusion & Access to Finance
SOC-2	Gender Equality & Women's Economic Empowerment
SOC-3	Employee Well-being & Workplace Policies
SOC-4	Talent Development & Capacity Building
SOC-5	Occupational Health & Safety
SOC-6	Community Development
SOC-7	Community Investment & CSR

ENVIRONMENT

ENV-1	Climate Risk Management (Physical & Transition Risks)
ENV-2	Green & Sustainable Finance
ENV-3	GHG Emissions & Climate-related Financial Disclosure
ENV-4	Resource Efficiency in Operations

GOVERNANCE



The Governance pillar addresses how NCC Bank PLC's Board of Directors and senior management oversee, guide, and remain accountable for the Bank's sustainability-related risks and opportunities, including climate risk, green finance governance, ESRM compliance, and the integrity of ESG disclosures. This chapter outlines the governance structures, oversight processes, and accountability mechanisms that support the credibility of NCC Bank's sustainability commitments.

In 2025, NCC Bank continued to strengthen its sustainability governance framework, with climate-related risks and opportunities receiving increasing attention at the Board and management levels. In line with Bangladesh Bank's climate risk guidance, the Board has demonstrated a clear commitment to progressively enhance the Bank's climate risk governance, assessment, and strategic response. During the year, NCC Bank also advanced its climate-related capabilities by becoming a signatory to the Partnership for Carbon Accounting Financials (PCAF), strengthening its approach to financed emissions measurement and disclosure, and reinforcing the role of ESRM and sustainability oversight across the organization. These developments reflect the Bank's growing focus on embedding sustainability as a strategic governance priority alongside regulatory compliance.

11	245	8,102	480
ERMC Meetings	Training Programs	Employees Trained	Sustainability Trainees

Organizational Foundation of **Sustainable Banking GovernanceTopics**

NCC Bank PLC's dedicated sustainability governance structure has its organizational roots in Bangladesh Bank's SFD Circular No. 02, dated 01 December 2016, which instructed banks and financial organizations to replace their existing Green Banking Units with a combined Sustainable Finance Unit/Department and establish a high-level Sustainable Finance Committee, supported by defined organograms and Terms of Reference. In response, NCC Bank's management placed the proposal before the Board of Directors, which approved the formation of the Sustainable Finance Unit and Sustainable Finance Committee at its 349th meeting held on 28 December 2016.

This history demonstrates that NCC Bank's sustainability governance framework is not a recent development, but the result of nearly a decade of continuous organizational evolution. Over time, the framework has progressed in line with Bangladesh Bank's regulatory guidance and, more recently, with the Bank's broader efforts to strengthen sustainability-related governance and disclosure in alignment with IFRS Standards.

Sustainability

Governance Architecture

The Sustainable Banking Division sits within a clear reporting line running from the Board through executive management to specialist working-level functions, ensuring that sustainability considerations are represented at every tier of decision-making. The Division reports to the Managing Director through the Chief Risk Officer, and is headed operationally by the Head of Sustainable Banking, who oversees three functional teams: Green & Sustainable Finance and Refinance; ESG & Sustainability Reporting; and Business Intelligence.



The Business Intelligence function within the Division carries specific responsibility for Bangladesh Bank regulatory reporting, internal management reporting, coordination of CSR initiatives, and implementation of the Bank's Environmental & Social Risk Management (ESRM) framework — linking the Division's day-to-day operations directly to the disclosures presented throughout this report.

Board Level — Ultimate Accountability

At the apex of NCC Bank's governance structure, the Board of Directors holds ultimate accountability for the Bank's sustainability strategy and climate risk framework. The Board's oversight role encompasses: monitoring and overseeing the Bank's approach to sustainability and climate-related risks and opportunities; ensuring that sustainability considerations are integrated into strategy and risk appetite; and reviewing and endorsing sustainability disclosures prior to publication.

Risk Management Committee of the Board

The Risk Management Committee of the Board, chaired by the Chairman Mr. Mohammed Nurun Newaz, provides Board-level oversight of all risk matters, including Environmental & Social Risk. E&S Risk is formally classified as a named Qualitative Risk Type in our Enterprise Risk Management (ERM) Framework — placing it on equal organizational footing with credit risk, market risk, and operational risk. The Risk Management Committee of the Board reviews climate risk as a standing agenda item at each of its scheduled meetings.

Audit Committee of the Board

The Audit Committee of the Board, chaired by Independent Director Mr. Md. Amirul Islam, FCS, FCA, provides independent oversight of the Bank's internal control framework, including ESG-related financial disclosures. The Committee receives Internal Audit reports on ESRM compliance, GHG calculation integrity, and sustainability reporting accuracy. This independent oversight function is critical to the credibility of NCC Bank's external sustainability disclosures.

Sustainable Banking Committee

The Sustainable Banking Committee reports to the Risk Management Committee of the Board and holds a dedicated mandate: to formulate, review, and update policies and guidelines related to Sustainable Finance and Environmental & Social Risk Management. The Committee held 3 meetings in 2025, reviewing the Bank's green finance portfolio performance, ESRM compliance rate, and progress against Bangladesh Bank's sustainability rating indicators.

Board-level oversight of sustainability and climate-related matters is exercised through the Sustainable Banking Committee, a high-level management committee chaired by the Additional Managing Director & CRO. The Committee draws its membership from across the Bank's divisional leadership, giving it visibility into credit risk, corporate and retail business, ICT, HR, and compliance functions alongside dedicated sustainability expertise.

Sl.	Designation	Status
1	Additional Managing Director & CRO	Chairman
2	Additional Managing Director (CB)	Member
3	Deputy Managing Director & CFO	Member
4	Deputy Managing Director	Member
5	Head of ICC Division	Member
6	Head of Credit Risk Management Division	Member
7	Head of RMG & Export Cell	Member
8	Head of Islamic Banking Division	Member
9	Head of Human Resources Division	Member
10	Head of Sustainable Banking (SB)	Member-Secretary
11	Head of Information and Communication Technology (ICT)	Member
12	Head of CMSME Business Division	Member
13	Head of Credit Administration Division	Member
14	Head of International Division	Member
15	Head of Common Services Division	Member
16	Head of Branch Support (BS)	Member
17	Head of Special Asset Management Division	Member
18	Head of Card Division	Member
19	Head of Risk Management Division	Member
20	Head of Retail Banking & DFS Business	Member
21	Head of Corporate Affairs and Communications Division (CAC)	Member

The Committee's Member-Secretary, Ms. Nighat Mumtaz, EVP (Sustainable Banking), provides the operational link between the Committee and the Sustainable Banking Division's day-to-day work, ensuring that matters raised at divisional level are escalated for Committee consideration and that Committee decisions are cascaded into implementation.

Management Level — Executive Accountability

At the management level, the Managing Director, M. Shamsul Arefin, provides overall executive leadership and accountability for sustainability performance — including approval of the sustainability strategy. Day-to-day sustainability responsibilities are distributed across senior management roles with clearly defined mandates, ensuring that sustainability is governed as a core management responsibility rather than delegated entirely to a specialist function.

Three Lines of Defence for **Climate Risk**

In compliance with Bangladesh Bank's SFD Circular No. 01; Dated: November 2025, Section 4.3, NCC Bank applies the internationally recognised Three Lines of Defence model to climate risk management. This model ensures that climate risk responsibilities are clearly allocated, independently monitored, and periodically assured across all levels of the organization — from individual branch credit officers through to the Board's Audit Committee.

This text continues the previous image's last sentence: "The Committee held 3 meetings in 2025, reviewing...". The previous page said the Sustainable Banking Committee "reports to the Risk Management Committee of the Board", while this page calls it a "management committee" that exercises "Board-level oversight", which is how the report words it.

Three Lines of Defence for Climate Risk Management

Bangladesh Bank SFD Circular No. 01: Dated: 06 November, 2025

1st Line of Defence

Business Units & Branch Credit Officers

- Identify and manage climate risk within business activities
- Complete Environmental & Social Risk Ratings (ESRR) for all eligible loans
- Use ESRM Solve automated system for real-time risk ratings
- Escalate High-ESRR proposals to Board as per risk appetite thresholds
- Apply ESRM protocols in agricultural & CMSME lending decisions

2nd Line of Defence

Risk Management & Sustainable Banking Divisions

- Develop and implement climate risk management framework
- Provide oversight and guidance to first-line business units
- Maintain KRI framework for climate risk
- Develop sustainability policies and green finance tracking
- Manage GHG disclosure using JIM Foundation methodology (Scope 1, 2 & 3)
- Coordinate with Bangladesh Bank on ESRM Guidelines compliance

3rd Line of Defence

Internal Audit Division

- Independently assess effectiveness of climate risk management
- Review ESRM compliance and governance across first two lines
- Assess accuracy and integrity of sustainability disclosures
- Report findings to Audit Committee of the Board

First Line of Defence — Business Units & Credit Officers

The first line of defence comprises NCC Bank's business units, branches, Relationship Managers and credit officers — the functions closest to customers, transactions and lending decisions. As primary risk owners, first-line personnel are responsible for identifying, assessing and managing environmental and social risks associated with eligible financing activities. As NCC Bank progressively strengthens its climate risk framework, these existing responsibilities will also provide an important foundation for incorporating climate-related considerations into credit assessment and customer engagement.

Function	First Line Climate Risk Actions
ESRM Screening	Credit officers conduct Environmental & Social Risk Rating (ESRR) assessments for eligible loan proposals in accordance with Bangladesh Bank's ESRM Guidelines and the Bank's established screening procedures. This supports systematic identification of environmental and social risks at the credit initiation stage.
ESRM Solve System	The Automated ESRM Solve system strengthens the Bank's ESRM process by facilitating structured and consistent assessment of eligible credit proposals. The system supports risk classification, documentation and monitoring, providing a digital foundation for further integration of climate-related risk considerations over time.
High-ESRR Escalation	Proposals identified with higher environmental and social risk are subject to enhanced review, appropriate mitigation measures and escalation in accordance with the Bank's approved credit and ESRM procedures. This ensures that material E&S risks receive appropriate management attention before financing decisions are finalized.
Agricultural & CMSME Risk	Agricultural and CMSME borrowers may be particularly exposed to environmental and climate-related vulnerabilities. Relationship Managers and credit officers therefore consider relevant sectoral and location-specific environmental risks as part of the existing credit and ESRM assessment process, with the Bank intending to strengthen climate-specific assessment progressively.
Physical Risk Identification	Branches and business units provide important local knowledge regarding borrower operations and geographic exposure. This operational insight can support the Bank's progressive development of a more structured approach to identifying physical climate risks such as flooding, cyclones, heat stress and other location-specific vulnerabilities.

Second Line of Defence — Risk Management & Sustainable Banking Divisions

The second line of defence is provided primarily through the Risk Management Division and the Sustainable Banking Division, which perform oversight, policy development, regulatory coordination and monitoring functions. These divisions provide the organizational foundation for progressively incorporating climate-related risks and opportunities into NCC Bank's broader risk management and sustainability framework.

- Risk Management Division oversees the Bank's overall risk management framework and provides guidance to business and control functions on emerging risk considerations. As climate risk receives increasing organizational attention, the Division is expected to play a central role in progressively integrating climate-related considerations into existing risk identification, monitoring and governance processes.

- Sustainable Banking Division serves as the Bank's specialist function for sustainable finance, green finance, ESRM implementation, regulatory sustainability requirements and climate-related disclosure. The Division tracks sustainable and green finance performance, coordinates GHG emissions assessment and disclosure, and supports compliance with Bangladesh Bank's Sustainable Finance Policy, ESRM Guidelines and climate-related regulatory requirements.

- The Bank's existing sustainability and risk monitoring framework includes indicators relating to ESRM screening, green and sustainable finance performance, portfolio quality, regulatory compliance and GHG emissions disclosure. As NCC Bank's climate risk framework evolves, these monitoring arrangements can be progressively expanded to incorporate more specific climate-related indicators and portfolio-level risk metrics.

- Climate-related risks and opportunities are receiving increased attention within the Bank's management and risk governance discussions. In line with Bangladesh Bank's Guidelines on Climate Risk Management, NCC Bank intends to progressively strengthen management-level oversight, data capability and analytical processes for climate risk assessment.

Third Line of Defence — Internal Audit Division

The Internal Audit Division provides independent opinion over the effectiveness of Bank's governance, risk management and internal control framework. Its independence from operational and risk-taking functions enables it to evaluate whether established policies, procedures and regulatory requirements are being implemented effectively.

- Internal Audit may review compliance with ESRM screening requirements, including the completeness and consistency of Environmental & Social Risk Rating assessments across relevant business and branch operations.

- Audit activities provide independent assurance over the effectiveness of controls embedded within the Bank's credit appraisal, approval and risk management processes, including relevant environmental and social risk requirements.

- As sustainability and climate-related reporting continue to evolve, the internal assurance framework can progressively encompass the accuracy, consistency and reliability of sustainability-related information, including green and sustainable finance data and GHG emissions disclosures.

- Material audit observations relating to ESRM, sustainability-related controls and disclosure processes are addressed through the Bank's established internal audit governance and escalation mechanisms, including reporting to the appropriate management and Board-level oversight bodies.

Board Oversight of **Climate Risk in 2025**

The Risk Management Committee of the Board reviewed climate risk as a standing agenda item throughout 2025. This commitment to Board-level climate risk oversight reflects NCC Bank's alignment with the IFRS S1 governance disclosure requirement that the Board demonstrate active and informed oversight — not merely passive approval — of sustainability-related risks and opportunities.

Risk Governance Strengthened

Sustainability and climate-related considerations received growing attention within Board and management oversight discussions.

PCAF Signatory Status

NCC Bank became a signatory to PCAF, supporting internationally recognized financed emissions measurement and disclosure.

ESRM Solve System Launched

Automated ESRM solution strengthened screening of eligible credit proposals and E&S risk assessment.

Climate Risk Governance Commitment

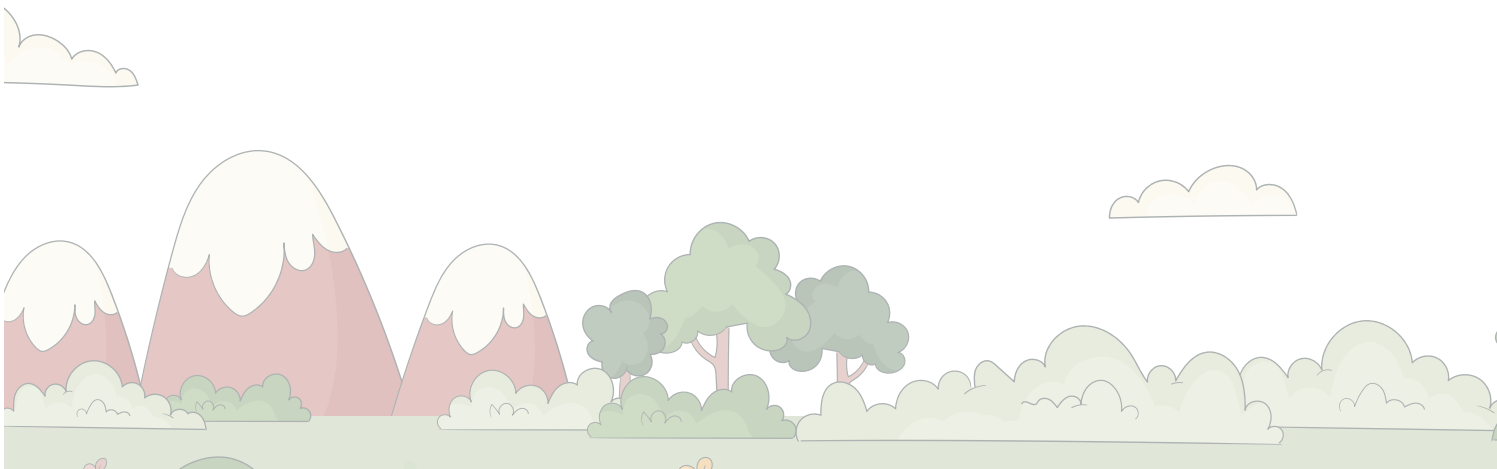
Board remains committed to progressively strengthening climate risk governance in line with Bangladesh Bank guidelines.

Climate Risk Under Active Consideration

Climate-related risks and opportunities received increasing attention alongside other emerging risk issues.

Sustainability Report Supported

Board and senior management supported stronger sustainability and climate-related disclosure in the 2025 report.



Summary of Board-Level Sustainability Actions (2025)

	Action	Description & Significance
1	Strengthening Sustainability Governance	The Board and senior management continued to strengthen oversight of sustainability-related matters in 2025. Sustainability, environmental and social risk considerations received increasing attention within the Bank's governance and risk management processes, supporting progressive alignment with Bangladesh Bank's regulatory expectations.
2	PCAF Signatory Status and Financed Emissions Disclosure	NCC Bank became a signatory to the Partnership for Carbon Accounting Financials (PCAF) and strengthened its financed emissions assessment through internationally recognized methodologies. This development supports more transparent measurement and disclosure of Scope 3 financed emissions and enhances the Bank's climate-related reporting capabilities.
3	Environmental & Social Risk Governance	The Board continued to support the Bank's established Environmental & Social Risk Management (ESRM) framework as an important component of responsible credit governance. Environmental and social risk considerations remain integrated into eligible credit assessment processes in accordance with Bangladesh Bank's ESRM Guidelines.
4	Sustainability and Climate-Related Disclosure Oversight	The Board and senior management supported continued enhancement of the Bank's sustainability reporting and disclosure practices. The Annual Sustainability Report 2025 reflects the Bank's efforts to strengthen transparency around sustainable finance, GHG emissions, ESRM, climate-related matters and broader ESG performance, informed by IFRS.
5	Implementation of ESRM Solve System	NCC Bank launched ESRM Solve, an Automated Environmental & Social Risk Management system, to strengthen consistency, efficiency and documentation in the ESRM assessment of eligible credit proposals. The system provides a stronger technological foundation for environmental and social risk screening across the Bank's credit operations.
6	Increasing Board Attention to Climate Risk	In line with Bangladesh Bank's Guidelines on Climate Risk Management, climate-related risks and opportunities received increasing attention during 2025. The Board recognizes the growing financial relevance of physical and transition risks and remains committed to progressively strengthening climate risk governance, assessment methodologies and strategic response mechanisms.



