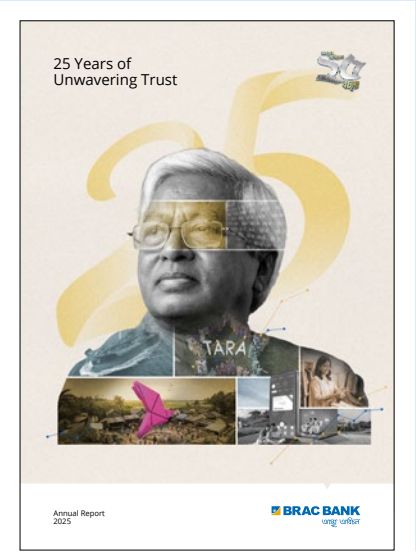
25 Years of Unwavering Trust

Annual Report
2025

BRAC BANK
আস্থা অবিচল



25 YEARS OF UNWAVERING TRUST

For 25 years, BRAC Bank has earned trust through unwavering commitment, strong performance, and meaningful stakeholder relationships. Since 2001, our mission has been to operate responsibly, promote sustainable growth, and support Bangladesh's economic and social development while encouraging innovation and inclusion.

Inspired by Sir Fazle Hasan Abed's legacy, BRAC Bank was built on the belief that access to opportunity changes lives. This principle has made the bank a trusted partner for millions in Bangladesh.

Expanding access to finance for underserved groups remains our primary focus. Through inclusive SME and retail banking, BRAC Bank has helped grow businesses, create jobs, and improve household financial stability. By reaching the unbanked and underbanked, we have increased involvement in the formal economy, built trust in financial systems, and empowered women to achieve economic independence through financial inclusion and entrepreneurship.

Digital transformation is central to this effort.

Our digital banking app, Astha, serves over 1.2 million users and facilitates record transaction volumes, highlighting its role in modern banking in Bangladesh. For corporate clients, CORPnet provides a secure, efficient platform for managing complex, high-volume transactions, boosting trust among business partners and institutional clients.

BRAC Bank has gained customer trust through strong governance, transparency, and a values-driven, ethical approach. This dedication is reflected in our market leadership, highest market capitalisation, strong global and local credit ratings, and growth that exceeds industry averages. Strict financial discipline has maintained resilience, with key performance indicators consistently outperforming industry benchmarks.

Our operations follow the People, Planet, and Prosperity principles by integrating sustainability, good governance, and social responsibility into our business model. A strong governance framework, supported by an independent Board, disciplined risk management, and transparent disclosures, builds trust. Our Corporate Social Responsibility initiatives, including women's education, disability inclusion, women's sports, climate-resilient projects, and environmental stewardship, show our commitment to creating shared value.

As BRAC Bank celebrates 25 years, we recognise that trust is an ongoing journey, renewed through every transparent transaction, ethical decision, and promise kept. These 25 years represent not just endurance, but partnerships built, lives improved, and a shared belief in a better future. We reaffirm our commitment: to remain the safest, most trusted, most innovative, and most inclusive bank in Bangladesh -today, tomorrow, and always.

LETTER OF TRANSMITTAL

To

All shareholders
Bangladesh Bank (BB)
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies & Firms (RJSC & F)
Financial Reporting Council (FRC)
Dhaka Stock Exchange PLC. (DSE)
Chittagong Stock Exchange PLC. (CSE)
Central Depository Bangladesh Limited (CDBL)
All other stakeholders

Dear sir (s),

Ref: Annual Report for the year ended December 31, 2025

We are pleased to enclose a copy of BRAC Bank PLC. Annual Report, together with the Audited Financial Statements as on December 31, 2025, for your kind information and record.

Yours sincerely,

M Mahbubur Rahman FCS
Company Secretary

NOTICE OF THE 27TH ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of BRAC Bank PLC will be held on Thursday, June 11, 2026, at 11.00 a.m. virtually by using digital platform to transact the following businesses and to adopt necessary resolutions:

AGENDA

Agenda: 01: To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2025 and the reports of the Directors' and Auditors' thereon.

Agenda: 02: To declare Dividend for the year ended December 31, 2025, as recommended by the Board of Directors.

Agenda: 03: To elect /re-elect Directors.

Agenda: 04: To appoint Statutory Auditors of the Bank for the year 2026 and to fix their remuneration.

Agenda: 05: To appoint Corporate Governance Compliance Auditors for the year 2026 and to fix their remuneration.

All Member/Shareholders of BRAC Bank PLC are requested to make it convenient to attend the meeting.

By order of the Board

M Mahbubur Rahman FCS
Company Secretary

Link for joining AGM

Date: May 06, 2026

Registered Office:
Anik Tower, 220/B, Tejgaon-Gulshan
Link Road, Tejgaon I/A, Dhaka-1208,
Bangladesh

NOTES

i. The "**Record Date**" is **May 17, 2026**. Members whose names appear in the Members'/Depository Register on Record Date will be eligible to attend/participate in the Annual General Meeting and entitled for the Dividend.

ii. The Board of Directors has recommended 30% Dividend (15% Cash and 15% Stock) for the year ended December 31, 2025.

iii. Pursuant to the Bangladesh Securities and Exchange Commission's Directive No. BSEC/ICAD/SRIC/2024/318/87 dated March 27, 2024, the AGM will be held through digital platform.

iv. Link for joining the AGM through digital platform is: **https://agmbd.live/BracBank2026** Details of the login process will be notified to the respective members in due course of time.

v. The soft copy of the Integrated Annual Report 2025 will be sent to the members email address available in their Beneficial Owner (BO) accounts maintained with the Depository. The Integrated Annual Report 2025 will also be made available on the Company's website: **www.bracbank.com**

vi. Link for joining virtually the AGM will be opened 48 hours before the meeting. The procedure or manual of login, submission question/comments, casting votes will be uploaded in the AGM portal in due course.

vii. A member entitled to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. The "Proxy Form", duly signed and affixed with BDT 100 revenue stamp must be sent to BRAC Bank's Share Office not later than 72 hours before the commencement of the AGM.

viii. The Tax (AIT) will be applicable as per law of land; members are requested to update their 12 digit Taxpayer's Identification Number (e-TIN) through their member house.

ix. Merchant Bankers, Depository Participants (DPs), and Custodians are requested to email the soft copy of their margin and foreign (non-resident) client lists in MS Excel format to **sharedept@bracbank.com** by **May 25, 2026**. Please ensure the hard copy is sent to the 'Company Secretary' Anik Tower, 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka-1208 to facilitate cash dividend payments.

x. Any claims or disputes related to AIT of cash Dividend be submitted in writing within one (1) month from the date of payment.

TABLE OF CONTENTS

1 About our integrated report

Value Creation at a Glance	8
About this Integrated Report	10
Navigating through this Integrated Annual Report	18
Materiality Determination & Material Events	19

2 Leadership Insights

Message from the Chairperson	23
Message from the Managing Director & CEO	28

3 Overview of BRAC Bank

BRAC Bank – A Quarter-Century of Values-Based Banking	38
Our Philosophy – People, Planet, Prosperity in Alignment with GABV Principles	40
Mission, Vision and Values	44
Code of Conduct	46
Ethical Principles	47
A Glimpse of BRAC Bank	48
Products and Services	52
Historic 25 Years of Operations	54
Footprint of BRAC Bank	56
Distribution of Shareholding	57
Board of Directors	58
Directors' Responsibility Statement	65
Message from the Chief Financial Officer	67
Message from the Chief Information Officer	71
Corporate Organogram	73
Governing Structure & Group Structure	74
Management Committee	76
Extended Management Team	78
Women Advancing with BRAC Bank	80
Our Prestigious Awards 2025	82
Event Highlights	84

4 Our Strategy to Create Value

Our Strategic Objectives	90
Work Flow of BRAC Bank	92
Our Stakeholder-Centric Value Creation Focus	93
Our Value Creating Business Model	94
Stakeholder Engagement and Value Creation	96
Public Perception and Responsible Banking	100
Our Six Capitals and Value Creation Model	101
Key Resources & Capabilities: Driving Sustainable Competitive Advantage	113
Competitive Intensity – Strategic Overview	116

5 Performance Analysis

Directors' Report to the Shareholders of BRAC Bank PLC	**122**
Five Years' Financial Summary: Graphical Presentation	**146**
Five Years' Financial Highlights	**160**
Horizontal Analysis	**166**
Vertical Analysis	**168**
Segment Information and Analysis	**170**
Value-Added Statement	**172**
Economic Value-Added	**173**
Market Value-Added	**174**
Capital Adequacy	**175**
DuPont Analysis	**176**
Human Resource Accounting	**177**
Contribution to the Nation	**180**
BRAC Bank's PESTEL Analysis Framework	**184**
SWOT Analysis	**186**
Share Price Statistics	**188**
Market Signal Consistency	**190**

6 Divisional Overview

SME Banking	**192**
Retail Banking	**200**
Wholesale Banking	**213**
Treasury	**219**
Our Distribution Network	**223**
Alternate Banking Channels	**227**
Credit Risk Management	**230**
Anti Money Laundering	**232**
Legal & Recovery	**234**
Internal Control and Compliance	**236**
Human Resources	**240**
General Services	**242**
Operations	**244**
Information Technology	**252**
Information Security	**258**
Digital Banking	**260**

7 Corporate Governance

Certification on Corporate Governance	**262**
Corporate Governance Compliance Status	**263**
Corporate Governance Report	**278**
Chairperson's Review Report on Board Performance and Bank Goals	**289**
Report of the Board Audit Committee	**319**
Certificate of Due Diligence by CEO and CFO	**322**
Communication and Engagement with Stakeholders	**323**
Redress of Investor Complaints	**324**
Regulatory Compliance and Enforcement Integrity	**325**
Board Meetings and Attendance	**326**
Disclosure on Credit Rating	**327**
Corporate Governance Vigilance	**328**
Statement of the Board Audit Committee	**329**