Climate Risk
Appetite Framework

ESRR Escalation Mechanism (Hard Boundary)

NCC Bank's existing Environmental & Social Risk Management (ESRM) framework provides an important foundation for identifying and managing environmental and social risks associated with eligible financing activities. Environmental & Social Risk Rating (ESRR) supports the classification of transactions according to their level of E&S risk and enables appropriate due diligence, mitigation and escalation in accordance with the Bank's approved ESRM and credit procedures:

ESRR Category	Escalation Requirement	Governance Implication
Low ESRR	Eligible proposals are processed in accordance with applicable ESRM requirements and the Bank's standard credit appraisal procedures.	E&S risks are considered within the normal credit assessment and approval process.
Medium ESRR	Appropriate due diligence and risk mitigation measures are applied based on the nature and significance of identified environmental and social risks.	Relevant risk factors receive enhanced attention within the applicable credit and ESRM review process.
High ESRR	Higher-risk proposals are subject to enhanced assessment, appropriate mitigation measures and escalation in accordance with the Bank's approved ESRM procedures and credit authority framework.	Material E&S risks receive additional management attention before a financing decision is finalized.

Physical Climate Risk Considerations

Physical climate risks are increasingly relevant to NCC Bank because Bangladesh is highly exposed to flooding, cyclones, heat stress, changing rainfall patterns and other climate-related hazards. In line with Bangladesh Bank's Guidelines on Climate Risk Management, the Bank recognizes the importance of progressively understanding how such risks may affect borrowers, collateral, business continuity and credit quality.

Particular attention may progressively be required for climate-sensitive segments, including:

- **Agriculture and agri-based businesses**, where floods, drought, excessive rainfall and other climatic conditions may affect production and repayment capacity.
- **Businesses operating in coastal and disaster-prone areas**, where cyclone, storm surge, flooding and salinity may create additional operational and financial vulnerabilities.
- **Industrial and export-oriented sectors**, including RMG and textiles, where physical hazards such as flooding and heat stress may affect facilities, workers, supply chains and business continuity.

These considerations provide a basis for the Bank's future development of more structured physical climate risk assessment methodologies as data availability, organizational capacity and regulatory requirements evolve.

Transition Risk Appetite

NCC Bank also recognizes that the transition toward a lower-carbon economy may create both risks and opportunities for borrowers across different sectors. Regulatory developments, technological change, energy transition, evolving buyer requirements and changing market preferences may increasingly influence borrowers' business models and financial performance.

Areas that may warrant increasing attention include:

- **RMG and textile industries**, particularly in relation to international buyer sustainability expectations, energy efficiency and supply-chain decarbonisation requirements.
- **Energy- and resource-intensive industries**, which may face increasing pressure to improve efficiency, adopt cleaner technologies and reduce emissions.
- **High-emission business activities**, where future regulatory, technological and market developments may affect operating costs, competitiveness and long-term financing requirements.

The Bank intends to progressively enhance its understanding of these transition-related factors and incorporate relevant considerations into risk assessment and strategic decision-making in accordance with Bangladesh Bank guidance and evolving market practices.



Sustainability Policy Framework

NCC Bank PLC maintains a comprehensive suite of sustainability-related policies and guidelines, developed by the Sustainable Banking Division in alignment with Bangladesh Bank's regulatory framework and international best practice. These policies provide the organizational infrastructure through which governance commitments are operationalized across the Bank's 132 branches, 10 sub-branches, and all head office divisions.

Policy / Guideline	Scope & Purpose	Regulatory Alignment
Sustainable Finance Policy	Governs the Bank's approach to green and sustainable finance — including product eligibility, disbursement targets, ESRM integration, and green finance monitoring	Bangladesh Bank Sustainable Finance Policy | IFRS
Environmental & Social Risk Management (ESRM) Guidelines	Defines E&S risk categories, ESRR methodology, High-ESRR escalation protocol, and sector exclusion/screening lists for credit appraisal	Bangladesh Bank ESRM Guidelines | IFC Performance Standards
Climate Risk Management Policy	Provides the framework for identifying, assessing, managing, and disclosing climate-related financial risks (physical and transition) in NCC Bank's lending portfolio	SFD Circular No. 01 (06 November 2025) | IFRS S2 | TCFD
GHG Emissions Accounting Policy	Governs the methodology, boundary, and disclosure of NCC Bank's Scope 1, 2 & 3 greenhouse gas emissions — including the application of the JIM Foundation toolkit for financed emissions	IFRS S2 | GHG Protocol | PCAF Standards
CSR Policy	Defines the Bank's strategic CSR framework, spending allocation criteria, SDG alignment, and reporting obligations	Bangladesh Bank CSR Guidelines | Companies Act
Gender-Responsive Banking Policy	Governs NCC Parama segment — product design, pricing, target market, and DEI commitments in lending and workforce management	Bangladesh Bank Financial Inclusion Guidelines | SDG 5
AML/CFT policy	Comprehensive policy framework for anti-money laundering and combating financing of terrorism — aligned with BFIU requirements	Bangladesh Financial Intelligence Unit (BFIU)
Data Privacy & Cybersecurity Policy	Governs customer data protection, digital banking security standards, incident response, and IT governance for NCC Always and digital platforms	Bangladesh Bank ICT Security Guidelines
Code of Conduct & Business Ethics	Defines standards for ethical conduct, anti-corruption measures, conflict of interest management, and whistleblower protections for all staff	Bangladesh Securities and Exchange Commission (BSEC)

Remuneration & Sustainability
Performance Linkage

NCC Bank PLC operates a KPI-based Performance Management System that evaluates employee performance against clearly defined indicators aligned with individual responsibilities and the Bank's strategic priorities. The framework considers business performance, risk management, regulatory compliance, customer service and other relevant organizational objectives in assessing employee performance and compensation outcomes.

Current State: 2025

In 2025, NCC Bank's KPI framework included specific performance targets relating to Green Finance and Sustainable Finance for relevant functions and responsible officials. These sustainability-related KPIs form part of the Bank's broader performance assessment process, helping translate sustainable finance objectives into measurable management and employee responsibilities. Accordingly, achievement against Green Finance and Sustainable Finance targets is considered alongside other financial, risk, compliance and operational indicators in evaluating performance. This reflects an important step toward embedding sustainability considerations within the Bank's performance management and accountability framework.

Going forward, NCC Bank intends to further strengthen the integration of sustainability-related performance indicators into its KPI structure, including broader ESG and climate-related measures where appropriate, to reinforce alignment between organizational sustainability objectives and management accountability.

Committed Development: 2026 Target

NCC Bank has made a formal organizational commitment to introduce explicit sustainability performance indicators into executive KPI frameworks by 2026. The following sustainability KPIs are identified for integration:

Proposed KPI	Target Metric	Applicable Roles
Green Finance Disbursement Target Achievement	% of annual green finance target achieved	MD | Head of Sustainable Banking | Business Division Heads
ESRM Screening Completion Rate	% of eligible credit proposals with completed ESRR	AMD & CRO | Head of Credit Risk | Branch Managers
Financed Emissions Progress	Year-on-year trend against expansion plan baseline	MD | AMD & CRO | Head of Sustainable Banking
Bangladesh Bank Sustainability Rating Score	Maintain / improve score from 2024 baseline	MD | Head of Sustainable Banking | Head of CSR
Women's Banking Portfolio Growth (NCC Parama)	% growth in Parama loan disbursement and female customer accounts	Head of Retail & SME Banking | Head of Parama Unit
ESRM Training Completion	% of credit staff completing annual ESRM training	Head of HR | Branch Managers

Data Privacy & Cybersecurity Governance

As NCC Bank PLC expands its digital banking ecosystem — anchored by the NCC Always mobile app, NCC ICON internet banking suite, A-Challan, D-Toll digital payment service, and NCC NeoX opening platform — cybersecurity and data privacy risk has grown materially in significance. The Board and senior management recognize this as a material governance topic under IFRS, particularly given the volume of customer financial data processed through the Bank's digital platforms.

Governance Structure for Data Privacy & Cybersecurity

- The Head of Information and Communication Technology (ICT) holds primary management accountability for cybersecurity risk, the ESRM Solve automation system, and the security architecture of digital banking platforms.
- The IT Division conducts Information Security Risk Assessments of various applications, systems, and business processes on a periodic basis.
- NCC Bank complies with Bangladesh Bank's ICT Security Guidelines — including requirements for penetration testing, vulnerability management, and payment card data protection (PCI-DSS aligned controls).
- The Bank's systems and networks are reviewed by concerned divisions and related committees on a regular basis, with findings reported to senior management.
- Cybersecurity risk is included within the Enterprise Risk Management Framework and is reviewed by the ERMC.

Digital Banking Security Standards

- All NCC Bank Cards are secured with EMV chip technology and Two-Factor Authentication (2FA) for enhanced transaction security.
- Contactless Credit Cards implement PIN-free transaction limits in accordance with security best practice.
- NCC Always app incorporates multi-layered authentication and encrypted data transmission for all customer transactions.
- The Bank participates in the National Payment Switch Bangladesh (NPSB) under Bangladesh Bank's centralised payment infrastructure — providing an additional layer of regulatory oversight for digital transactions.
- Transaction monitoring systems are deployed for fraud detection across digital channels, aligned with AML/CFT compliance requirements.

Whistleblower & **Grievance Mechanisms**

Effective whistleblower and grievance mechanisms are important elements of sound corporate governance, supporting transparency, ethical conduct and stakeholder accountability. NCC Bank PLC maintains formal channels through which employees and other relevant stakeholders can raise concerns relating to misconduct, policy violations, workplace grievances, compliance issues and other governance matters, with appropriate confidentiality and protection against retaliation.

Employee Integrity Awards Programme

NCC Bank promotes ethical behaviour and organizational values through its Integrity Awards Programme, under which employees are recognized for demonstrating exemplary conduct, professionalism and adherence to the Bank's policies and values. The programme reinforces a culture of Confidentiality, Integrity, Accountability and Professionalism across the organization.

Grievance Redressal Framework

The Bank maintains internal grievance mechanisms through which employees can raise concerns relating to workplace conduct, harassment, discrimination, ethical issues and policy or compliance matters. Complaints are reviewed through the appropriate internal channels, including the Human Resources Division and other relevant control or management functions, depending on the nature and seriousness of the issue. Material matters may be escalated to senior management or the appropriate governance body in accordance with the Bank's established procedures.

These mechanisms support NCC Bank's broader commitment to ethical conduct, employee protection, accountability and responsible governance.



Governance
Priorities for 2025

NCC Bank PLC has identified the following governance development priorities for the 2025 reporting period, reflecting areas where the current governance framework will be strengthened:

S/N	Priority Area	Planned Action
01	Executive Sustainability KPIs	Further strengthen the existing KPI framework for relevant executives and officials by expanding measurable sustainability indicators, including Green Finance and Sustainable Finance performance, ESRM implementation and other relevant ESG indicators as the Bank's sustainability framework evolves.
02	GHG Measurement & Disclosure Enhancement	Continue strengthening Scope 1, Scope 2 and Scope 3 GHG emissions measurement and disclosure through improved data quality, coverage, methodological consistency, documentation and portfolio-level analysis, aligned with Bangladesh Bank requirements, IFRS and relevant international methodologies.
03	Whistleblower & Grievance Framework	Further strengthen whistleblower and grievance mechanisms through clear reporting channels, confidentiality safeguards, structured investigation procedures and protection against retaliation, supported by appropriate management and governance oversight.
04	PCAF Methodology Enhancement	Build on NCC Bank's PCAF signatory status by progressively expanding PCAF-aligned financed emissions assessment across relevant asset classes and improving data quality, coverage and portfolio-level emissions analysis.
05	Business Ethics & Code of Conduct	Continue strengthening implementation of the Bank's Code of Conduct and Business Ethics framework through regular staff awareness, training, acknowledgement and monitoring to reinforce ethical conduct, accountability and professional standards across the organization.

STRATEGY



Strategy

The Strategy pillar discloses how sustainability-related risks and opportunities — including climate change, social inequality, financial exclusion, and governance pressures — influence NCC Bank PLC's business model, value chain, financial planning, and long-term strategic resilience. Under IFRS, the Bank is expected to explain both the effects of material sustainability-related issues on its strategy and financial position and the strategic responses adopted to manage risks and capture opportunities across short-, medium-, and long-term time horizons.

NCC Bank's corporate strategy is centered on achieving sustainable long-term business growth by optimising the deposit mix, enhancing asset quality, maintaining disciplined cost management, and improving operational efficiency and resource productivity while ensuring prompt and high-quality customer service. The Bank's strategic priorities also include strengthening the risk management framework, expanding green and sustainable finance, advancing digital financial solutions, strengthening retail banking and corporate banking, accelerating digital transformation, and deepening financial inclusion — including through NCC Parama women's banking and CMSME lending. Together, these priorities form the central pillars of NCC Bank's strategic direction in 2025 and beyond.

BDT 398,829 M
Total Assets (+14.5% YoY)

15.54%
CRAR (Capital Adequacy)

4.12%
NPL Ratio (down from 7.32%)

BDT 17,005 Cr
Sustainable Finance Disbursement

+30.80%
CMSME Loan Growth

Business Model & Value Creation

NCC Bank PLC's business model is built on the intermediation of capital between depositors and borrowers — collecting deposits, mobilising remittances, and deploying credit across the Corporate, CMSME, Retail, Islamic, and Women's banking segments. In 2025, the Bank managed total assets of BDT 398,829 million across a 142-branch network, supported by 363 foreign correspondent relationships and a growing digital banking ecosystem. Value is created and distributed across five primary stakeholder groups: shareholders, government, employees, communities, and the environment.



Digital Banking Security Standards

In 2025, the NCC Bank PLC continued to create value for a wide range of stakeholders through its financial performance, regulatory contributions, employee development, community engagement, environmental initiatives, and international banking relationships. The value generated reflects not only the organization's business growth but also its broader contribution to the economy, society, and sustainable development.

For shareholders, the bank delivered strong financial value through profitability and growth in key performance indicators. Profit after tax reached BDT 4,861 million, while the restated earnings per share stood at BDT 4.38. In addition, the net asset value per share increased to BDT 27.16, indicating continued strength in the organization's financial position and its ability to generate sustainable returns for investors.

The government also benefited through the bank's direct fiscal contribution and regulatory compliance. In 2025, the organization contributed BDT 1,313.92 million in income tax, demonstrating its role as a responsible corporate taxpayer and an active participant in supporting national economic development.

Employees remained at the center of value creation through compensation, professional development, and career growth opportunities. During the year, the bank provided BDT 4,037 million in salaries and allowances. It also invested significantly in human capital development, with 8,102 staff members receiving training through 245 different programs, reflecting a strong commitment to workforce capability, learning, and long-term organizational excellence.

The bank also generated meaningful value for communities through social investment and inclusive banking initiatives. In 2025, total CSR expenditure amounted to BDT 9.8767 crore. Alongside this, 74 School Banking Campaigns and 68 Financial Literacy Programs were conducted, helping expand financial inclusion, raise awareness, and strengthen engagement with students and communities across the country.

The bank further created value for its correspondent banking network by facilitating international trade, remittance flows, and

foreign exchange services. In 2025, it maintained relationships with 363 correspondent banks, while supporting export transactions of BDT 133,483 million, import transactions of BDT 246,078 million, and remittance transactions of BDT 57,282 million. These figures reflect the organization's significant role in enabling cross-border trade, foreign currency operations, and remittance services.

Strategic Pillars & Sustainability Integration

NCC Bank PLC's sustainability strategy is not a standalone initiative — it is deeply embedded within the Bank's eight strategic pillars, each of which has a defined sustainability dimension. The integration of Environmental (E), Social (S), and Governance (G) considerations into each pillar ensures that sustainability informs capital allocation, product design, risk management, and stakeholder engagement across the entire business.



Strategic Pillar	Sustainability Dimension	2025 Highlight	SDG Alignment
Climate Strategy	Environmental + Governance	Climate-related risks and opportunities received increasing management and Board attention; PCAF signatory status achieved; total GHG emissions of 550,371.04 tCO2e disclosed; climate risk governance and assessment are being progressively strengthened in line with Bangladesh Bank guidance.	SDG 13, SDG 17
Green & Sustainable Finance	Environmental + Social	BDT 669.19 Crore disbursed under Green Products/Projects/Initiatives and BDT 17,005.33 Crore under Sustainable Finance in 2025.	SDG 7, SDG 8, SDG 13
Financial Inclusion	Social	CMSME loans grew 30.80%; agricultural loan disbursement reached 101.50% of target; total student banking accounts reached 36,542.	SDG 1, SDG 8, SDG 10
Gender Equality, Diversity, Equity & Inclusion (DEI)	Social	NCC Parama loan portfolio grew by 846%; BDT 659.46 Crore disbursed to female SMEs; women represented 22% of new recruits in 2025.	SDG 5, SDG 10
Human Capital Strategy	Social	245 training programs conducted with 8,102 participants; training investment per employee increased substantially, supporting workforce capability and professional development.	SDG 4, SDG 8
Digital Financial Solutions & Transformation	Governance + Social	Continued expansion of digital banking through NCC Always, D-Toll, Bangla QR, MRT Line-6 ATM services, and the introduction of NCC NeoX, strengthening accessibility and customer convenience.	SDG 9, SDG 11

Financial Inclusion & Access to Finance Strategy

Financial inclusion is both a strategic business opportunity and a core social responsibility for NCC Bank PLC. Bangladesh's large population of unbanked and underbanked individuals — concentrated in rural areas, among women, and within the SME sector — represents a significant addressable market for the Bank's inclusive banking products. In 2025, NCC Bank's financial inclusion strategy delivered measurable impact across CMSME lending, agricultural credit, school banking, and remittance services.

Digital Banking Security Standards

NCC Bank is an active participant in Bangladesh Bank's Agricultural Credit Programme — a directed credit scheme designed to ensure that rural farming communities, smallholders, and agro-processors have access to formal financial services. In the year, NCC Bank achieved 101.50% of its Agri Loan disbursement target — demonstrating consistent execution of its rural inclusion mandate.

- Agricultural credit is channeled through rural and semi-urban branches in close coordination with Bangladesh Bank's Agricultural Credit Department
- The Bank participates in Bangladesh Bank's refinance scheme for agricultural and rural credit — enabling access to concessional-rate funds for small farmers
- Climate-smart agricultural lending under the Sustainable Agriculture category disbursed BDT 192.78 Crore in 2025 — financing organic farming, precision agriculture, and water conservation investments
- Agricultural borrowers in high-flood-risk and drought-prone districts receive enhanced ESRM screening to manage climate-related credit risk within the portfolio

School Banking — Next Generation Financial Inclusion

NCC Bank continued to strengthen financial inclusion and youth-focused banking through its School Banking Scheme in 2025. During the year, the Bank opened 10,413 new school banking accounts, taking the cumulative number of school banking accounts to 36,542 as of 31 December 2025. This reflects the Bank's ongoing commitment to promoting savings habits and financial awareness among students from an early age.