8 Sustainability & BRAC Bank

Sustainability at a Glance	**332**
Sustainability & Climate Related Financial Disclosure	**334**
Metrics: Measuring Our Climate Impact	**340**
BRAC Bank's Impact through Social Initiatives	**350**
Environment Related Initiatives	**352**
Driving Sustainability through Advanced Technology and Innovative Ideas	**354**
Environmental Resource Consumption and Management of Materials	**355**
Disclosure on Related Certification (ISO)	**356**
Sustainable Finance Overview	**357**
Disclosure on Third-party Assurance on Sustainability Report	**361**
Bloomberg Indexing	**365**
Corporate Social Responsibility at BRAC Bank	**376**
Information on Important Policies and Practices	**389**
Internal Control Structure Components	**391**
Report on the Going Concern Assessment	**392**

9 Risk Management

From the Desk of Chief Risk Officer	**396**
Report of the Board Risk Management Committee	**400**
Risk Management Framework	**402**
Key Risk and Uncertainties at Bank	**411**
Business Continuity Plan (BCP)	**412**
Risk Mitigation Strategies	**416**
Risk Governance and Conduct	**420**
Disclosure of Risk Management Reporting	**421**
Annual Risk Conference	**427**
Asset Liability Management Committee (ALCO)	**429**
Disclosure on Risk-Based Capital under Basel III	**431**
Basel III Reporting, Compliance & Stress Testing for Enhanced Shock Absorption Capacity	**457**
Capital Plan	**463**

10 Reports & Financial Statements
The Group and BRAC Bank PLC

Independent Auditor's Report	**466**
Consolidated Financial Statements – BRAC Bank Group	**472**
Financial Statements – BRAC Bank PLC.	**480**
Notes to the Consolidated and Separate Financial Statements	**488**

11 Reports & Financial Statements
Subsidiary Companies

bKash LIMITED	
Overview	**584**
Directors' Report to the Shareholders	**588**
Independent Auditors' Report	**590**
Financial Statements	**592**
BRAC EPL INVESTMENTS LIMITED	
Overview	**596**
Directors' Report to the Shareholders	**598**
Independent Auditors' Report	**601**
Financial Statements	**603**
BRAC EPL STOCK BROKERAGE LIMITED	
Overview	**607**
Directors' Report to the Shareholders	**609**
Independent Auditors' Report	**613**
Financial Statements	**615**
BRAC SAAJAN EXCHANGE LIMITED	
Overview	**619**
Directors' Report to the Shareholders	**621**
Independent Auditors' Report	**623**
Financial Statements	**626**

12 Important Information

Glimpse of the 26th Annual General Meeting	**630**
List of VP & Above	**632**
Branch List	**638**
Abbreviations and Acronyms	**656**
Proxy Form	**659**

ABOUT OUR INTEGRATED REPORT

VALUE CREATION AT A GLANCE

FOR OUR CUSTOMERS

- Loans and advances
  BDT 730,659 mn
- SME Unit Offices
  446
- Branches
  194
- Customer deposits
  BDT 889,517 mn
- ATMs
  329
- RCDMs & CRMs
  171
- Customers
  2.3 mn
- Sub-Branches
  116
- Premium lounges
  26
- Agent Banking Outlets
  1,122

FOR OUR SOCIETY

Contributed **BDT 23,943 million** to National Exchequer in 2025 (BDT 70,894 mn over last 5 years)

Contributed **BDT 247 million** through CSR initiatives supporting women's education, health, climate and environment, women's sports, literature, and winter clothing distribution.

Contributed **BDT 5.38 million** in Uddokta 101, facilitating the graduation of 348 women entrepreneurs

Provided scholarships to **35 children with disabilities** from 33 co-workers.

Hosted '**Rise Above Fear**' Breast Cancer Awareness Session with Green Delta Insurance, reinforcing commitment to women's health and wellness.

AI Skill Development Workshop for 100 women entrepreneurs, focusing on digital branding, marketing automation, and product innovation.

Amrai TARA Training Programme in collaboration with BdOSN, empowering 30 women entrepreneurs with digital and business management skills.

UddogTARA Global Edge 2025 Masterclass with GEN Bangladesh, equipping 65 women entrepreneurs with global insights and practical tools.

FOR OUR
INVESTORS
(Consolidated)

Top-notch credit ratings
CRAB : AAA/ST-1
S&P Global : B+/B
Moody's : B2/NP

Total Revenue
BDT 85,360 Mn

Operating Profit
BDT 40,922 Mn

Net Profit After Tax
BDT 22,509 Mn

Proposed Dividend
30%

EPS
BDT 9.12

ROA
1.52%

ROE
20.06%

NAV Per Share
BDT 51.56

CRAR
19.64%

Market capitalisation
BDT 125,627 Mn

Awarded **Best Bank** in the Private Sector at the Commonwealth Business Excellence Awards 2025

ICMAB Best Corporate Award - **Gold**

FOR OUR
EMPLOYEES

- Employees
  FTE: 10,293
  Outsourced: 2,431
- Unique training participants
  16,110
- Unique training programs conducted
  430
- Onboarded **26.93%** Female Full Time Employees in roles other than sales
- Average Learning hour per Employee
  31.57
- Training hours
  508,602 Hrs

ICSB National Award – **Gold**.

Bloomberg ranked us **No. 1 in ESG** performance among Bangladeshi Banks with the score of **3.94**.

Top 10 sustainable banks in Bangladesh-by-Bangladesh Bank for the fifth consecutive year.

Sustainable SME Financier of the Year – Asia at the Global SME Finance Awards 2025

ABOUT THIS INTEGRATED REPORT

The Integrated Annual Report for 2025 presents a comprehensive narrative of BRAC Bank's continued evolution in fulfilling its purpose. It demonstrates how the bank sustains long-term value for its stakeholders through the agile execution of strategic initiatives in an ever-changing economic landscape. This report offers an in-depth analysis of the bank's financial and non-financial performance, providing a transparent view of our governance framework, intensified risk management strategies, and our unwavering commitment to sustainable banking.

As the bank's primary communication tool, this report is designed to give stakeholders a clear understanding of our performance, prospects, and the enduring value we create through our core activities. Beyond traditional financial metrics, it delves into our strategic priorities, emerging opportunities, and the specific sustainability initiatives that drive our social and environmental impact. Furthermore, it offers detailed insights into the robust governance and risk management structures that underpin the Bank's resilience.

The 2025 report has been prepared in strict alignment with the Integrated Reporting Framework prescribed by the IFRS Foundation. Building on the foundations laid in the previous year, this report incorporates expanded disclosures in accordance with IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures). It also adheres to the latest guiding principles of the International Integrated Reporting Council (IIRC) and recent sustainability reporting mandates from Bangladesh Bank. We remain dedicated to enhancing data quality and transparency, consistently adopting evolving global standards and industry best practices.

This Integrated Report has undergone a thorough review by the Management Committee and relevant Board members to ensure it accurately represents our strategic journey before being shared with our valued stakeholders.

Our Reporting Suite, Reporting Regulations, Frameworks & Guidelines

Criterion	Relevant Reporting Regulations, Frameworks & Guidelines
Integrated Annual Report (IAR) 2025 • Organizational overview and external environment • Our Strategy • How We Create Value • Governance structure • Business model • Risks and opportunities • Strategy and resource allocation • Performance • Outlook • Basis of preparation and presentation	**Regulations** • Companies Act, 1994 • Bank Company Act, 1991 (and amendments thereof) • Circulars, rules and regulations issued by Bangladesh Bank • Financial Reporting Act, 2015 (issued by Financial Reporting Council) • Bangladesh Securities and Exchange Commission rules and regulations • Income Tax Act 2023 (and amendments thereof) • Value Added Tax Act, 2012 and Value Added Tax Rules, 2016 (and amendments thereof) • Corporate Governance Code • Listing requirements of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) • Rules and regulations of Central Depository Bangladesh Limited

Criterion	Relevant Reporting Regulations, Frameworks & Guidelines
Governance and Audited Financial Statements 2025 • Directors and management profiles • Directors' report • Certification on Corporate Governance • Corporate Governance Compliance report • Report of the Board Audit Committee • Statement of the Board Audit Committee • Independent Auditors' Report • Audited financial statements of BRAC Bank and its subsidiaries	**Frameworks and Guidelines** • International Financial Reporting Standards (IFRSs) and related interpretations • Integrated Reporting Framework issued by International Integrated Reporting Council ("IIRC") and adopted by IFRS Foundation • SAFA and ICAB Reporting requirements • ICSB Corporate Governance Checklist • ICMAB Best Corporate Checklist • Global Reporting Initiative (GRI) Sustainability Reporting Standards

Material Matters and Materiality Process 2025

In defining the content of this report, we evaluate the issues that significantly impact BRAC Bank's ability to generate, maintain, or potentially erode value over the short, medium, and long term. Our 2025 evaluation considers a balanced spectrum of internal and external factors, encompassing both financial and non-financial risks and opportunities. These matters are critical not only to the bank's internal performance but also to the preservation of capitals owned by or available to our broader stakeholder ecosystem.

BRAC Bank's materiality determination process for the 2025 Integrated Report remains rooted in the Guiding Principles, ensuring a transparent link between our operational environment and our strategic response. Our structured approach involves four refreshed key steps:

Identification

We identify emerging global and local matters—ranging from macroeconomic shifts to climate-related risks—that could impact our earnings sustainability or influence value creation for our stakeholders.

Evaluation

We assess the significance of these matters by analyzing their potential magnitude of impact on value creation and the likelihood of their occurrence in the current reporting cycle.