To expand the reach of the initiative, NCC Bank organized 74 school banking campaigns nationwide during the reporting year. These campaigns helped broaden the program's geographic coverage by reaching additional districts and engaging more students, parents, and educational organizations in formal financial services. Alongside account opening activities, the Bank also conducted 68 financial literacy programs in 2025 to improve awareness and understanding of basic financial concepts. These efforts were further supported through the integration of financial literacy initiatives across 142 branches and sub-branches, helping embed financial education more deeply within the Bank's service network.

In addition, NCC Bank established Financial Literacy Help Desks in 142 branches, creating a nationwide network of access points for financial guidance and awareness support. These help desks play an important role in making financial knowledge more accessible to communities

and strengthening the long-term impact of the Bank's school banking and literacy efforts.

The Bank's investment in school banking and financial literacy activities was included within its total CSR expenditure of BDT 9.88 crore. Through these initiatives, NCC Bank contributed to broader development priorities, particularly SDG 4: Quality Education and SDG 10: Reduced Inequalities, by supporting inclusive access to financial knowledge and services for younger generations.

Gender Equality & Women's Economic Empowerment Strategy

NCC Bank PLC's gender equality strategy is anchored by NCC Parama — a dedicated women's banking segment launched in February 2024 that has rapidly become one of the Bank's most commercially and socially impactful strategic initiatives. Parama is not a CSR programme — it is a commercially-structured segment designed to deliver tailored financial products, dedicated relationship management, and a supportive banking environment for female customers and entrepreneurs.

NCC Parama Product Suite

- **Parama Super Saver Account:** Savings account designed for female customers offering higher interest than standard savings products plus exclusive service benefits
- **Parama Nari Shabolombi Rin:** Women's MSME loan for working capital or fixed asset purchase for business operations — structured with accessible terms
- **Parama Health & Life Benefits:** Access to health and life insurance products bundled with Parama banking relationships
- **Dedicated Relationship Managers:** Female banking segment clients receive dedicated relationship management — reducing barriers to accessing formal banking services
- **NCC Always Women's Banking Integration:** Digital access to Parama products via NCC Always mobile app — enabling remote banking for women in geographically dispersed areas



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Human Capital
Strategy

NCC Bank PLC's human capital strategy recognises that the Bank's 2,473 permanent employees are its most critical strategic asset — the individuals who design and implement green finance products, execute ESRM screenings, serve CMSME customers, manage digital platforms, and deliver NCC Bank's sustainability commitments to the real economy. In 2025, the Bank made its most significant ever investment in human capital development — with training cost per employee rising four-fold from BDT 0.003 million (2024) to BDT 0.013 million (2025).

Human Capital Pillar	2025 Investment & Outcomes
Total Training Programs	245 programs covering retail banking, CMSME, trade finance, digital banking, risk, ESRM, and leadership development
Total Participants Trained	8,102 participants — a 64% increase compared to 2024
Foundation Programs (New Staff)	4 Foundation Programs for 204 new officials — covering NCC Bank's values, risk framework, sustainability commitments, and ESRM obligations
External Training (BIBM, BBTA, BIIF)	461 officials in 119 external programs — specialised courses on ESRM, sustainable banking, AML/CFT, trade finance, credit risk
Sustainability-Specific Training	480 officials trained on sustainable finance, green lending, ESRM protocols, and GHG disclosure
BB Sustainable Finance Awareness Program	150 executives and officers trained by Bangladesh Bank's Sustainable Finance Department at NCC Bank Head Office
Green Olympiad 2025	250+ employees participated in this competitive sustainability knowledge event; 16 outstanding performers recognised
Overseas Training	5 executives nominated for international training programs
Leadership Workshop	Senior management cohort — "Beyond Compliance: How Sustainability Reporting Drives Bank Strategy"
Total Training Expenditure	Tk. 2,26,80,027 — covering external programs, promotion examinations, and recruitment-related training

Performance Management & Career Development

- The Bank operates a KPI-based Performance Management System evaluating both individual performance and contribution to Bank-wide strategic priorities
- Credit officers and branch managers are assessed against ESRM screening compliance rates — embedding sustainability responsibility into routine performance evaluation
- The Bank operates a promotion examination system to ensure merit-based career advancement across all employee grades
- Integrity Awards recognise employees demonstrating exemplary adherence to NCC Bank's Code of Conduct and sustainability values
- A modern State-of-the-Art Data Centre launched in 2017, a Fitness Centre, Medical Services, and employee Cafeteria at NCC Bank Bhaban demonstrate commitment to employee well-being

Employee Well-being & Workplace Standards

Well-being Dimension	NCC Bank Policy & Practice
Workplace Safety	Zero-tolerance harassment policy; gender-responsive workplace governance; Board-approved workplace standards
Health & Medical Support	Medical services available at NCC Bank Bhaban for employees; health loan product available for staff personal medical needs
Work-Life Balance	Flexible scheduling support; modern facilities at head office including cafeteria and fitness centre
Employee Engagement	Annual sustainability events including Green Olympiad; Integrity Awards; community service involvement
Employee Voice	Internal grievance channels for raising workplace concerns; managed through Human Resources Division
Learning & Development	245 training programs per year; external opportunities at BIBM, BBTA, BIIF; overseas training for high performers

Digital Transformation
Strategy

Digital transformation is a cross-cutting strategic imperative at NCC Bank PLC — simultaneously driving operational efficiency, expanding financial access, improving customer experience, and reducing the Bank's own environmental footprint through paperless banking. In 2025, NCC Bank significantly expanded its digital ecosystem, adding new features to NCC Always, installing ATMs at MRT Line-6 stations, launching D-Toll digital payment services, and integrating women's banking into digital channels.

Digital Platform / Initiative	Description	2025 Development
NCC Always (Mobile App)	Flagship digital banking app — transactions, payments, transfers, bill payments, MFS integration, D-Toll	Added D-Toll digital toll payment; expanded Bangla QR payment; enhanced NCC Parama women's banking integration
NCC Icon (Internet Banking)	Corporate and business banking online platform for account management, transactions, trade finance services	Enhanced cash management and payroll services; improved corporate customer experience
D-Toll Integration	Contactless digital toll payment via NCC Always app	Launched in 2025 — integrated with government toll infrastructure; first phase covering key highways
Bangla QR	QR-code based cashless payment facility	Expanded merchant acceptance; integrated with NCC Always app
MRT ATM Network	ATM booths at all MRT Line-6 stations	Installation at MRT Line-6 stations commenced with Shahbagh Metro Rail Station; expanding to all 16 stations
ESRM Solve	Automated Environmental & Social Risk Rating system integrated into credit approval workflow	Launched in 2026 — eliminates manual discretion in ESRM screening; real-time risk ratings and escalation triggers
Internet Banking Fund Transfer (IBFT)	Instant fund transfer for Credit Card holders via internet banking	Operational across all credit card customer segments

Digital Banking — Sustainability Dimensions

- **Paperless banking:** Digital account opening, e-statements, and online transaction processing help reduce paper consumption and dependence on physical documentation across the Bank's customer base.

- **Financial inclusion through mobile:** The NCC Always app extends access to banking services beyond physical branches, supporting greater convenience and inclusion for women, rural customers, differently-abled persons, and other underserved groups.

- **Reduced branch visit frequency:** Digital channels allow customers to complete routine transactions remotely, reducing the need for branch visits and indirectly lowering travel-related emissions.

- **Automated ATM Monitoring:** NCC Bank has introduced automated ATM monitoring to strengthen service reliability, operational efficiency, and timely identification of ATM-related issues, supporting improved customer access to digital banking services.

- **Free Cash-Out Access through Partner Bank ATMs:** Customers benefit from free cash-out facilities at selected other banks' ATM networks, expanding access to cash withdrawal points and reducing dependence on NCC Bank's own physical ATM footprint.

- **Cybersecurity governance:** Expansion of digital channels is supported by strengthened cybersecurity controls, including compliance with Bangladesh Bank's ICT Security Guidelines and regular system monitoring and audits.

Community Investment & CSR Strategy

NCC Bank PLC's CSR strategy is directly aligned with the United Nations Sustainable Development Goals and reflects the Bank's commitment to being a socially embedded organization that creates value beyond financial intermediation. In 2025, the Bank's CSR portfolio was structured around four strategic sectors — Social Welfare & Disaster Relief, Health, Education, and Environment — with a total expenditure of BDT 9.8767 Crore, representing 99.76% utilisation of the approved CSR budget.

CSR Sector	Expenditure (BDT Crore)	Portfolio Share	Key Programmes & Impact	SDG Alignment
Social Welfare, Disaster Relief & Food Security	8.1630	82.65%	Distribution of food packets to under privileged (Tk. 65.68 million); 40,000 blankets to cold-affected populations; humanitarian relief for flood-affected communities;	SDG 1, 2, 11
Health	0.8915	9.03%	Direct medical aid to 30 critically ill patients; funding of portable echocardiogram for National Heart Foundation Hospital, primary healthcare support in underserved communities	SDG 3
Education	0.7238	7.33%	Merit scholarships for underprivileged students; BDT 3.00 million for children with autism and special needs; book distribution programmes; support for educational organizations	SDG 4, 10
Environment & Climate Action	0.0984	1.00%	5,300 trees planted across 40 schools;	SDG 13, 15

Responsible & Ethical Lending Strategy

NCC Bank PLC's CSR strategy is directly aligned with the United Nations Sustainable Development Goals and reflects the Bank's commitment to being a socially embedded organization that creates value beyond financial intermediation. In 2025, the Bank's CSR portfolio was structured around four strategic sectors — Social Welfare & Disaster Relief, Health, Education, and Environment — with a total expenditure of BDT 9.8767 Crore, representing 99.76% utilisation of the approved CSR budget.

Responsible Lending Dimension	Policy / Practice	2025 Outcome
Capital Adequacy	Board-approved CRAR target maintained above Bangladesh Bank minimum (10%) through disciplined capital management	CRAR: 15.54% — Tier-1 ratio: 12.27% — Total capital: BDT 39,904 million

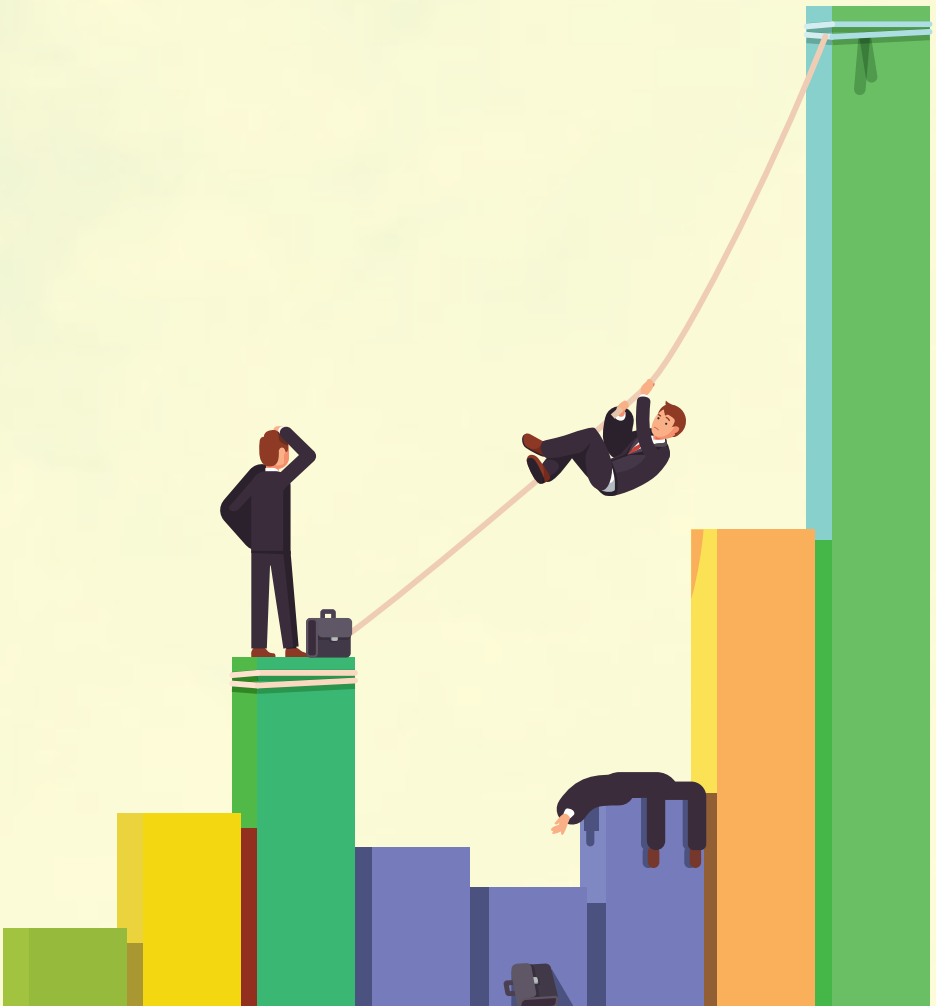
Responsible Lending Dimension	Policy / Practice	2025 Outcome
NPL Management	NPL Task Force established; intensive recovery drives; enhanced collateral review; tighter underwriting standards	NPL ratio: 4.12% (down from 7.32% in 2024) — a 44% improvement in NPL ratio
ESRM Integration in Credit Appraisal	All eligible credit proposals screened via ESRM Solve; High-ESRR proposals escalated to MD/Board	Automated ESRM Solve launched; 100% eligible proposal coverage maintained
Single-Borrower Exposure Limits	Bangladesh Bank single-borrower exposure limit compliance maintained; concentration risk monitored at ERMC	No regulatory breach of single-borrower limits in 2025
Concessional-Rate Lending	Parama loans at accessible rates; Bangladesh Bank refinance channelled at concessional rates to agricultural and SME borrowers	Parama loan portfolio: BDT 38.04 Crore (+846%); Agri refinance participation maintained
Loan Classification Standards	Bangladesh Bank's stricter loan classification standards (introduced 2024–25) adopted; NPL recognition discipline improved	NPL recognition improved; specific provision: BDT 2,229 million (down from BDT 5,465 million)

Strategic Outlook — 2025 & Beyond

NCC Bank PLC has ended the year 2025 with strong organizational momentum — a dramatically improved NPL profile, a growing green finance portfolio, an expanding digital banking ecosystem, and a deepening sustainability governance framework. Bangladesh's economy is projected to grow at 4.6–5% in FY2026, and the banking sector is transitioning from a period of structural reform and consolidation to one of recovery and growth. Against this backdrop, NCC Bank's 2025 strategy was built on six strategic priorities.

#	Strategic Priority 2026	Sustainability Dimension	Key Target
01	Conquer Digital Frontiers	Social + Environmental	Expand NCC Always active user base; complete MRT ATM network; scale NCC NeoX onBoarding; launch next-generation digital products
02	Green Finance Leadership	Environmental	Maintain Top 10 Sustainable Bank status (Bangladesh Bank Rating); increase Green Asset Ratio; expand Renewable Energy financing
03	Islamic Banking Expansion	Governance + Social	Amplify Shariah-compliant branches and windows; expand Islamic banking product suite to serve growing demand for ethical financial products
04	Inclusion Odysseys	Social	Scale NCC Parama to 20%+ of eligible women SME members; achieve 50,000 cumulative student accounts; expand financial literacy to all 64 districts
05	Asset Quality Excellence	Governance	Maintain NPL below 5%; target further reduction toward peer-group best practice; continue NPL Task Force recovery operations
06	ESG Transparency & Assurance	Governance + Environmental	Achieve external assurance of GHG disclosures; publish comprehensive ESG Report under IFRS standards; complete PCAF signatory implementation

RISK MANAGEMENT



Under IFRS, the Risk Management pillar requires NCC Bank to disclose how it identifies, assesses, prioritises, manages, and monitors all material sustainability-related risks — and how these processes connect to the Bank's enterprise-wide risk management framework. While climate risk has its own dedicated disclosures, a range of Social, Governance, ICT, and Operational sustainability risks are equally material to investors and regulators assessing the Bank's long-term financial resilience.

NCC Bank's enterprise risk framework classifies all risks across two families: Quantitative (credit, liquidity, market, strategic) and Qualitative (operational, reputational, AML/CFT, ICT, internal control & compliance, and Environmental & Social). Every qualitative risk category map to a sustainability dimension. This chapter brings those mappings into the open, showing both how each risk is identified and managed, and who is accountable for it.



Risk Heat Map — Likelihood vs Financial Impact

The risk heat map below plots NCC Bank's six non-climate sustainability risks by their assessed likelihood of occurrence and potential financial impact. Risks appearing in the upper-right zone — high likelihood, high impact — represent the Bank's most urgent management priorities. All risk positions reflect assessments as at 31 December 2025.

Sustainability Risk Heat Map

Likelihood vs Financial Impact | NCC Bank PLC



AML/CFT Risk and ICT & Cybersecurity Risk sit in the highest-priority zone — both carry high likelihood given the Bank's expanding digital footprint and complex correspondent banking network, and high potential financial and reputational impact in the event of failure. Reputational Risk and Responsible Lending Risk cluster closely behind, both elevated by the Bangladesh Bank's public sustainability rating framework, which means any shortfall in ESG commitments carries regulatory as well as market consequences. Financial Exclusion and Operational Risk sit in the actively-managed medium zone — material but with well-established mitigation mechanisms already in place.

Environmental & Social Risk Management (ESRM)

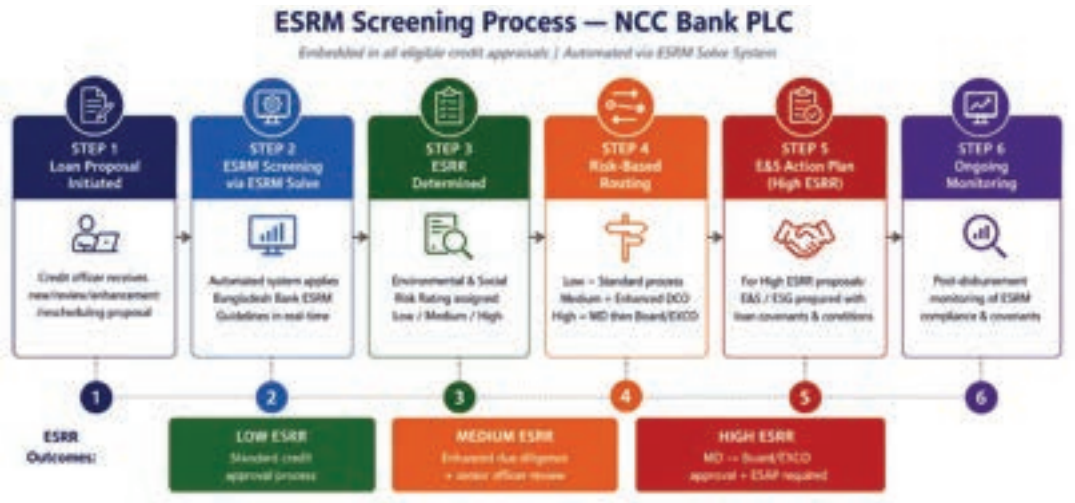
Environmental and Social Risk Management (ESRM) is NCC Bank's primary operational mechanism for integrating climate and environmental risk into day-to-day credit decisions. The ESRM system embeds environmental and social due diligence into the credit appraisal process for all eligible loan proposals — ensuring that climate risk is assessed before credit is extended, not after borrower stress has emerged.

ESRM Definition & Regulatory Basis

ESRM Element	Detail
Definition	Environmental and Social Risk refers to the uncertainty or probability of losses that originates from any adverse environmental or social change events (natural or man-made) and/or the non-compliance with prevailing national environmental regulations
Regulatory Basis	Bangladesh Bank Environmental & Social Risk Management Manual (ESRM Manual) | Bangladesh Bank Sustainable Finance Policy | SFD Circular No. 01 (06 November 2025)
Governing Documentation	Credit Policies and Manuals; Policy and Procedure Guideline on Sustainable Banking; Standard Operating Policy & Procedure on Environmental & Social Risk Management
Scope of Application	All loan proposals — New, Renewal, Enhancement, Rescheduling, and Restructuring — across all customer segments (Corporate, CMSME, Retail, SME, Agricultural)
Responsible Ownership	1st Line: Branch credit officers and Relationship Managers. 2nd Line: Risk Management Division, Sustainable Banking Division and Credit Risk Management Division. 3rd Line: Internal Control & Compliance.

ESRM Solve — The Automated System

NCC Bank launched ESRM Solve — a purpose-built automated Environmental and Social Risk Management system that represents a landmark upgrade in the Bank's credit risk infrastructure. ESRM Solve eliminates manual discretion from the ESRM screening process, ensures consistent application of Bangladesh Bank's ESRM Guidelines across all 142 branches, and provides real-time ESRR outputs integrated directly into the credit approval workflow.



ESRM Solve Feature	Functionality	Impact on Climate Risk Management
Automated ESRR Calculation	Real-time Environmental & Social Risk Rating for all eligible proposals based on pre-programmed ESRM guidelines and sector risk parameters	Removes manual discretion; ensures 100% screening coverage; reduces ESRM compliance time per proposal
Physical Risk Data Integration	Geographic risk data (flood zones, cyclone exposure, coastal risk areas) incorporated into ESRR calculation logic	Ensures physical climate risk factors are quantitatively reflected in credit risk ratings for geography-sensitive proposals
Sector-Based Risk Categorisation	Sector-specific ESRM criteria applied based on Bangladesh Bank's sector exclusion and screening lists	High-emission and climate-sensitive sectors (brick kilns, chemical manufacturing, fossil fuels) receive appropriately elevated risk ratings automatically
High-ESRR Escalation Trigger	Automated alert and workflow escalation for any proposal receiving a High ESRR — requiring MD review then Board/EXCO approval	Creates a hard organizational boundary preventing High-ESRR credit from advancing without Board-level visibility and approval
E&S Action Plan (ESAP) Generation	For High-ESRR proposals proceeding to approval: system supports preparation of Environmental & Social Action Plan with required covenants and conditions	Ensures that mitigating conditions are formally documented and legally embedded in loan agreements
Centralized DashBoard & BI Reporting	Management information system providing real-time ESRM compliance rates, ESRR distribution, and escalation tracking across the portfolio	Enables second-line risk related other management to monitor ESRM compliance portfolio-wide



Social Risk

Financial Exclusion Risk

Financial exclusion risk — the risk that NCC Bank's products, pricing, or distribution fail to reach underrepresented groups — is both a social impact concern and an increasingly measurable regulatory risk, given Bangladesh Bank's explicit monitoring of gender-responsive and inclusive lending as part of its Sustainability Rating framework.

Labour & Human Capital Risk

Human capital risk at NCC Bank encompasses talent attrition, skills gaps — particularly in sustainable finance and digital banking — and workplace culture failures. The Bank's fourfold increase in training cost per employee in 2025 (from BDT 0.003M to BDT 0.013M) signals a deliberate de-risking of skills gaps, complemented by its KPI-based Performance Management System and competitive benchmarking of compensation against industry peers. Workplace culture risk is mitigated through a zero-tolerance harassment policy, internal grievance channels, and the Audit Committee's independent oversight of compliance. Performance gaps among executives and staff are identified through the Risk Forum and addressed through targeted training and process improvement.

Community & CSR Delivery Risk

The risk of failing to deliver meaningful, measurable community impact — as opposed to nominal budget utilisation — is managed through a structured annual CSR framework with SDG-aligned sector targeting and formal outcome measurement. In 2025, the Bank achieved 99.76% utilisation of its approved CSR budget, demonstrating fiscal discipline alongside impact delivery. Disaster response capacity is now embedded in the CSR framework as a standing capability, given the recurrence of major flooding events in Bangladesh and the direct effect on the Bank's borrower base.

Governance & Compliance Risk

AML/CFT & Financial Crime Risk

Money Laundering Risk is a named standalone risk category in NCC Bank's enterprise framework — not subsumed under operational or compliance risk. This reflects the Bank's recognition that financial crime exposure is a distinct, material sustainability risk with potential to undermine the trust of correspondent banking partners, regulators, and the public. The risk is managed through a four-layer governance structure: Board accountability, Central Compliance Committee policy enforcement, CAMLCO-led independent branch audits, and branch-level KYC/transaction monitoring. In 2025 the Bank filed 123 Suspicious Transaction and Activity Reports with the Bangladesh Financial Intelligence Unit, conducted six AML/CFT workshops reaching 310 employees, and completed Wolfsburg Questionnaire KYC reviews for all 363 correspondent banking relationships. The Bangladesh Financial Intelligence Unit conducted a direct system check on the Bank's O.R. Nizam Road Branch, rating it "Satisfactory." The Managing Director personally issues an annual AML/CFT awareness message to all staff — a formal tone-from-the-top mechanism embedded in the Bank's governance calendar.

Reputational Risk

NCC Bank defines reputational risk as the threat arising from failure to meet stakeholders' reasonable expectations of the Bank's performance and behaviour. The Bank maintains a formally stated low tolerance for reputational damage arising from poor customer service, fraud, non-payment of accepted bills, or business conduct inconsistent with its ESG commitments. Reputational risk is assessed under ICAAP Pillar-2, with the Bank maintaining additional capital against key indicators including its external credit rating, internal and external fraud incidents, and service quality scores. The Customer Service & Complaint Management Policy provides the operational governance document for reputational risk management.

Internal Control & Compliance Risk

The Internal Control and Compliance Division operates under the direct oversight of the Board's Audit Committee — the structural independence that gives third-line assurance genuine authority. Risk-Based Internal Audit, Comprehensive Audit, Special Audit, and standalone IT Audit are conducted on a regular cycle. Segregation of duties and multi-tier approval are embedded across all material transaction processes, and the Board receives Senior Management Team analytical assessments of internal control effectiveness on a periodic basis.

ICT & Cybersecurity Risk

ICT Risk is a named qualitative risk type in NCC Bank's enterprise risk framework — not an afterthought. This matters because the Bank's digital banking footprint expanded significantly in 2025: NCC Always, ESRM Solve, D-Toll, Bangla QR, and the MRT ATM network all increased the attack surface that must be actively managed. The Bank's IT systems and networks are periodically reviewed by designated internal committees, with a dedicated IT Audit unit operating independently of the general internal audit function to provide specialist assurance.

On the customer-facing security side, all NCC Bank payment cards are EMV chip-secured with mandatory Two-Factor Authentication. Transaction monitoring systems are deployed across digital channels, integrated with AML/CFT surveillance to catch both fraud and financial crime in a single operational layer. Compliance with Bangladesh Bank's ICT Security Guidelines — covering penetration testing, vulnerability management, and payment card data protection — provides the regulatory framework within which all digital infrastructure is governed. Cybersecurity incidents and IT audit outcomes are escalated to senior management and, where material, to the Audit Committee.

Operational Risk

Operational risk — arising from inadequate or failed internal processes, people, systems, or external events — is governed through a control-based environment in which processes are documented, authorisation is independent, and transactions are reconciled and monitored on an ongoing basis. NCC Bank maintains a standalone Operational Risk Policy, and risk events identified across business lines are escalated through a dedicated Risk Forum where related stakeholders collectively evaluate and agree on mitigation actions. From a sustainability perspective, the most significant operational risk intersection is with human capital: performance gaps among executives and staff are identified through the Risk Forum and addressed

through targeted training — a process the Bank asserts has maintained performance gaps at a minimum level through continuous learning investment. External event risk — the risk of an event outside the Bank's control causing operational disruption — carries no specific near-term expectation of material impact at the Bank level, though Bangladesh's climate vulnerability means disaster-related branch disruptions remain a latent operational risk, addressed through branch-level disaster response protocols.

Responsible **Lending Risk**

Responsible lending risk encompasses two distinct dimensions for NCC Bank. The first is the risk of credit being extended without adequate environmental and social due diligence — creating long-term portfolio risk from borrowers whose business models are exposed to climate, regulatory, or social non-compliance pressures. This risk is managed through the ESRM Solve automated screening system and the ESRR escalation mechanism, which together ensure that environmental and social risk is systematically assessed before any eligible credit is approved.

The second dimension is the risk of failing to serve priority segments — CMSME borrowers, women entrepreneurs, agricultural communities — at sufficient scale and appropriate pricing, which would undermine the Bank's sustainability commitments and its Bangladesh Bank sustainability rating simultaneously. Concessional-rate lending under NCC Parama, participation in several Bangladesh Bank refinance schemes, and the Agri disbursement target tracking process are the primary management mechanisms for this dimension. Together, they make responsible lending not merely a values statement but an operationally tracked and managed risk category.

CLIMATE RESILIENCE



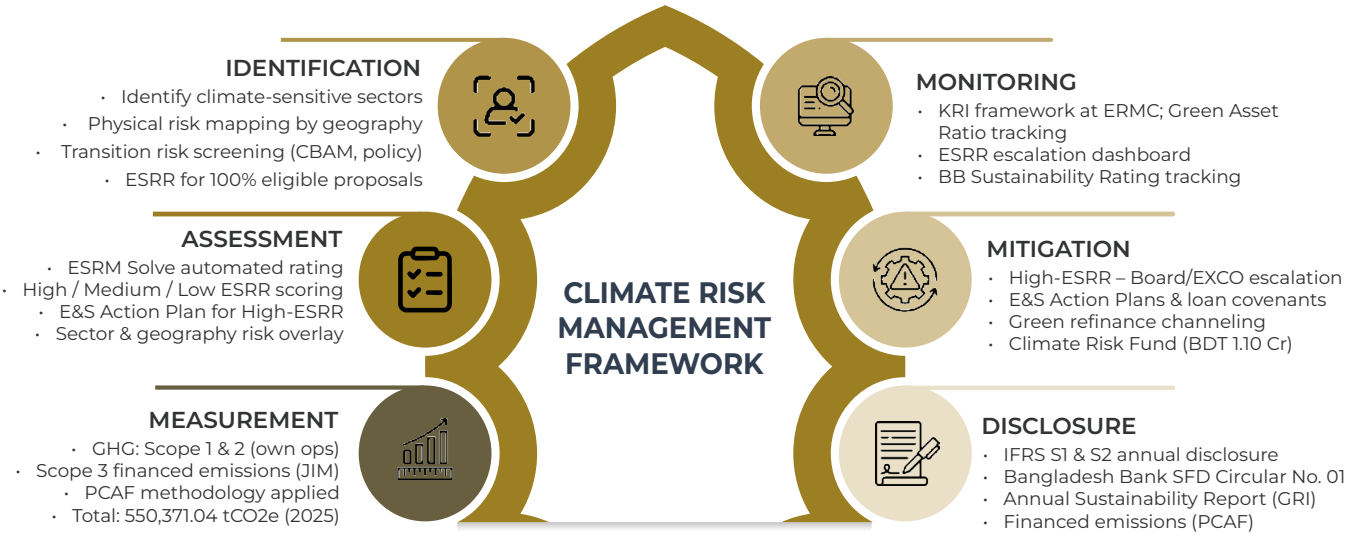
According to IFRS S2 Standards, the Risk Management pillar discloses how NCC Bank PLC identifies, assesses, prioritises, manages, and monitors climate-related financial risks—and how these processes are integrated into the Bank's overall enterprise risk management framework. Climate risk is no longer a peripheral concern for Bangladeshi banks; it is a systemic financial risk with direct and measurable implications for credit quality, capital adequacy, operational continuity, and long-term organizational resilience.

Bangladesh's geographic and economic characteristics place NCC Bank at the intersection of multiple climate risk channels. As a nation ranked among the most climate-vulnerable in the world — exposed to annual monsoon flooding, Bay of Bengal cyclones, sea-level rise, heat stress, and drought — the physical climate risks affecting NCC Bank's 142-branch network and lending portfolio are both immediate and intensifying. At the same time, global and domestic policy shifts toward decarbonisation are creating transition risks for carbon-intensive industries that form a significant portion of the Bank's corporate loan portfolio.

In 2025, NCC Bank made substantive progress in climate risk management — launching the Automated ESRM Solve system, becoming a PCAF signatory, partnering with the JIM Foundation for financed emissions calculation, endorsing its first Transition Plan, and disclosing Scope 1, 2 & 3 GHG emissions for the first time under IFRS and Bangladesh Bank guidelines.

Climate Risk Management Framework Overview

NCC Bank PLC's Climate Risk Management (CRM) Framework is built upon Bangladesh Bank's Guidelines on Climate Risk Management for Banks and Finance Companies, SFD Circular No. 01 (06 November 2025), and the requirements of IFRS S2 (Climate-related Disclosures). The framework operates across six interconnected processes — Identification, Assessment, Measurement, Monitoring, Mitigation, and Disclosure — which together constitute a comprehensive, integrated approach to managing climate risk at the organizational level.



Framework Component	Regulatory / Standards Basis	NCC Bank Implementation
Climate Risk Identification	Bangladesh Bank Guidelines on Climate Risk Management - SFD Circular No. 01 (06 November 2025)	Climate-sensitive sector identification; geographic physical risk mapping; ESRM for all eligible credit proposals
Climate Risk Assessment	Bangladesh Bank ESRM Guidelines	ESRM Solve automated ESRR system; High/ Medium/Low rating; E&S Action Plans for High-ESRR proposals
GHG Measurement (Scope 1 & 2)	IFRS S2 Appendix B Cross-Industry Metrics - GHG Protocol - Bangladesh Bank SFD	Direct emissions from own operations; purchased electricity; Operational Control boundary applied
Financed Emissions (Scope 3)	PCAF Standards - JIM Foundation Methodology - IFRS S2	Partnership with JIM Foundation for financed emissions calculation; PCAF signatory status authorised by Board
Climate Risk Monitoring	Bangladesh Bank ERMC requirements - IFRS S2	KRI framework reviewed at ERMC; Green Asset Ratio; ESRR escalation tracking
Climate Risk Disclosure	IFRS S2 - Bangladesh Bank Sustainability & Climate-related Financial Disclosure Guideline (December 2023)	Annual Sustainability Report (IFRS framework); inaugural Sustainability Report 2024 (GRI-aligned); BB compliance index



GHG Emissions Disclosure (Scope 1, 2 & 3)

In alignment with the Bangladesh Bank Sustainable Finance Policy, ESRM Guidelines, and Sustainability & Climate-related Financial Disclosure requirements, and in compliance with IFRS S2 (Climate-related Disclosures), NCC Bank PLC has systematically assessed and disclosed its Greenhouse Gas (GHG) emissions across Scope 1, Scope 2, and Scope 3 categories for the year ended 31 December 2025.

Scope 1 — Direct GHG Emissions

Scope 1 emissions are direct greenhouse gas emissions arising from sources that are owned or controlled by NCC Bank PLC. The Bank's Scope 1 emissions total 2,288.80 tCO_2e — a relatively small proportion (0.42%) of total GHG footprint, reflecting the predominantly service-sector nature of banking operations.

Scope 1 Emission Source	Description	Emission Driver
Stationary Combustion	Fuel combustion in generators, and other stationary equipment at NCC Bank Bhaban head office and branch facilities	Generator diesel fuel consumption during power outages (Bangladesh grid reliability); head office fuel-based backup power
Refrigerants & Fugitive Emissions	Leakage from air conditioning and refrigeration systems across 132 branches, 10 sub-branches, head office, and data centre	Air conditioning systems in all branch locations; data centre cooling requirements; refrigerant leakage during maintenance
Company Vehicle Fleet	Fuel combustion from Bank-owned vehicles used for cash transportation, management movement, and operational purposes	Diesel and petrol consumption of Bank's vehicle fleet; geographic coverage of 142 branches requiring vehicle-based logistics

Scope 1 — Direct GHG Emissions

Scope 1 emissions are direct greenhouse gas emissions arising from sources that are owned or controlled by NCC Bank PLC. The Bank's Scope 1 emissions total 2,288.80 tCO_2e — a relatively small proportion (0.42%) of total GHG footprint, reflecting the predominantly service-sector nature of banking operations.

Scope 2 Emission Source	Description	Reduction Pathway
Branch Electricity Consumption	Electricity consumed for lighting, air conditioning, ATM/CRM operations, and IT equipment across 132 branches and 10 sub-branches nationwide	Energy efficiency upgrades; LED lighting; energy-efficient air conditioning; smart energy management systems
Head Office & Data Centre Electricity	Electricity consumed at NCC Bank Bhaban (22-storey headquarters) including Data Centre, Technology Division, and all head office operations	Data centre energy efficiency; server virtualisation; renewable energy procurement where available; green building practices
ATM & CRM Network	145 ATMs and CRMs nationwide — operating 24/7 with continuous electricity consumption	Energy-efficient ATM equipment; scheduled downtime where appropriate; solar-powered ATM exploration

Scope 3 — Financed Emissions (Category 15)

Scope 3 Category 15 — Investments/Financed Emissions — represents by far the largest component of NCC Bank's GHG footprint, a total of 542,025.37 tCO_2e (98.49% of total emissions). Financed emissions reflect the carbon intensity of the Bank's lending and investment portfolio — the greenhouse gas emissions generated by the companies, projects, and individuals that NCC Bank finances. This is the most material climate disclosure metric for any financial organization.