Prioritization

We rank these matters based on their relative importance, ensuring they directly inform our strategic pillars, the management of our six capitals, and our year-on-year targets.

Disclosure

We define the specific qualitative and quantitative information to be disclosed, ensuring the report fulfills its primary purpose of providing a clear, concise, and material account of our performance to stakeholders.

For a detailed analysis of our 2025 material matters and the specific outcomes of our determination process, please refer to page 19.

Reporting Period

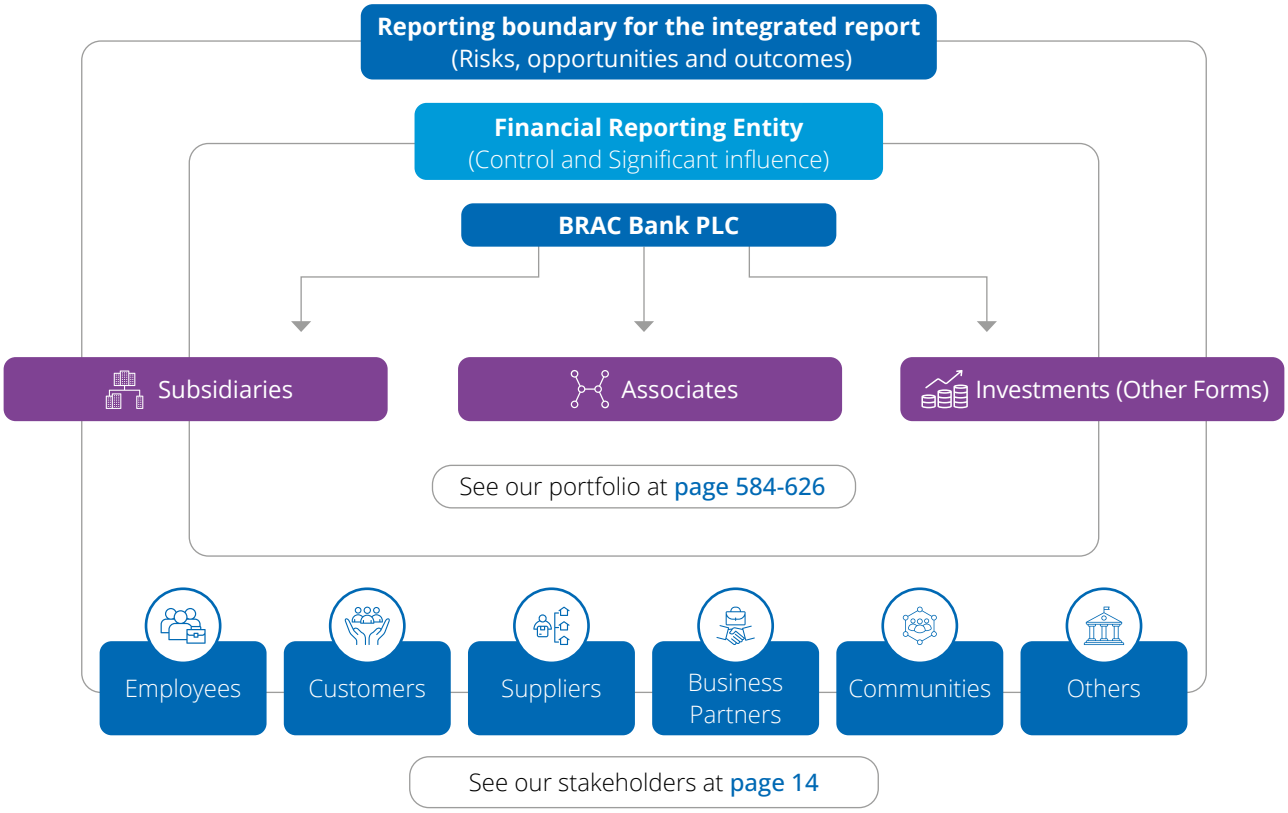
Our Integrated Report, which is produced and published annually, covers the period from 1 January to 31 December 2025. Any material events after this date and up to the board approval date of 26 April 2026 have also been included, such as macroeconomic updates and post-balance-sheet events.

Scope and Boundary

This Integrated Annual Report (IAR) for 2025 provides a comprehensive narrative of BRAC Bank's strategic direction, business activities, and overall performance. It highlights our commitment to social and environmental responsibility through initiatives that directly impact our employees and the diverse communities we serve.

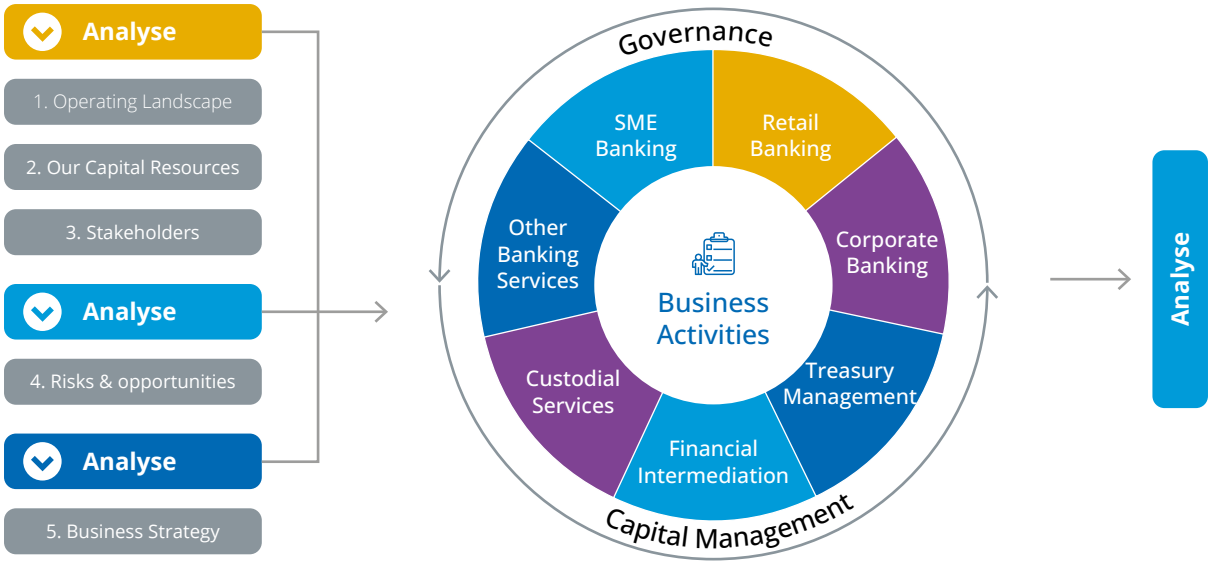
Central to this report is a clear and concise account of how we leverage our six capitals to drive both financial and non-financial performance for our stakeholders. By outlining the outcomes of our value creation model, we offer a detailed analysis of the risks and opportunities encountered throughout the year and how our business activities have been optimized to address them.

For the 2025 reporting period, there have been no significant changes regarding the scope, boundary, or measurement methods used. The reporting basis remains consistent with the previous year (2024), ensuring comparability and transparency in our disclosures. Any restatements of information from prior periods have been clearly identified to maintain the highest standards of data integrity.



Our Approach to Integrated Thinking

Our value creation framework at BRAC Bank emphasizes the interrelationships of many factors in achieving our stakeholder objectives. We can better plan and adapt our business by having an in-depth understanding of all the aspects that influence our ability to produce sustainable value for our stakeholders.



Operating Landscape

We analyze our operational environment to identify the risks and opportunities that impact our capacity to create value in the short, medium, and long term.

Our Capital Resources:

Service Generating Capital

Service generating capital actively manages to deliver financial services to all customers nationwide that generate cash flow and capital appreciation. This capital includes our both branch-based physical banking as well as digital-based virtual banking. Branch-based banking consists of branches, sub-branches, SME unit offices, agent banking. Digital-based virtual banking encompasses our IT infrastructure and security systems.

For more detail, please see page 103.

Human Capital

The bank's strong corporate culture, combined with knowledge, skills and innovation abilities of its people, empowers it to deliver creative and competitive solutions to clients, while also generating value for all stakeholders. We invest in our people's growth to realize our vision and maintain long-term competitiveness.

For more detail, please see page 107.

Intellectual capital

Our intellectual capital includes a values-driven culture, financial expertise, knowledge-based intangible assets, R&D capabilities, innovation capacity, and strategic alliances, all of which help us achieve our customer and operational objectives. Additionally, we utilize a structured network, qualitative database and emerging technologies such as advanced software and robust security systems.

For more detail, please see page 105.

Financial capital

We utilize funds comprising both debt and equity to support our operations, enabling us to deliver capital appreciation for sustainable growth. Our strong capital base and diversified sources are committed to supporting clients with investment facilities and streamlining payments and transactions.

For more detail, please see page 101.

Natural capital

We carefully and responsibly optimize the use of our valuable natural resources, including energy, water, and climate to minimize our environmental impact. Our natural capital is also affected by the emissions and waste generated from our business activities. We are consistently mindful of environmental protection, striving to minimize environmental damage.

For more detail, please see page 111.

Social and relationship capital

Our collaborative relationships with stakeholders, combined with our society-centric initiatives, enable us to create a sustainable and positive impact on the communities where we operate.

For more detail, please see page 109.

Stakeholders

- Customers
- Employees
- Suppliers
- Shareholder/Investor
- Government & Regulators
- Community
- Business Partners

For detail discussion on our stakeholder engagement process, please refer to page 96 of this IAR.

Risks and Opportunities

In BRAC Bank PLC. we have developed a Risk Management Framework (RMF) to identify the relevant risks and opportunities in our operating context, capitals and stakeholder relationships and effectively respond to those risks, which enables us to develop a long-term strategic approach. The Bank's Risk Management Framework equips its Board and Management with tools to anticipate and manage both existing and potential risks.