Financed Emissions Element	Detail
Total Scope 3 Financed Emissions (2025)	542,025.37 tCO_2e — representing 98.49% of NCC Bank's total GHG footprint
Calculation Methodology	Joint Impact Model (JIM) Foundation toolkit — an internationally recognised methodology for calculating financed emissions from lending portfolios
PCAF Alignment	NCC Bank became a signatory of the Partnership for Carbon Accounting Financials (PCAF) in 2025 — committing to PCAF-aligned methodology for financed emissions measurement and disclosure
GHG Boundary	Operational Control Approach — covering all lending and investment activities within NCC Bank PLC's operational control
Asset Classes Covered	Corporate lending, CMSME lending, agricultural loans, retail loans, and investment portfolio
Primary Emission Driver	The Industrial sector (57% of loan portfolio) and Business segment (12%) account for the largest share of financed emissions — reflecting the carbon intensity of manufacturing, construction, and trade finance activities
Emission Intensity	Financed emissions per BDT crore of total assets — a Key Risk Indicator monitored annually and reported to Board
Reporting Year	Calendar year 1 January – 31 December 2025

GHG Accounting — Methodology Notes

- The JIM Foundation toolkit applies an Input-Output (IO) based model that allocates sectoral emissions to financial organizations based on their share of financing within each sector
- The PCAF standard requires financial organizations to disclose the data quality score for each asset class — NCC Bank targets improving data quality from estimated/modelled inputs to borrower-reported activity data over the medium term
- Scope 1 and 2 emissions are calculated using the GHG Protocol Corporate Accounting and Reporting Standard, applying Bangladesh-specific emission factors where available
- The Operational Control Approach means that NCC Bank accounts for GHG emissions from all operations over which it exercises operational control — including all branches, sub-branches, ATMs, and the head office
- GHG emission data is reviewed by the Sustainable Banking Division and validated through the Bank's internal data governance processes before disclosure

Strategic Partnerships for **Climate Risk Management**

NCC Bank PLC has actively built a portfolio of strategic partnerships that strengthen its climate risk management capabilities, enhance its sustainable finance product offering, and position the Bank at the forefront of sustainable banking in Bangladesh. These partnerships reflect the Bank's recognition that managing climate risk effectively requires collaboration with specialist organisations — both within Bangladesh and globally.

Partner	Partnership Type	Purpose & Scope	Climate Risk Management Relevance
Joint Impact Model (JIM) Foundation	Technical methodology partner for financed emissions calculation	Application of JIM Foundation's sector-based input-output model for calculating NCC Bank's Scope 3 financed emissions portfolio-wide	Provides the methodology infrastructure for IFRS compliant Scope 3 disclosure; enables year-on-year financed emissions tracking; supports PCAF reporting requirements
Partnership for Carbon Accounting Financials (PCAF)	Signatory membership (authorised by Board in 2025)	Commitment to internationally recognised standards for measuring and disclosing financed emissions; access to PCAF tools and methodology	PCAF signatory status signals organizational commitment to global climate disclosure standards; aligns NCC Bank with the growing community of financial organizations applying PCAF for Scope 3 reporting
Bangladesh Bank — Sustainable Finance Department	Regulatory & capacity building partner	ESRM Guidelines implementation; Sustainable Finance Policy compliance	Direct regulatory guidance on climate risk management; access to Bangladesh Bank refinance schemes; capacity building in ESRM protocols and sustainability reporting
DHL Express — GoGreen Plus Programme	Environmental operations partnership	"GoGreen Plus — Carbon Reduced Service" agreement utilising Sustainable Aviation Fuel (SAF) to reduce carbon emissions from NCC Bank's international air shipments	Reduces Scope 1 and Scope 2 emissions from logistics; aligns Bank operations with international environmental standards; demonstrates active commitment to emissions reduction beyond regulatory compliance
Bangladesh Bank Green Refinance Schemes	Participatory Financial Organization (PFI) for 9 BB refinance schemes	Access to concessional-rate funding for on-lending to green and sustainable projects — including GTF, TDF, SREUP, EFPF, UBSP, FDIPP, BB-LTFF, CMSME Pre-Finance, and ECC schemes	Incentivises green lending by reducing cost of funds for eligible projects; supports transition financing for borrowers shifting to cleaner technologies

Partner	Partnership Type	Purpose & Scope	Climate Risk Management Relevance
Meghna Life Insurance Company Ltd.	Insurance partnership for home loan customers	MoU for automatic life insurance coverage for all NCC Bank regular home loan borrowers — reducing credit risk from borrower mortality events	Reduces physical climate risk-related credit losses by ensuring insurance coverage for home loan collateral and borrowers; particularly relevant in high-climate-risk geographic areas

Bangladesh Bank Green Refinance Schemes — Full Listing

NCC Bank PLC participates as a Participatory Financial Organization (PFI) in the following Bangladesh Bank sustainable and green finance refinance schemes — enabling it to channel concessional-rate central bank funds to eligible green and climate-resilient borrowers:

#	Scheme Name	Acronym	Primary Purpose
1	Green Transformation Fund	GTF	Financing for green technology adoption and industrial transformation to more energy-efficient and environmentally friendly processes
2	Technological Development Fund	TDF / TUF	Financing for technology upgradation in manufacturing — enabling cleaner production technologies and energy efficiency improvements
3	Refinance Scheme for Environment-friendly Products/Projects/Initiatives	Refinance Scheme	General green refinance window for a broad range of environment-friendly projects and products

Climate Risk Management — 2026 Priorities

NCC Bank PLC has identified the following priority actions to strengthen its climate risk management framework in 2026 — building on the substantive progress made in 2025 and advancing toward full IFRS S2 and Bangladesh Bank SFD Circular No. 01 compliance.

#	Priority Action	Expected Outcome
01	Complete PCAF Full Implementation	Apply PCAF-aligned financed emissions methodology across all asset classes; improve data quality scores from modelled to reported activity data for major borrowers; establish baseline for year-on-year reduction tracking
02	Launch Scope 3 Reduction Target	Set a formal, Board-approved financed emissions reduction target aligned with Bangladesh's NDC commitments and the Paris Agreement temperature goals
03	Scope 1 & 2 Reduction Targets	Set measurable targets for reducing NCC Bank's own operational (Scope 1 & 2) emissions — through energy efficiency, renewable energy adoption, and green building practices at head office and major branches
04	ESRM Solve Enhancement — Physical Risk Mapping	Integrate enhanced Bangladesh district-level climate hazard data (flood return periods, cyclone intensity, sea level rise projections) into ESRM Solve — enabling more granular physical risk-adjusted ESRR calculations

Climate Scenario Analysis

Climate scenario analysis is an important component of climate-related financial disclosure under IFRS S2, helping financial institutions understand how different climate pathways could influence strategy, financial performance, risk exposure and long-term resilience. Rather than predicting a single outcome, scenario analysis provides a structured basis for considering a range of plausible future conditions and their potential financial implications.

For NCC Bank PLC, climate scenario analysis represents an important area for future capability development as the Bank continues to strengthen its overall sustainability and climate-related governance in line with Bangladesh Bank's Guidelines on Climate Risk Management and evolving international practices. The Bank recognizes the value of progressively developing an appropriate scenario analysis framework that can consider both physical and transition risks across relevant short-, medium- and long-term horizons.

As this capability evolves, internationally recognized reference pathways, including those developed by the Network for Greening the Financial System (NGFS), may provide a useful basis for assessing how different climate outcomes could affect climate-sensitive sectors and portfolio exposures. Particular attention may be relevant for agriculture, CMSMEs, export-oriented industries, RMG and other industrial borrowers.

With a nationwide network of 142 branches, BDT 669.19 Crore disbursed under Green Finance and BDT

17,005.33 Crore under Sustainable Finance in 2025, the progressive development of climate scenario analysis will support NCC Bank's broader objective of strengthening informed risk assessment, portfolio management, strategic planning and climate-related disclosure.

Climate Scenario Analysis

NCC Bank PLC recognizes that climate-related risks and opportunities may increasingly influence credit quality, portfolio resilience, operational continuity and long-term business strategy. While a formal climate scenario analysis and scenario-specific response framework have not yet been established, the Bank has already developed several important foundations—including its ESRM framework, automated ESRM Solve system, Green and Sustainable Finance activities, PCAF participation and financed emissions disclosure.

Going forward, NCC Bank intends to progressively strengthen these foundations in line with Bangladesh Bank's climate risk guidance and evolving international practices. The following areas represent key strategic directions through which the Bank can enhance its preparedness for both physical and transition climate risks.

Strategic Response Dimension	Current Foundation / 2025 Position	Forward Strategic Direction
Green & Sustainable Finance	NCC Bank disbursed BDT 669.19 Crore under Green Finance and BDT 17,005.33 Crore under Sustainable Finance in 2025. Green Finance and Sustainable Finance are also incorporated into relevant KPI arrangements.	Continue expanding financing for eligible green and sustainable activities, including energy efficiency, renewable energy, cleaner production, circular economy and environmentally responsible CMSMEs.
Climate-Sensitive Borrower Assessment	Environmental and social risks are assessed through the Bank's established ESRM framework and supported by the automated ESRM Solve system.	Progressively strengthen consideration of climate-related factors for borrowers and sectors that may be particularly exposed to physical or transition risks.
Physical Climate Risk Consideration	The Bank recognizes the relevance of physical climate risks in Bangladesh, including flooding, cyclones, heat stress and other climate hazards.	Develop stronger understanding of geographic and sectoral exposure and progressively incorporate relevant physical climate risk considerations into credit and portfolio assessment.
Climate Adaptation Financing	Existing Green and Sustainable Finance activities provide a foundation for supporting climate-resilient investment.	Explore opportunities to finance climate-resilient agriculture, resource efficiency, resilient infrastructure and other eligible adaptation-related activities as relevant financing opportunities emerge.

Strategic Response Dimension	Current Foundation / 2025 Position	Forward Strategic Direction
Portfolio-Level Climate Risk Assessment	Climate-related portfolio analysis remains an evolving area within the Bank's broader risk management framework.	Gradually strengthen sectoral and portfolio-level analysis to identify areas of higher climate sensitivity and support informed risk management and strategic decision-making.
Capital & Financial Resilience	NCC Bank maintained a CRAR of 15.54% in 2025, supporting overall financial resilience.	Continue maintaining prudent capital and risk management while progressively assessing how material climate-related risks could affect portfolio quality, credit risk and financial resilience.
PCAF & Financed Emissions	NCC Bank became a PCAF signatory, partnered with the JIM Foundation, and disclosed Scope 3 financed emissions of 542,025.37 tCO2e for 2025.	Improve financed emissions data quality, coverage and portfolio-level analysis and progressively use emissions information to strengthen climate-related assessment and disclosure.
Climate Governance & Scenario Analysis	Climate-related risks and opportunities are receiving increasing attention within the Bank's governance and risk management discussions.	Progressively develop climate risk assessment capabilities, including appropriate scenario analysis, governance arrangements and analytical tools in line with Bangladesh Bank guidance and evolving international practices.

Advancing Scenario Analysis — 2026 Development Roadmap

NCC Bank PLC recognizes climate scenario analysis as an important area for progressive capability development as climate-related risk management and disclosure expectations continue to evolve. During 2025, the Bank strengthened several foundational elements—including Environmental & Social Risk Management (ESRM), the automated ESRM Solve system, financed emissions measurement and disclosure, participation in PCAF, and collaboration with the Joint Impact Model (JIM) Foundation.

Building on these foundations, NCC Bank intends to progressively enhance its ability to assess the potential financial implications of physical and transition climate risks. The following roadmap presents an indicative development pathway for strengthening climate risk analytics and scenario analysis in line with Bangladesh Bank guidance and evolving IFRS S2 practices. Specific implementation measures and timelines will remain subject to institutional assessment, regulatory developments and appropriate management and governance approval.



Development Priority	Forward-Looking Target
Scenario Quantification	Develop a structured methodology for assessing potential sector- and portfolio-level financial implications under relevant physical and transition climate scenarios, subject to data availability and institutional capacity.
Climate Stress Testing	Progressively incorporate material climate-related variables into the Bank's broader stress-testing and risk assessment processes and strengthen quantitative climate stress-testing capability over time.
Financed Emissions & PCAF Data Quality	Improve financed-emissions data quality, coverage, documentation and borrower-level information across relevant asset classes to support stronger portfolio analysis and climate-related decision-making.
Geographic & Physical Risk Assessment	Strengthen the use of reliable geographic, sectoral and climate-hazard information to assess exposure to flooding, cyclones, heat stress, sea-level rise and other relevant physical climate risks.
Integration with ESRM & Credit Risk	Progressively integrate relevant climate-risk indicators into ESRM, credit assessment and broader portfolio risk management processes, supported by the Bank's evolving digital risk-management capabilities.
Scenario-Based Portfolio Analysis	Enhance sectoral and portfolio-level analysis to understand concentrations, vulnerabilities and potential climate-related opportunities under different future pathways.
Climate-Related Disclosure	Progressively strengthen disclosure of climate-risk assumptions, methodologies, scenario considerations and relevant quantitative information as data quality and analytical capability improve.
Governance & Institutional Capacity	Continue strengthening climate-risk governance, internal expertise, analytical tools and cross-functional coordination to support informed climate-related decision-making.



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METRICS & TARGETS

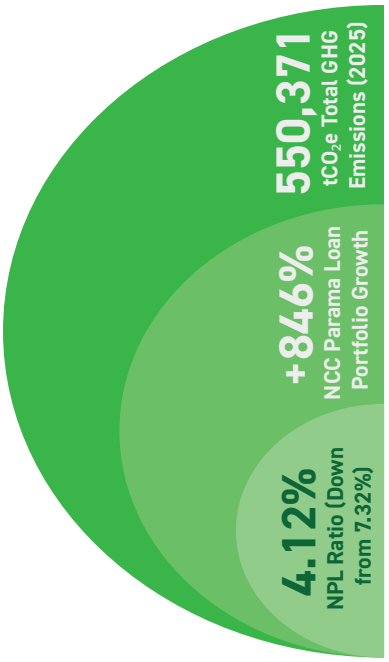


The Metrics & Targets pillar is where NCC Bank PLC's sustainability commitments are translated into numbers — the quantitative evidence that allows stakeholders to judge whether the Bank's governance, strategy, and risk management disclosed in the preceding chapters are actually producing results. This chapter brings together, in one place, the key performance indicators the Bank tracks across its environmental, social, and governance priorities, and sets out the forward targets against which future performance will be measured.

2025 was the first year in which NCC Bank disclosed a comprehensive, IFRS aligned set of climate metrics — including its full Scope 1, 2 and 3 greenhouse gas footprints. This establishes a measurement baseline from which the Bank intends to track progress, set reduction trajectories, and hold itself accountable in subsequent reporting cycles. Equally important, the Bank's social and governance metrics — from women's banking growth to credit quality improvement — show a year of genuine operational momentum, not merely policy intent.

Sustainability Metrics Dashboard (2025)

IFRS Cross-Industry Metrics | TCFD Metrics & Targets Pillar



BDT 669.19 Cr Green Finance Disbursement	**BDT 17,005Cr** Sustainable Finance Disbursement	**24.73%** CMSME Share of Total Loans (vs 20.80%)
8,102 Employees Trained (245 programs)	**BDT 9.88Cr** CSR Investment (99.36% utilized)	**15.54%** CRAR
36,542 Student Bank Accounts	**18** LEED Certified Customers	**438** Female Employees (17.7% of workforce)

Note: Data as of 31 December 2025 | BDT = Bangladeshi Taka

Environmental Metrics

Bangladesh Bank Green Refinance Schemes — Full Listing

NCC Bank PLC reported a total greenhouse gas (GHG) footprint of 550,371.04 tCO_2e in 2025, reflecting the Bank's continued progress in strengthening climate-related measurement and disclosure in line with Bangladesh Bank's sustainability and climate-related disclosure requirements and evolving IFRS S1 and IFRS S2 practices.

Of the total emissions, Scope 1 direct emissions from the Bank's own operations amounted to 2,288.80 tCO_2e, while Scope 2 emissions associated with purchased electricity were 6,056.87 tCO_2e. Together, Scope 1 and Scope 2 accounted for approximately 1.52% of the Bank's total reported GHG footprint.

The largest share arose from Scope 3 financed emissions, amounting to 542,025.37 tCO_2e, or

approximately 98.48% of total reported emissions. These emissions represent the climate impact associated with the Bank's financing activities and highlight the significance of portfolio-level emissions management for a financial institution. NCC Bank calculated its financed emissions using the Joint Impact Model (JIM) Foundation toolkit and further strengthened its climate-accounting journey by becoming a signatory to the Partnership for Carbon Accounting Financials (PCAF).

This disclosure provides an important foundation for progressively improving financed-emissions data quality, portfolio-level analysis and climate-related risk assessment, while supporting more informed sustainable finance and long-term climate strategy.

550,371.04 tCO_2e

Total GHG Emissions (Scope 1+2+3)

Established as NCC Bank's first formal GHG baseline for 2025, providing the reference point against which future-year reduction performance will be measured.