For more detail, please see pages 396-411.

Business Strategy

A comprehensive business strategy, along with key policies and procedures, is essential for our short, medium, and long-term value creation. This approach enables us to identify strategic priorities that will generate value for our stakeholders.

- **Cutting-edge products and services** that set us apart
- **A vast distribution network** ensuring we're always within reach
- **Unmatched customer convenience** for a seamless experience
- **Robust risk management systems** for risk mitigation, control and monitoring

For more detail, please see page 90.

Value Creation

Our integrated approach embedded with exceptional customer service, effective fund mobilization, asset liability management, timely investment of surplus funds, recovery efforts etc. enables us to deliver sustained value to all our stakeholders.

- Governance and risk management
- Advancing technological infrastructure
- World class human resource practices
- Robust financial reporting standards
- Extensive market strategy and product planning
- Robust market strategy and sales infrastructure
- End to end deposit management framework
- Robust asset management practices

For more detail, please see pages 94-99.

BRAC Bank is dedicated to fostering social integration and Green Finance through innovative thinking, enabling technologies and collaborative partnerships and financial inclusion initiatives. Our goal is to shape an industry that is safer, more sustainable, and better aligned with the needs of our communities and society. Sustainability is ingrained in our core values, driving our commitment to the United Nations' Sustainable Development Goals (SDGs) through sustainable investments. As a bank with a significant impact on society, we create value that aligns with the Sustainable Development Goals (SDGs). Our impact is two-pronged; one, through our business and two, via our community outreach and citizenship programs. In all, we impact 12 SDGs.

Icons used in this report

Our Capitals

Manufactured / Service Generating Capital

Human Capital

Intellectual Capital

Financial Capital

Natural Capital

Social & Relationship Capital

Stakeholders

Customers

Employees

Suppliers

Shareholders

Investors

Government & Regulators

Community/NGO/ Civil Society

Business Partners

Material Matters

Customer Satisfaction

Geopolitical & Economic Trends

Technology & Digital Transformation

Governance & Compliance

Leadership & Talent

Environmental, Social & Governance (ESG) Factors

External Assurance

The bank has secured combined assurance from management and from our internal and external assurance providers. Our Audit Committee provides internal assurance to the Board while the bank's financial, operating, compliance and risk management controls are assessed by the internal audit function, overseen by the Audit Committee. This combined assurance ensures the safety and soundness of our operation. The Audit Committee report is on pages 319-321 of this IAR.

Key Financial Highlights

Report section	External assurance
Financial Statements Audit Report	A Qasem & Co, Chartered Accountants
Certification of Custodian Service	A Qasem & Co, Chartered Accountants
Nostro Certification	A Qasem & Co, Chartered Accountants
Provident Fund Financial Audit	A Qasem & Co, Chartered Accountants
Gratuity Fund Financial Audit	A Qasem & Co, Chartered Accountants
Entity Credit Rating	• S&P Global • Moody's • Credit Rating Agency of Bangladesh Ltd • Emerging Credit Rating Ltd
Corporate Governance Certification	Mohammad Sanaullah & Associates
Gratuity Fund Actuarial Valuation	Z. Halim & Associates
Sustainability Report	Partnership for Carbon Accounting Financials (PCAF)

Disclaimer on Forward-Looking Statements

Our public interactions, including spoken or written forward-looking statements, involve assumptions, inherent risks and uncertainties, both general and specific. The estimations and other forward-looking statements may not prove to be accurate and hence readers are advised to exercise caution and analyze them based on their own judgement. Statements with such considerations, external factors, outcomes and future prospects are included in this annual report and may be included in other filings with Bangladesh Securities and Exchange Commission (BSEC) or in other communication. These assumptions are constructed based on the expectation, judgment, aspects, and opportunities. Given the uncertainties about future occurrence of these outcomes, these statements should be read with caution. The bank and its affiliates disclaim any future liabilities arising from any forward-looking statements.

Availability of the Report

In line with our commitment to sustainability, we have printed a limited number of copies of this report. However, all shareholders and the general public can access the e-report on the bank's website. Additionally, the report can be immediately downloaded using the QR code provided.

We Solicit Your Feedback

BRAC Bank engages with stakeholders on an ongoing basis and we value your feedback and comments on this report. You may direct your feedback to our Investor Relations team: sharedept@bracbank.com

Board's Responsibility Statement

The content of this IAR has been scrutinized by the Management for accuracy, completeness and relevance of information presented, and also reviewed and approved by the Board. The Board and the Management acknowledge their responsibility over the preparation and presentation of this IAR.

On behalf of the Management, I acknowledge our responsibility to review and ensure the integrity of this Integrated Annual Report and opine that the Report has been prepared in accordance with the guiding principles and content elements of the Integrated Reporting <IR> Framework 2021 issued by International Integrated Reporting Council (IIRC).