98.49 %

Scope 3 Share of Total Footprint

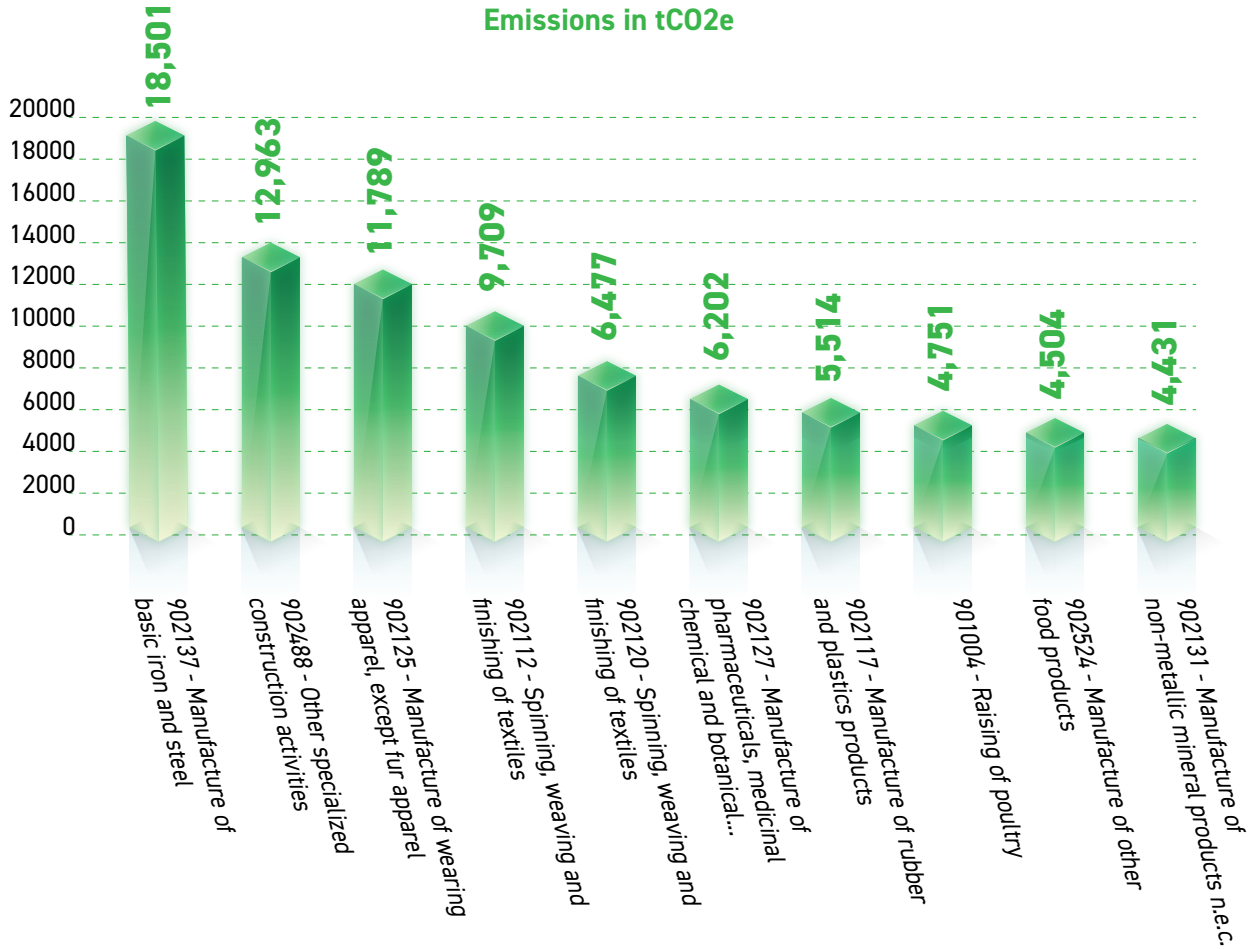
Confirms that financed emissions — not branch operations — are the dominant driver of NCC Bank's climate impact, consistent with the financial sector globally.

Financed Emissions

NCC Bank PLC reported Scope 3 financed emissions of 542,025.37 tCO_2e for 2025, representing the emissions associated with its financed portfolio. The annual figure was derived from two biannual assessments conducted using the Joint Impact Model (JIM) Foundation toolkit. The first assessment, completed on 28 July 2025, covered the first half of 2025 and reported 223,930.02 tCO_2e, while the second assessment, completed on 25 January 2026, covered the second biannual reporting period of 2025 and reported 318,095.35 tCO_2e. Under the Bank's reporting approach, these two components reconcile to the annual financed-emissions disclosure of 542,025.37 tCO_2e.

The second biannual assessment also supports the sector-level financed-emissions and funded-exposure information reported to Bangladesh Bank through the applicable Sustainability and Climate-related Financial Disclosure template (Table 3). The corresponding disclosure reports combined financed emissions of approximately 318,037 tCO_2e against funded exposure of BDT 87,241.77 million. This is closely aligned with the JIM assessment output of 318,095.35 tCO_2e, with a difference of approximately 58.35 tCO_2e, or 0.02%, reflecting minor differences in asset-class coverage and reporting scope.

Together, these assessments strengthen the Bank's portfolio-level carbon accounting and provide an important analytical foundation for improving financed-emissions data quality, sector-level analysis and future climate-related risk assessment in line with the Bank's PCAF participation and evolving sustainability disclosure practices.



Own-Operations GHG Emissions (Scope 1 and Scope 2)

NCC Bank PLC's own-operations greenhouse gas emissions for 2025 comprise Scope 1 emissions of 2,288.80 tCO_2e and Scope 2 emissions of 6,056.87 tCO_2e. These annual figures reconcile directly with the Bank's two biannual Sustainability and Climate-related Financial Disclosure submissions to Bangladesh Bank.

For the first biannual period (January–June 2025), the Bank reported Scope 1 emissions of 718.62 tCO_2e and location-based Scope 2 emissions of 2,553.27 tCO_2e. For the second biannual period (July–December 2025), Scope 1 emissions amounted to 1,570.18 tCO_2e, while Scope 2 emissions were 3,503.60 tCO_2e.

Accordingly, the two reporting periods reconcile to the Bank's full-year 2025 emissions:

GHG Emission Category	H1 2025	H2 2025	Full-Year 2025
Scope 1 Emissions	718.62 tCO_2e	1,570.18 tCO_2e	2,288.80 tCO_2e
Scope 2 Emissions	2,553.27 tCO_2e	3,503.60 tCO_2e	6,056.87 tCO_2e
Scope 1 + Scope 2	3,271.89 tCO_2e	5,073.78 tCO_2e	8,345.67 tCO_2e

This reconciliation provides a consistent basis for NCC Bank's annual operational GHG disclosure and strengthens traceability between its periodic regulatory submissions and annual sustainability reporting.

Portfolio Coverage & Attribution Methodology

NCC Bank's financed-emissions assessment achieved approximately 97.8% portfolio coverage across the two biannual reporting periods. Coverage reached 97.92% in H1 2025 and 97.75% in H2 2025, demonstrating broad representation of the relevant credit portfolio within the financed-emissions assessment.

The small proportion outside the calculation primarily relates to exposures for which the underlying use of proceeds or economic activity could not be sufficiently mapped for emissions estimation. Financed emissions were assessed using the Joint Impact Model (JIM) Foundation toolkit, supported by a PCAF-aligned attribution approach, providing NCC Bank with an internationally recognized foundation for portfolio carbon accounting.

Coverage & Methodology Indicator	H1 2025	H2 2025	2025 Position
Gross exposure included in financed-emissions calculation	97.92%	97.75%	Approximately 97.8% coverage
Gross exposure outside calculation	2.08%	2.25%	Approximately 2.2%
Funded exposure – Loans & Advances, excluding project finance	BDT 82,502.09 million	BDT 87,241.77 million	Period-specific portfolio exposure
Undrawn loan commitments in scope	BDT 1,574.63 million	BDT 3,516.00 million	Period-specific commitments
Attribution approach	PCAF-aligned	PCAF-aligned	PCAF-aligned portfolio attribution
Calculation support	JIM Foundation toolkit	JIM Foundation toolkit	JIM-supported financed-emissions assessment

2025 GHG and Financed-Emissions Reconciliation

The Bank's biannual regulatory submissions and JIM-supported financed-emissions assessments provide a consistent basis for the GHG figures presented in the 2025 Sustainability Report. The reconciliation below demonstrates the linkage between periodic reporting and the annual disclosed emissions.

Metric	2025 Reported Figure
Scope 3 Financed Emissions	542,025.37 tCO_2e
Scope 1 Emissions	2,288.80 tCO_2e
Scope 2 Emissions	6,056.87 tCO_2e
Undrawn loan commitments in scope	BDT 5,090.63 million
Attribution approach	PCAF-aligned
Calculation support	JIM Foundation toolkit

Governance & Financial Resilience Metrics

Sustainability and financial resilience are closely interconnected, as effective management of environmental, social and governance risks ultimately support asset quality, capital strength and long-term institutional resilience. In 2025, NCC Bank PLC demonstrated notable improvement in credit quality, with the Non-Performing Loan (NPL) ratio declining to 4.12% from 7.32% in 2024. This represents a significant year-on-year improvement and reflects the Bank's continued focus on prudent credit management, portfolio monitoring and recovery initiatives.

The Bank also maintained a strong capital position, with its Capital to Risk-Weighted Assets Ratio (CRAR) standing at 15.54% at year-end. This level provides an important capital cushion to support business growth and strengthen the Bank's capacity to absorb potential financial, credit and emerging sustainability-related risks.

4.12 %

NPL Ratio Improvement

Improved from 7.32% in 2024, reflecting stronger portfolio quality and continued focus on prudent credit risk management.

15.54 %

Capital to Risk-Weighted Assets Ratio

Demonstrates a strong capital position and provides additional resilience against potential financial and emerging risk exposures.

ESRM Screening Coverage

NCC Bank continued to strengthen environmental and social risk governance through implementation of its Environmental & Social Risk Management (ESRM) framework in accordance with Bangladesh Bank requirements. During 2025, the introduction of the automated ESRM Solve system further enhanced the consistency, efficiency and documentation of ESRM assessment for eligible credit proposals.

The system supports structured Environmental & Social Risk Rating (ESRR), documentation of relevant risk information and identification of appropriate mitigation measures within the credit assessment process. This provides a stronger digital foundation for monitoring environmental and social risks and, over time, for progressively incorporating relevant climate-related considerations into the Bank's broader credit and risk management framework.

Green & Sustainable Finance

Green and Sustainable Finance remained one of NCC Bank PLC's most important strategic focus areas in 2025, reflecting the intersection of the Bank's commercial growth objectives and its commitment to environmentally and socially responsible financing. During the year, the Bank continued to expand its sustainable finance activities through a structured product portfolio, dedicated Sustainable Finance Help Desks at branch level, and active implementation of Bangladesh Bank's Sustainable Finance Policy framework.

For Green Finance (GF), NCC Bank set a target of BDT 1,222 Crore for 2025 and achieved BDT 669.19 Crore, representing 54.76% of the annual target. The reported achievement excludes five products that were removed from the eligible Green Finance classification by Bangladesh Bank, ensuring that the Bank's reported performance reflects the prevailing regulatory framework.

Performance under Sustainable Finance (SF) was particularly strong. Against a 2025 target of BDT 9,526 Crore, NCC Bank achieved BDT 17,005.33 Crore, equivalent to 178.51% of the annual target. This substantial overachievement reflects the Bank's growing capacity to channel financing toward eligible sustainable activities and demonstrates the increasing integration of sustainability considerations into its lending and business strategy.

BDT 669.19 Cr Green Finance Disbursement (2025)

2.89% YoY Portfolio Growth

BDT 17,005Cr Sustainable Finance Disbursed (2025)

~7× Growth in 2 Years (from BDT 2,498 Cr)

18 LEED Certified Customers

Sector	Portfolio Share	BDT Exposure (Approximate)	Strategic Rationale
Energy & Resource Efficiency	69.86%	BDT 4674.96M	Largest sector — financing energy efficiency retrofits, fuel-switching, and industrial resource efficiency improvements across the manufacturing sector
Green / Socially Responsible Financing (SRF)	11.65%	BDT 779.61M	Financing for projects and enterprises with demonstrated positive social and environmental outcomes beyond minimum compliance thresholds
Green / Environment Friendly Establishments	8.49%	BDT 568.12M	Financing for LEED-certified and green-rated commercial and industrial buildings; 18 LEED certified customers in portfolio
Circular Economy & Eco-Projects	6.38%	BDT 426.94M	Waste reduction, recycling infrastructure, and circular economy business models reducing resource depletion and environmental impact

Sector	Portfolio Share	BDT Exposure (Approximate)	Strategic Rationale
Environment Friendly Brick Production	1.50%	BDT 100.37M	Transition financing for brick manufacturers shifting from conventional coal-fired kilns to energy-efficient Hybrid Hoffmann Kilns (HHK) and tunnel kilns
Information & Communication Technology	1.49%	BDT 99.71M	Technology infrastructure enabling digitisation, reduced paper consumption, and energy-efficient data processing across industries
Renewable Energy	0.31%	BDT 20.74M	Solar, wind, and other renewable energy installations — an area the Bank intends to scale significantly under its 2026 strategy
Liquid Waste Management	0.22%	BDT 14.72M	Effluent treatment plants, industrial waste management systems, and water quality improvement projects
Green Agriculture	0.06%	BDT 4.02M	Organic farming, precision agriculture, and climate-smart agricultural techniques reducing chemical input and water usage
Green CMSME	0.04%	BDT 2.68M	Dedicated green financing for Cottage, Micro, Small and Medium Enterprises — an emerging growth area under CMSME strategy

Sustainable Linked Finance (2025)

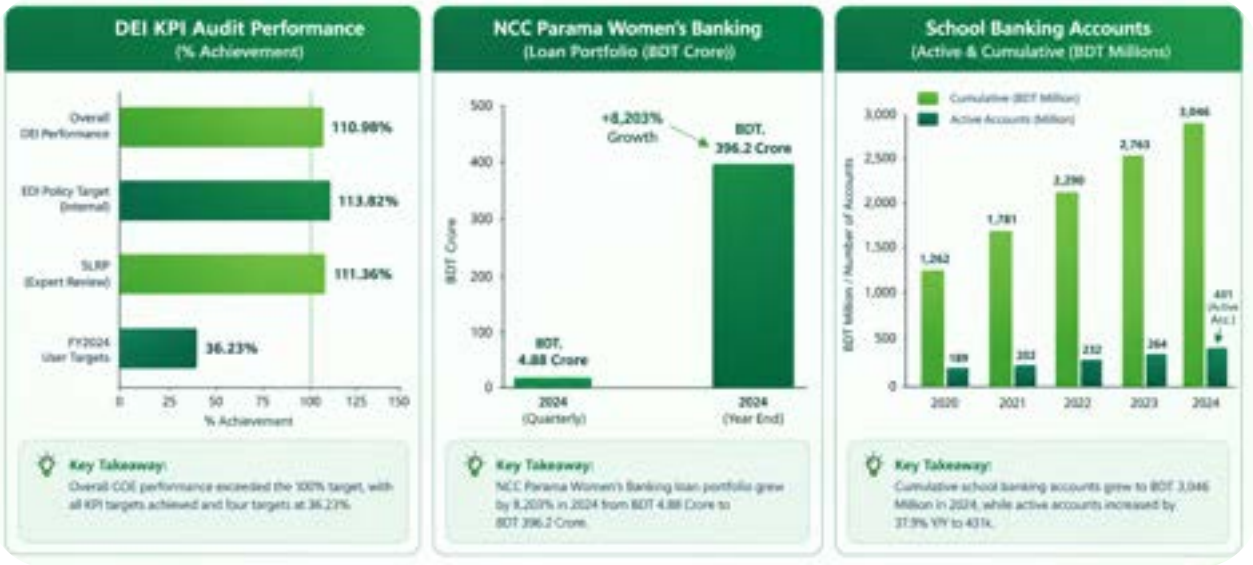
Category	Disbursement (BDT Crore)	Description
Sustainable MSME	7,646.79	Credit facilities to Micro, Small and Medium Enterprises meeting sustainability criteria — the largest component of sustainable linked finance, reflecting the Bank's CMSME growth strategy
Socially Responsible Financing (SRF)	2,274.72	Financing for enterprises demonstrating social responsibility — including fair labour practices, community benefit, and gender-inclusive employment
Sustainable Agriculture (continued)	192.78	Agricultural credit to farmers adopting sustainable and climate-smart practices — organic inputs, water conservation, and reduced chemical usage
Low Risk Rated Projects/Initiatives	4,216.68	Financing for projects assessed as low environmental and social risk — supporting the Bank's overall portfolio quality and ESG risk management

Category	Disbursement (BDT Crore)	Description
Working Capital & Demand Loan (Green Projects)	2,006.49	Short-term working capital facilities for established green projects and eco-friendly enterprises
Green Refinance (Bangladesh Bank Scheme)	43.65	Participation in Bangladesh Bank's Green Refinance Scheme — channelling central bank refinance funds to eligible green borrowers at concessional rates

Financial Inclusion & Access to Finance

Financial inclusion is both a strategic business opportunity and a core social responsibility for NCC Bank PLC. Bangladesh's large population of unbanked and underbanked individuals — concentrated in rural areas, among women, and within the SME sector — represents a significant addressable market for the Bank's inclusive banking products. In 2025, NCC Bank's financial inclusion strategy delivered measurable impact across CMSME lending, agricultural credit, school banking, and remittance services.

Financial Inclusion & Social Strategy Performance



CMSME Banking — The Engine of Inclusive Growth

CMSME banking represents NCC Bank's most significant financial inclusion vehicle. The Bank's CMSME loan portfolio constituted 24.73% of total loans in 2025 and grew at 30.80% — the Bank's fastest-growing major lending segment. The CMSME Business Division achieved multiple strategic milestones in 2025:

CMSME Metric	2025 Performance	Year Over Year (YoY) Change
CMSME Loan Portfolio as % of Total Loans	24.73%	Increased from prior year
CMSME Loan Growth Rate	30.80%	Significantly accelerated
CMSME Deposits Growth	13.06%	Steady expansion
Cluster Financing Outstanding	9.43%	Stable portfolio
BB Pre-finance Scheme Achievement	212.63% of target	Exceeded target by 2.1×
Agri Loan Disbursement Achievement	101.50% of FY2025–26 target	Target achieved
SME Loan Portfolio Milestone	Crossed BDT 6,400 Crore+	New milestone reached
SME NPL Ratio	6.62%	Maintained within risk appetite
Deposit Campaign Achievement	216% of target	Strong deposit mobilisation
New SME Products Launched	3 new products	Product innovation milestone



Gender Equality & Women's **Economic Empowerment**

NCC Parama — Key Metrics	2025 Performance
NCC Parama Loan Portfolio Growth	846% year-on-year (BDT 4.02 Crore → BDT 38.04 Crore)
Women SME Lending — BDT Disbursed	BDT 659.46 Crore to female-led SME sectors
Women Entrepreneur Training Programs	Conducted nationwide — empowering female entrepreneurs with financial management skills
SME Women Entrepreneur Product Exhibition Fair	Active participation — facilitating market access for women-led businesses
Female Recruitment in 2025	48 women recruited (22% of total 216 new hires)
Total Female Employees (2025)	438 — up from 356 in 2021 (a 23% increase over 5 years)
Dedicated Women Banking Unit	Operational — providing specialized products and advisory for female customers

Workforce Diversity & Inclusion

DEI Indicator	2025 Data	Trend
Total Female Employees	438	Growing — from 356 in 2021 (+23% over 5 years)
Female as % of Total Workforce	17.7% (438 of 2,473)	Gradually increasing
Female Recruits in 2025	48 (22% of 216 new hires)	Strong — highest female recruitment share in recent years
Executive Recruitment — Female Share	8% of recruits were Executives (AVP & above); 22% female overall	Monitoring for improvement at senior levels
Age & Experience Diversity	172 employees below 30 years; 1,842 between 30–50; 459 above 50	Balanced age profile across workforce
Geographic Diversity	Staff deployed across 132 branches in all major divisions of Bangladesh	Broad geographic coverage
Fresh Graduate Recruitment (2025)	54% of 2025 recruits were Freshers; 46% Experienced	Balanced hiring — investment in early career talent

Capacity Building & **Sustainability Training in 2025**

NCC Bank believes that organizational sustainability capability is built person by person, decision by decision. A governance framework is only as effective as the people who implement it. In 2025, NCC Bank made its most significant ever investment in climate and sustainability training across the organisation — an investment reflected in training cost per employee rising from BDT 0.003 million in 2024 to BDT 0.013 million in 2025: a four-fold year-on-year increase.



245 Training Programs Conducted

8,102 Total Participants Trained

480 Sustainability Focused Trainees

4× Training Cost per Employee Growth

Key Training Programmes in 2025

Programme	Participants	Scope & Impact
Bank-wide Training Programme (All Programmes)	8,102 participants across 245 programmes	Covered retail banking, CMSME, trade finance, digital banking, risk management, compliance, ESRM protocols, and leadership development. A 64% increase in total participants compared to 2024.
External Training Programmes (119 programmes)	461 officials at BIBM, BBTA, BIIF, and other organizations	Executives and officers participated in external capacity building including specialised courses on ESRM, sustainable banking practice, credit risk, AML/CFT, and trade finance.

Programme	Participants	Scope & Impact
Bangladesh Bank Awareness Programme on Sustainable Finance	150 executives and officers	Bangladesh Bank's Sustainable Finance Department conducted a dedicated in-house awareness programme at NCC Bank Head Office — covering regulatory requirements, green finance practice, ESRM protocols, and sustainability reporting benchmarks.
Sustainable Finance & ESRM Specialist Training	480 officials	Dedicated training on sustainable finance principles, green loan product knowledge, ESRM screening procedures, ESRM Solve system operation, and climate risk identification.
Green Olympiad 2025	250+ employee participants	First-of-its-kind internal competitive event on sustainability knowledge — three rounds of competition across employee groups. 16 outstanding performers received cash rewards and certificates from Bank management.
Overseas Training Programme	5 executives nominated	Senior executives participated in international training programmes focusing on global banking practice, sustainability standards, and digital innovation.
Leadership Workshop: "Beyond Compliance — How Sustainability Reporting Drives Bank Strategy"	Senior management	Bespoke capacity building session designed to strengthen the leadership team's strategic understanding of IFRS S1/S2 reporting value, ESG investor relations, and sustainable banking competitive positioning.
4 Foundation Programmes	204 participants	Foundational induction programmes for new officials covering NCC Bank's culture, values, risk framework, ESRM obligations, and sustainability commitments.



Forward Targets — 2026 and Beyond

Building on the progress achieved in 2025, NCC Bank PLC intends to continue strengthening its sustainability performance across climate action, sustainable finance, financial inclusion, governance and risk management. The Bank's forward-looking priorities are designed to support progressive improvement while allowing targets and methodologies to evolve in line with regulatory requirements, data availability, institutional capacity and emerging international practices.

CMSME Banking — The Engine of Inclusive Growth

NCC Bank intends to build on its PCAF signatory status and collaboration with the Joint Impact Model (JIM) Foundation by progressively improving the quality, coverage and granularity of financed-emissions data. Greater borrower-level information and portfolio analysis will support more robust Scope 3 measurement and provide a stronger basis for future climate-related target setting.

The Bank also intends to progressively strengthen its capabilities in physical and transition climate risk assessment, climate scenario analysis, portfolio-level climate analytics and integration of relevant climate considerations into risk management processes. These developments will be pursued in line with Bangladesh Bank guidance and evolving IFRS S2 practices.

Social & Financial Inclusion Priorities

NCC Bank will continue expanding inclusive banking through NCC Parama, CMSME and agricultural finance, school banking and digital financial services. The Bank aims to progress toward a significant number of School Banking accounts, while continuing to strengthen access to finance for women entrepreneurs, young customers and other underserved segments.

The Bank will also continue strengthening the integration of sustainability considerations into performance management. Building on the existing Green Finance and Sustainable Finance KPIs, broader ESG and climate-related performance indicators may be progressively incorporated for relevant functions as the Bank's sustainability framework evolves.

Sustainable Finance & Governance Priorities

The Bank intends to sustain the growth of Green and Sustainable Finance, deepen financing across eligible environmentally and socially beneficial activities, and enhance the application of its ESRM framework supported by ESRM Solve. Further development of sustainability-related data, monitoring and governance processes will support stronger management accountability and more informed decision-making.

Organizational Ambition

Having been recognized as one of Bangladesh Bank's Top 10 Sustainable Banks under the Sustainability Rating 2024, with the recognition received in 2025, NCC Bank aims to maintain strong performance across Bangladesh Bank's Sustainability Rating parameters and continue strengthening its position as a responsible and sustainable financial institution.

The Bank's broader ambition is therefore not defined by a specific ranking position, but by sustained year-on-year progress across sustainable finance, climate-related risk management, financial inclusion, responsible banking, governance and transparent disclosure.

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APPENDIX-A

IFRS S1 & S2 CONTENT INDEX

COMPLIANCE REFERENCE FOR BANGLADESH BANK & INVESTORS

IFRS S1 — General Requirements

IFRS S1 Requirement / Disclosure Area	Correct IFRS S1 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Overall objective of sustainability-related financial disclosures	Paras. 1–4	About the Report / Sustainability Reporting Approach	Addressed
Material sustainability-related risks and opportunities	Paras. 17–19; 29(a); 30–31	Materiality / Strategy	Disclosed
Governance body overseeing sustainability-related risks and opportunities	Paras. 26–27(a)	Governance	Disclosed
Management's role in sustainability oversight	Para. 27(b)	Governance	Disclosed
Sustainability metrics within remuneration policies	Para. 27(a)(v)	Governance / Performance Management	Partially addressed
Short-, medium- and long-term time horizons	Paras. 30(b)–30(c)	Strategy	Disclosed / progressively strengthening
Effects on business model and value chain	Para. 32	Strategy / Business Model & Value Chain	Disclosed
Strategic response and decision-making	Para. 33	Strategy	Disclosed
Current and anticipated effects on financial position, financial performance and cash flows	Paras. 34–40	Strategy / Financial Effects	Partially addressed
Resilience of strategy and business model	Paras. 41–42	Strategy / Climate Resilience	Developing / qualitatively addressed
Risk identification, assessment, prioritisation and monitoring	Paras. 43–44(a)–(b)	Risk Management	Disclosed
How sustainability-related risks are prioritised	Para. 44(a)(iv)	Risk Management	Disclosed / where applicable
Integration into overall risk management	Para. 44(c)	Risk Management	Disclosed
Metrics used to measure and monitor sustainability performance	Paras. 45–50	Metrics & Targets	Disclosed
Targets and progress against targets	Paras. 51–53	Metrics & Targets	Disclosed for established targets; developing for climate-specific targets
Reporting entity / reporting boundary	Para. 20	Basis of Reporting / Reporting Boundary	Disclosed, subject to confirmation of boundary wording

IFRS S1 Requirement / Disclosure Area	Correct IFRS S1 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Comparative information	Paras. 70–71; B49–B59	Metrics & Targets / Data Tables	Disclosed where available
Significant judgements	Paras. 74–76	Basis of Preparation	Disclose where material
Measurement uncertainty	Paras. 77–82	Methodology / GHG & Financed Emissions	Disclose where material
Statement of compliance with IFRS Sustainability Disclosure Standards	Para. 72	Basis of Reporting	Do not claim full compliance at this stage

IFRS S2 — Climate-Related Disclosures

Pillar 1: Governance

IFRS S2 Disclosure Area	Correct IFRS S2 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Governance body oversight of climate-related risks and opportunities	Para. 6(a)	Governance – Board Oversight of Sustainability & Climate Risk	Disclosed / progressively strengthening
Management's role in monitoring, managing and overseeing climate-related risks and opportunities	Para. 6(b)	Governance – Management Oversight / Three Lines of Defence	Disclosed / progressively strengthening
Skills and competencies for climate-related oversight	Para. 6(a)(ii)	Governance – Board & Management Capacity Building	Developing / progressively strengthening
Climate-related considerations in executive remuneration	Paras. 6(a)(v) and 29(g)	Governance – Remuneration & Sustainability Performance Linkage	Partially addressed

Pillar 2: Strategy

IFRS S2 Disclosure Area	Correct IFRS S2 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Climate-related risks and opportunities identified	Paras. 10–12	Strategy – Climate-Related Risks & Opportunities	Qualitatively addressed / progressively strengthening
Short-, medium- and long-term time horizons	Para. 10(c)–(d)	Strategy – Climate Risk Considerations	Progressively developing
Effects on business model and value chain	Para. 13(a)–(b)	Strategy – Business Model & Value Chain	Qualitatively addressed
Strategic response and decision-making	Para. 14(a)	Strategy – Emerging Strategic Response to Climate Risk	Qualitatively addressed / progressively strengthening

IFRS S2 Disclosure Area	Correct IFRS S2 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Climate-related transition plan	Para. 14(a)(iii)	Strategy – Forward-Looking Climate Priorities	Strategic response framework progressively developing
Current and anticipated effects on financial position, financial performance and cash flows	Paras. 15–21	Strategy – Financial Resilience / Climate-Related Financial Effects	Partially addressed / developing
Climate resilience and scenario analysis	Para. 22; Appendix B1–B18	Strategy – Climate Scenario Analysis / Forward-Looking Priorities	Future capability development
Scenario inputs, assumptions and climate pathways	Para. 22(b)(i)–(ii); B11–B15	Strategy – Climate Scenario Analysis	Future capability development

Pillar 3: Risk Management

FRS S2 Disclosure Area	Correct IFRS S2 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Processes for identifying, assessing, prioritising and monitoring climate-related risks	Para. 25(a)	Risk Management – Climate Risk Management	Qualitatively addressed / progressively strengthening
Physical climate risks, including acute and chronic risks	Paras. 10(b) and 25(a)	Risk Management – Physical Climate Risk Considerations	Qualitatively addressed / progressively developing
Transition climate risks	Paras. 10(b) and 25(a)	Risk Management – Transition Risk Considerations	Qualitatively addressed / progressively developing
Processes for identifying and assessing climate-related opportunities	Para. 25(b)	Risk Management / Sustainable Finance Opportunities	Qualitatively addressed / progressively strengthening
Prioritisation and monitoring of climate-related risks	Para. 25(a)(iv)–(v)	Risk Management – Risk Assessment & Monitoring	Progressively developing
Integration into overall risk management	Para. 25(c)	Risk Management – Three Lines of Defence / ESRM Integration	Partially addressed / progressively strengthening
Use of scenario analysis in climate-risk identification	Para. 25(a)(ii)	Risk Management / Climate Scenario Analysis	Future capability development

Pillar 4: Metrics & Targets

IFRS S2 Disclosure Area	Correct IFRS S2 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Absolute gross GHG emissions – Scope 1, Scope 2 and Scope 3	Para. 29(a)(i)	Metrics & Targets – Greenhouse Gas Emissions	Disclosed
Scope 1 GHG emissions	Para. 29(a)(i)(1)	GHG Emissions – Scope 1	Disclosed – 2,288.80 tCO_2e
Scope 2 GHG emissions	Para. 29(a)(i)(2)	GHG Emissions – Scope 2	Disclosed – 6,056.87 tCO_2e
Scope 3 GHG emissions	Para. 29(a)(i)(3)	GHG Emissions – Scope 3 / Financed Emissions	Disclosed – 542,025.37 tCO_2e
Scope 3 categories included in measurement	Para. 29(a)(vi)(1)	Financed Emissions / Methodology	Disclosed for financed emissions / Category 15
GHG measurement methodology	Para. 29(a)(ii) and related application guidance	GHG Methodology	Disclosed / methodology described
Financed emissions – commercial banking	Para. 29(a)(vi)(2); Paras. B58–B63, particularly B62	Financed Emissions / PCAF & JIM Methodology	Disclosed
Exposure to climate-related transition risks	Para. 29(b)	Climate Risk Metrics	Qualitatively addressed; quantitative measurement progressively developing
Exposure to climate-related physical risks	Para. 29(c)	Climate Risk Metrics	Qualitatively addressed; quantitative measurement progressively developing
Assets/business activities aligned with climate-related opportunities	Para. 29(d)	Green & Sustainable Finance	Partially addressed through Green Finance disclosures
Capital/financing deployed toward climate-related risks and opportunities	Para. 29(e)	Green & Sustainable Finance	Addressed through Green and Sustainable Finance disclosures
Internal carbon pricing	Para. 29(f)	Climate Metrics / Forward-Looking Priorities	Future consideration as climate analytics develops

IFRS S2 Disclosure Area	Correct IFRS S2 Reference	Suggested Disclosure Location	Recommended Status for NCC Bank
Climate-related considerations in executive remuneration	Para. 29(g)	Governance – Remuneration & Sustainability Performance Linkage	Partially addressed through Green Finance and Sustainable Finance KPIs
Climate-related targets and progress	Paras. 33–37	Metrics & Targets / Forward-Looking Priorities	Partially addressed / progressively developing

APPENDIX-B

BB SFD CIRCULAR NO. 01 COMPLIANCE INDEX

GUIDELINE ON CLIMATE RISK MANAGEMENT FOR BANKS — NOVEMBER 2025

BB Guideline Section	Requirement Summary	Suggested Report Location	NCC Bank Status
Sec. 4 – Governance	Integration of climate risk into governance, internal controls and risk appetite	Governance – Climate Risk Oversight	Progressively strengthening
Sec. 4.1 – Governance Bodies	Board understanding, monitoring and oversight of material climate risks and opportunities	Governance – Board Oversight	Progressively strengthening
Sec. 4.2 – Responsibilities of Board & Senior Management	Defined Board and management responsibilities for climate-risk governance and implementation	Governance – Roles & Responsibilities	Progressively developing
Sec. 4.3 – Internal Control Framework	Integration of climate risk across the three lines of defence	Governance / Risk Management – Three Lines of Defence	Existing three-lines framework provides foundation; climate integration progressively developing
Sec. 4.4 – Risk Appetite	Integration of physical and transition climate risk into risk appetite, risk register, limits and KRIs	Risk Management – Risk Appetite	Forward-looking development priority
Sec. 5 – Strategy	Integration of climate risk into business strategy and relevant policies	Strategy – Climate Risk & Strategic Response	Progressively developing
Sec. 5.1 – Strategy Formulation & Integration	Development of an integrated climate-risk strategy covering physical and transition risks	Strategy – Emerging Strategic Response	Progressively developing
Sec. 5.1(d) – Transition & Adaptation Plan	Development of a structured Transition and Adaptation Plan	Strategy – Forward-Looking Climate Priorities	Future development priority
Sec. 5.1 – National Climate Alignment	Consideration of national climate objectives, including Bangladesh's NDC and broader climate-resilience priorities	Strategy / Sustainable Finance	Progressively aligning through sustainable and green finance activities
Sec. 5.1(h) – Counterparty Engagement Plan	Structured engagement with counterparties on physical and transition climate risks, data and financing opportunities	Strategy / Risk Management	Future development priority

BB Guideline Section	Requirement Summary	Suggested Report Location	NCC Bank Status
Sec. 6 – Climate Risk Management	Integration of climate risk into the Bank's existing risk-management framework	Risk Management – Climate Risk Management	Progressively developing
Sec. 6.1 – Climate Risk Management Framework	Framework for identification, measurement, monitoring, mitigation and reporting of climate risks	Risk Management	Foundation established through existing risk and ESRM frameworks; climate-specific capability progressively developing
Sec. 6.1.2 – Risk Identification	Identification of physical and transition risks across sectors, geographies and relevant activities	Risk Management – Physical & Transition Risk	Qualitatively recognized / progressively developing
Sec. 6.1.3 – Risk Measurement	Use of qualitative and quantitative approaches to measure climate risk	Risk Management – Climate Risk Measurement	Future capability development
Sec. 6.1.3 – Climate Risk Data & Loss Information	Development of appropriate data and measurement capabilities to understand climate-related impacts	Risk Management / Data & Analytics	Future capability development
Sec. 6.1.4 – Risk Mitigation & Monitoring	Measures to mitigate and monitor identified climate risks	Risk Management – Mitigation & Monitoring	Existing ESRM and portfolio-monitoring processes provide a foundation; climate-specific measures progressively developing
Sec. 6.2 – Credit Risk Management	Integration of climate risk into credit-risk assessment and management	Risk Management – Credit Risk & ESRM	Foundation established through ESRM and ESRM Solve; climate-specific integration progressively strengthening
Sec. 6.3 – Market Risk Management	Assessment of climate-related transmission into market risk	Risk Management – Market Risk	Future capability development
Sec. 6.5 – Liquidity Risk Management	Consideration of climate risk in liquidity-risk management and planning	Risk Management – Liquidity Risk	Future capability development
Sec. 7 – Climate Scenario Analysis & Stress Testing	Use of climate scenarios and stress testing to assess resilience and inform decision-making	Strategy / Risk Management – Climate Scenario Analysis	Future capability development
Sec. 7.1.1 – Scenario Principles	Scenarios should be severe but plausible, distinct, internally consistent, relevant and proportionate	Climate Scenario Analysis	To guide future scenario-analysis development
Sec. 7.1.5 – Reporting	Documentation and reporting of scenario assumptions, methodologies, results and limitations	Climate Scenario Analysis	To be applied as scenario-analysis capability develops

BB Guideline Section	Requirement Summary	Suggested Report Location	NCC Bank Status
Sec. 8 – Disclosures	Climate-related disclosure consistent with Bangladesh Bank requirements	Metrics & Targets / Climate Disclosure	Implemented and progressively strengthening
SFD Circular No. 01 Reporting Requirement	Semi-annual submission of prescribed climate-risk information to Bangladesh Bank	Regulatory Reporting	Implemented
Sec. 8.2 – Transition & Adaptation Plans	Disclosure of relevant Transition and Adaptation Plan information	Strategy / Forward-Looking Priorities	Future development priority
Annex 1 – Physical Risk Assessment	Methodological guidance for assessing physical climate risk	Risk Management – Physical Risk	Reference framework for future enhancement
Annex 2 – Transition Risk Assessment	Methodological guidance for assessing transition climate risk	Risk Management – Transition Risk	Reference framework for future enhancement
Annex 3 – Financed Emissions	Measurement of financed emissions using internationally recognized methodologies such as PCAF	Metrics & Targets – Financed Emissions	Implemented / disclosed
Annex 4 – Data Collection Needs	Development of climate-related counterparty, geographic, emissions and portfolio data	Risk Management / Climate Data	Progressively strengthening
Annex 5 – Climate Scenarios	Reference scenarios and inputs for climate scenario analysis	Climate Scenario Analysis	Reference framework for future capability development

APPENDIX-C

SPECIFIC SDG ALIGNMENT OF NCC BANK PLC

SDG	Relevant SDG Focus	NCC Bank PLC's Alignment and Contribution	Key Evidence and 2025 Performance	Alignment Level
SDG 1: No Poverty	Reducing poverty, supporting vulnerable populations and improving resilience to economic and climate-related shocks.	NCC Bank supports poverty reduction through humanitarian assistance, food distribution, winter relief, financial inclusion, micro, cottage, small and medium enterprise financing and access to banking services for underserved communities. Its No-Frill Accounts, School Banking accounts and inclusive credit products help bring low-income and previously unbanked populations into the formal financial system.	Social welfare, disaster relief and food security received BDT 8.1630 crore. The Bank distributed food packets and blankets through winter relief programs to the vulnerable community.	Strong and direct alignment
SDG 2: Zero Hunger	Ending hunger, improving food security and supporting vulnerable households.	The Bank contributes through food assistance programs for disadvantaged and disaster-affected communities. Its financial services for small businesses and agricultural or rural enterprises may also indirectly support food production and rural livelihoods, although sector-specific agricultural financing data should be disclosed separately.	Food packets were distributed. Food security was included within the Bank's largest CSR sector.	Strong CSR-based alignment
SDG 3: Good Health and Well-being	Improving access to healthcare, medical support and community well-being.	NCC Bank provides direct medical assistance to critically ill individuals and supports healthcare organizations with medical equipment. The Bank may also contribute through employee health and safety measures and health-related financing, subject to the availability of supporting information.	The Bank provided medical assistance to critically ill patients and financed a portable echocardiogram for the National Heart Foundation Hospital.	Strong and direct alignment
SDG 4: Quality Education	Supporting inclusive education, scholarships, skills development and lifelong learning.	NCC Bank promotes education through merit scholarships, support for underprivileged students, School Banking campaigns and employee learning and development. The Bank also supports children with autism and special educational needs. Its internal training activities strengthen professional capacity and lifelong learning among employees.	The Bank contributed for children with autism and special needs. In 2025, 245 internal and external training programs involved 8,102 participant engagements.	Strong and direct alignment

SDG	Relevant SDG Focus	NCC Bank PLC's Alignment and Contribution	Key Evidence and 2025 Performance	Alignment Level
SDG 5: Gender Equality	Advancing women's participation, leadership, financial inclusion and access to economic resources.	NCC Bank promotes women's economic empowerment through the "NCC Parama" women's banking platform, a dedicated Women Banking Unit and financing for women-led enterprises. The Bank also supports gender-responsive governance, recruitment and leadership development.	The NCC Parama loan portfolio increased from BDT 4.02 crore to BDT 38.04 crore, representing approximately 846% growth. The Bank disbursed BDT 659.46 crore to women-led small and medium enterprises in 2025. The workforce included 438 women, while 48 women were recruited during the year.	Strong and strategic alignment
SDG 6: Clean Water and Sanitation	Improving access to safe drinking water, supporting community health and promoting responsible water management.	NCC Bank contributes to SDG 6 through community-focused initiatives that improve access to safe drinking water and support public health and well-being. Such initiatives complement the Bank's broader CSR and environmental responsibility programmes.	In 2025, NCC Bank installed a pure drinking-water facility for community use, helping provide access to safe drinking water for local residents and visitors.	Direct community-based alignment
SDG 7: Affordable and Clean Energy	Expanding renewable energy, improving energy efficiency and increasing access to cleaner energy.	NCC Bank's green finance portfolio may support renewable energy, energy-efficient equipment and low-carbon industrial modernization. Participation in Bangladesh Bank's green refinancing mechanisms also indicates potential support for clean-energy investments.	Green finance loans and advances disbursed BDT 669.19 crore in 2025, increasing by 2.89% from the previous year.	Moderate indirect alignment
SDG 8: Decent Work and Economic Growth	Supporting productive employment, enterprise development, financial access and employee development.	NCC Bank contributes through cottage, micro, small and medium enterprise financing, job creation, employee training, recruitment and financial inclusion. Its financing activities support business growth, entrepreneurship and wider economic participation.	The cottage, micro, small and medium enterprise loan portfolio reportedly grew by 30.80%. The Bank employed 2,473 permanent employees and recruited 216 employees during 2025. It conducted or supported 245 training programs involving 8,102 participant engagements.	Strong and strategic alignment

SDG	Relevant SDG Focus	NCC Bank PLC's Alignment and Contribution	Key Evidence and 2025 Performance	Alignment Level
SDG 9: Industry, Innovation and Infrastructure	Supporting sustainable industrialization, innovation, resilient infrastructure and access to finance for enterprises.	NCC Bank provides green and sustainable finance for industrial modernization, renewable-energy projects, circular-economy businesses, energy-efficient technology and eco-friendly production. The Bank's financing of green industries and its support for Leadership in Energy and Environmental Design-certified customers contribute to more sustainable infrastructure and production systems.	The Bank maintained relationships with 18 Leadership in Energy and Environmental Design-certified customers. Green finance reportedly supported industrial modernization, renewable energy, circular-economy ventures and eco-brick production.	Strong finance-based alignment
SDG 10: Reduced Inequalities	Promoting social and economic inclusion and improving access to financial services for underserved groups.	NCC Bank supports inclusive banking through its Financial Inclusion Cell, School Banking, No-Frill Accounts, women-focused products, small-enterprise financing and services for remittance-receiving families. Its education and community programs also assist disadvantaged groups and children with special needs.	Approximately 10,413 School Banking accounts were opened in 2025, bringing the cumulative total to 36,542 student accounts. The Bank supported children with autism and special needs.	Strong and direct alignment
SDG 11: Sustainable Cities and Communities	Strengthening community resilience, disaster preparedness, inclusive access and sustainable urban development.	NCC Bank supports communities through disaster relief, humanitarian response, financial access and expansion of branches, sub-branches and service channels into underserved areas. Its green-finance activities may also support sustainable buildings and climate-resilient infrastructure.	The Bank distributed food packets and blankets to vulnerable communities and worked with 18 Leadership in Energy and Environmental Design-certified customers.	Strong community-based alignment
SDG 13: Climate Action	Strengthening climate-risk management, reducing emissions, supporting climate finance and increasing resilience.	Climate action is a major area of alignment for NCC Bank. The Bank measures and reports Scope 1, Scope 2 and Scope 3 greenhouse gas emissions, manages climate-related risks under IFRS S1 and IFRS S2, participates in green refinancing and maintains a Climate Risk Fund. Its sustainable-finance portfolio supports low-carbon and climate-resilient investments.	Total reported greenhouse gas emissions were 550,371.04 tonnes of carbon dioxide equivalent. The Bank maintained a BDT 1.10 crore Climate Risk Fund for flood-affected communities and was recognized among the Top 10 Sustainable Banks in Bangladesh under Bangladesh Bank's Sustainability Rating 2024.	Very strong and strategic alignment

SDG	Relevant SDG Focus	NCC Bank PLC's Alignment and Contribution	Key Evidence and 2025 Performance	Alignment Level
SDG 15: Life on Land	Protecting terrestrial ecosystems, supporting afforestation and reducing biodiversity loss.	The Bank contributes through nationwide tree-planting campaigns and environmental awareness initiatives. His "Apnar Sathe, Sabujer Pothe" philosophy promotes afforestation and community participation in environmental conservation.	Approximately 5,300 trees were planted across 40 schools. Environment and climate action received BDT 0.0984 crore, or 1.00% of the reported CSR portfolio.	Strong activity-based alignment
SDG 17: Partnerships for the Goals	Strengthening public-private cooperation, knowledge sharing, capacity building and data-based implementation.	NCC Bank collaborates with regulators, training organizations, customers and technical organizations to advance sustainable banking and climate disclosure. Its use of recognized emissions-accounting tools and participation in central bank initiatives demonstrate organizational partnership and knowledge exchange.	Key partnerships and alignments include Bangladesh Bank, the Bangladesh Institute of Bank Management, Bangladesh Bank Training Academy, Bangladesh Institute of Islamic Finance and the Joint Impact Model Foundation. The Bank also follows Bangladesh Bank's environmental and social risk-management and sustainable-finance frameworks.	Strong organizational alignment

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আপনার সাথেই সবসময়

এনসিসি ডিপিএস

আজকের সঞ্চয়ে আগামীর নিশ্চয়তা



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ফ্রীডম এবং রিমোট এলাকা থেকে

www.nccbank.com.bd

APPENDIX-D

DETAILED MATERIALITY ASSESSMENT

Impact Level	Meaning for NCC Bank PLC	Disclosure Treatment
High Impact	Topics that may significantly affect NCC Bank's business model, financial performance, lending portfolio, regulatory position, customer trust, access to finance, cost of capital or long-term strategy.	These topics should receive detailed disclosure, including governance oversight, strategy linkage, risk-management process, metrics and targets.
Medium Impact	Topics that are relevant to NCC Bank's ESG performance but currently have a more indirect, manageable, longer-term or limited financial impact.	These topics should be disclosed with policies, initiatives, performance data and future improvement plans.
Low Impact	Topics that are currently less likely to have a significant effect on NCC Bank's financial position, strategy or stakeholder decision-making.	These may be monitored internally and disclosed briefly where relevant.

Environmental Material Topics

Code	Material Topic	Impact Level	Why It Is Considered High / Medium Impact
ENV-1	Climate Risk Management: Physical and Transition Risks	High	Climate risk is highly material because Bangladesh is exposed to floods, cyclones, river erosion, heat stress and other physical climate hazards. In addition, transition risks may affect carbon-intensive borrowers, collateral value, repayment capacity and sector exposure. This can directly influence NCC Bank's loan portfolio quality, expected credit losses, business continuity and long-term resilience.
ENV-2	Green and Sustainable Finance	High	Green and sustainable finance is directly linked with NCC Bank's lending growth, sustainable-finance positioning and regulatory alignment. The Bank's green finance portfolio and sustainable finance disbursement are financially significant and support sectors such as energy efficiency, renewable energy, circular economy and green industry.
ENV-3	GHG Emissions and Climate-related Financial Disclosure	High	NCC Bank discloses Scope 1, Scope 2 and Scope 3 emissions, with financed emissions forming the largest share. This topic is highly material because financed emissions indicate transition exposure within the lending portfolio and influence climate strategy, target-setting, regulatory reporting and investor confidence.
ENV-4	Resource Efficiency in Operations	Medium	Resource efficiency affects the Bank's operational footprint through energy use, paper consumption, branch-level resource use and digital banking adoption. However, its financial impact is currently lower than financed emissions and climate-related credit exposure, so it is classified as medium impact.

Social Material Topics

Code	Material Topic	Impact Level	Why It Is Considered High / Medium Impact
SOC-1	Financial Inclusion and Access to Finance	High	Financial inclusion is highly material because CMSME financing, agricultural lending, No-Frill Accounts and School Banking are directly connected to NCC Bank's inclusive growth strategy, deposit base, customer expansion and regulatory performance.
SOC-2	Gender Equality and Women's Economic Empowerment	High	This is highly material because NCC Parama, women-focused lending and disbursement to women-led SMEs support portfolio growth, market differentiation, inclusive banking and women's economic participation. It also links to workforce diversity and long-term human-capital development.
SOC-3	Employee Well-being and Workplace Policies	Medium	Employee well-being affects productivity, retention, workplace culture and reputation. However, its immediate financial impact is generally more indirect compared with credit risk, climate risk or regulatory compliance, so it is classified as medium impact.
SOC-4	Talent Development and Capacity Building	Medium	Training and capacity building are important for employee capability, customer service, compliance knowledge, digital readiness and sustainability awareness. The impact is meaningful but generally gradual and long-term, therefore classified as medium impact.
SOC-5	Occupational Health and Safety	Medium	OHS is relevant across branches, sub-branches and offices. Since banking operations generally have lower physical-hazard exposure than industrial sectors, the current impact is medium unless serious workplace incidents or security-related issues arise.
SOC-6	Community Development	Medium	Community development supports NCC Bank's social licence to operate and strengthens stakeholder trust. However, unless it is directly linked to major financial inclusion, climate resilience or regulatory commitments, its financial impact remains medium.
SOC-7	Community Investment and CSR	Medium	CSR creates social and reputational value through education, health, disaster relief, food support and environmental activities. It is important for stakeholder trust but is less directly connected to the Bank's core financial risk exposure than lending, capital, climate and compliance topics.

Governance Material Topics

Code	Material Topic	Impact Level	Why It Is Considered High / Medium Impact
GOV-1	Regulatory Compliance	High	Regulatory compliance is highly material because NCC Bank operates in a regulated banking environment. Non-compliance with Bangladesh Bank requirements on liquidity, capital, sustainable finance, climate risk, foreign exchange, single-borrower exposure or prudential rules could result in penalties, restrictions, reputational damage and supervisory action.
GOV-2	ESRM in Lending	High	ESRM is highly material because environmental and social risk screening is integrated into credit appraisal. Weak ESRM could expose the Bank to risky borrowers, project failure, regulatory non-compliance, collateral risk and higher non-performing loans.
GOV-3	Risk Management Framework	High	The risk management framework governs credit, market, liquidity, operational, climate and sustainability-related risks. It directly affects capital adequacy, asset quality, profitability, resilience and the Bank's ability to absorb shocks.
GOV-4	Data Privacy and Cybersecurity	High	Digital banking expansion increases exposure to cyberattacks, fraud, system disruption and customer-data breaches. A major incident could cause financial losses, regulatory penalties, customer claims and reputational damage.
GOV-5	AML / CFT	High	AML/CFT is highly material because banks face significant money-laundering, fraud, sanctions and terrorist-financing risks. Weak controls may lead to regulatory sanctions, correspondent-banking restrictions, legal liability and loss of stakeholder confidence.
GOV-6	Business Ethics and Anti-Corruption	Medium	Ethical conduct is fundamental for trust and regulatory confidence. The topic is classified as medium where no major confirmed incident or quantified financial exposure has been identified, but it could become high if corruption, fraud or repeated policy breaches occur.
GOV-7	Whistleblower and Grievance Mechanisms	Medium	Whistleblower and grievance mechanisms support early detection of misconduct and workplace concerns. The current impact is medium because its financial effect is mostly indirect unless there are major unresolved grievances, retaliation claims or governance failures.
GOV-8	Transparency and Disclosure Practices	High	Transparency and disclosure are highly material because IFRS S1/S2 adoption, sustainability reporting and Bangladesh Bank disclosure compliance influence investor confidence, regulatory credibility, comparability and access to finance.
GOV-9	Tax Transparency and Economic Contribution	Medium	Tax transparency and economic contribution are important for accountability, public trust and national economic contribution. It is classified as medium because it mainly communicates value distribution unless there are tax disputes, regulatory investigations or material uncertainty over tax obligations.

APPENDIX-E

GLOSSARY OF TERMS

- CBAM: Carbon Border Adjustment Mechanism. An EU trade policy tool that applies a carbon price to imports of carbon-intensive goods from countries outside the EU.
- CMSME: Cottage, Micro, Small and Medium Enterprise. The primary classification used by Bangladesh Bank for small business lending.
- ESAP: Environmental and Social Action Plan. A set of binding conditions attached to a loan agreement where a borrower has been assessed as High ESRR.
- ESRM: Environmental and Social Risk Management. The systematic process of identifying, assessing, and mitigating environmental and social risks in lending operations.
- ESRM Solve: NCC Bank PLC's Automated ESRM Solution, launched in 2025, providing real-time environmental and social risk rating for credit proposals.
- ESRR: Environmental and Social Risk Rating. The output of the ESRM screening process: Low, Medium, or High.
- Financed Emissions: The GHG emissions attributable to a bank's lending and investment activities, classified as Scope 3, Category 15 of the GHG Protocol.
- Green Asset Ratio: The ratio of green assets, as defined by Bangladesh Bank's Green Taxonomy, to total assets, expressed as a percentage.
- GHG: Greenhouse Gas. Gases including carbon dioxide, methane, nitrous oxide, and fluorinated gases that trap heat in the atmosphere and contribute to climate change.
- ICAAP: Internal Capital Adequacy Assessment Process. A bank's own assessment of whether its capital is adequate to cover all its risks.
- IFRS S1: IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information, issued by the ISSB.
- IFRS S2: IFRS S2: Climate-related Disclosures, issued by the ISSB, requiring disclosure across four pillars: Governance, Strategy, Risk Management, and Metrics & Targets.
- ILAAP: Internal Liquidity Adequacy Assessment Process. A bank's assessment of whether its liquidity is adequate under various stress scenarios.
- ISSB: International Sustainability Standards Board. The body that develops IFRS Sustainability Disclosure Standards.
- JIM Foundation: Joint Impact Model Foundation. Provider of the toolkit NCC Bank uses to calculate financed emissions under PCAF methodology.
- KRI: Key Risk Indicator. A metric used to signal changes in a risk profile and trigger management action.
- NAP: National Adaptation Plan. Bangladesh's strategy document setting out adaptation priorities for climate resilience, covering 2023 to 2050.

- NDC: Nationally Determined Contribution. Bangladesh's climate commitment under the Paris Agreement, targeting a 21.85% GHG reduction by 2030, conditional on international financing.
- NGFS: Network for Greening the Financial System. A group of central banks that provides standardized climate scenarios for financial sector use.
- NPL: Non-Performing Loan. A loan where the borrower has not made scheduled payments for a specified period.
- PCAF: Partnership for Carbon Accounting Financials. An international standard for measuring and disclosing financed emissions.
- Physical Risk: Climate risk arising from the direct and indirect economic impacts of climate change, including acute events such as floods and cyclones, and chronic shifts such as sea-level rise and heat stress.
- SAF: Sustainable Aviation Fuel. A lower-carbon alternative to conventional jet fuel, used by NCC Bank in its DHL GoGreen Plus partnership.
- Scope 1: Direct GHG emissions from sources owned or controlled by the reporting entity, such as generators and company vehicles.
- Scope 2: Indirect GHG emissions from the generation of purchased electricity consumed by the reporting entity.
- Scope 3: All other indirect GHG emissions in the value chain of the reporting entity; for banks, Category 15, financed emissions, is most material.
- SFD: Sustainable Finance Department of Bangladesh Bank.
- SLF: Sustainable Linked Finance. NCC Bank's category of loans that, while not classified as green finance, are linked to sustainable development outcomes.
- Transition Risk: Climate risk arising from the shift to a lower-carbon economy, driven by policy, technology, market, and reputational changes.

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আপনার সাথেই সবসময়

NCC Neo X Account

রেগুলার সেভিংস থেকে একটু বেশি

রেগুলার অ্যাকাউন্টের চেয়ে বেশি ইন্টারেস্ট রেট পেতে
বেছে নিন NCC NeoX Account



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NCC Bank
with you always