Sincerely,

M Masud Rana, FCA, Additional Managing Director & CFO

NAVIGATING THROUGH THIS INTEGRATED ANNUAL REPORT

Content Elements	What to look for	Referred Topic	Page No.
Organizational overview and external environment	Organization's strategic objectives	Our Strategic Objectives	90
	Mission, vision and values	Mission, vision and values	44
	Ownership and operating structure	Distribution of Shareholding	57
	Principal activities and markets	Financial Statements (note 1.2)	488
	Competitive landscape and market positioning	Competitive Intensity – Strategic Overview	116
	Key quantitative information	Five Years' Financial Summary	146-159
	Significant factors affecting the external environment	PESTEL Analysis Framework	184
Governance	Leadership structure and their skills and diversity	Board of Directors	58
		Management Committee	76-79
		Senior Officials	632
	Overall corporate governance compliance and monitoring	Corporate Governance Report	278
		Corporate Governance Compliance Report	263
	Processes used to make strategic decisions and establish and monitor the culture of the organization	Stakeholder Engagement and Value Creation	96
		Our Value Creating Business Model	94
		Directors' Responsibility Statement	65
	Attitude to risk and mechanisms for addressing integrity and ethical issues	From the Desk of Chief Risk Officer	396
Business model	Entity's business model including key inputs, business activities, outputs & outcomes	Our Value Creating Business Model	94
Risks and opportunities	Key risks and opportunities specific to the organization including: The sources of risks and opportunities	Risk Management Chapter	396-463
	Assessment of the likelihood of occurrence and the magnitude of effect		
	Steps taken to mitigate or manage key risks		
Strategy and resource allocation	Organization's short, medium and long-term strategic objectives	Our Strategic Objectives	90
	Strategies in place to achieve those strategic objectives	Key Resources & Capabilities: Driving Sustainable Competitive Advantage	113
	The resource allocation plans it has to implement its strategy		
Performance	Quantitative performance indicators with respect to targets, risks and opportunities	Financial Statements	472-582
	The organization's effects on the capitals Key stakeholder relationships and the organization's response to them	Our Six Capitals	101-112
		Stakeholder Engagement	96
	Linkages between organization's past and current performance	Five Years' Financial Summary	146-159
Outlook	Organization's expectations about external environment, risks, opportunities and challenges and their effects	Directors' Report to the Shareholders	122
		SWOT Analysis	186
		PESTEL Analysis Framework	184
	Availability, quality and affordability of capitals the organization uses or affects including how key relationships are managed	Our Six Capitals	101
		Stakeholder Engagement	96
	Organization's ability to create value over time	Value Creation at a Glance	8
		Key Resources & Capabilities: Driving Sustainable Competitive Advantage	113
Basis of preparation and presentation	Organization's materiality determination process and key judgements	Materiality Determination & Material Events	19
	Identification of the reporting boundary and its determination process	About this Integrated Report	10
	Significant frameworks and methods used to quantify or evaluate material matters	Financial Statements (Accounting policy notes)	488
	Risks, opportunities and outcomes attributable to or associated with other entities/stakeholders	Subsidiaries Financial Statements	584

MATERIALITY DETERMINATION & MATERIAL EVENTS

In our continued commitment to creating sustainable value over the short, medium, and long term, this Integrated Report discloses information on matters that substantively influence BRAC Bank PLC's ability to create value. These material matters shape our strategy, guide capital allocation decisions, and inform how we manage risks and capture opportunities within an increasingly dynamic operating environment.

The materiality determination process is entity-specific and considers industry dynamics, regulatory developments, macroeconomic conditions, and multi-stakeholder perspectives. Our approach ensures that matters with the most significant impact on value creation are appropriately identified, assessed, prioritised, and transparently disclosed.

Our 2025 Materiality Determination Framework

The materiality process is conducted annually and updated throughout the year to reflect changes in the operating environment, regulatory expectations, and strategic direction. The process comprises four structured steps:

Material Events 2025

Based on the 2025 assessment, the following matters were identified as most material to sustainable value creation:

Material Matter	Key Risks	Opportunities	Strategic Response	Primary Capitals Impacted
Customer Experience & Growth	Customer attrition, competitive pressure	Strengthened loyalty, enhanced acquisition, improved financial performance	Digital expansion, tailored products, CX analytics	Financial, Intellectual, Social & Relationship
Macroeconomic & Geopolitical Environment	Volatility in earnings, credit risk pressure	Portfolio repositioning, risk-adjusted pricing optimisation, new sectoral growth opportunities	Dynamic risk monitoring, portfolio diversification	Financial, Intellectual
Technology & Cybersecurity	Cyber threats, operational disruption	Improved operational efficiency, cost optimisation, enhanced customer engagement and accessibility	Enhanced cybersecurity posture, digital investment	Financial, Intellectual, Manufactured
Governance & Regulatory Compliance	Regulatory penalties, reputational damage	Enhanced stakeholder confidence, strengthened regulatory relationships, improved internal control environment	Robust compliance framework, policy review	Financial, Human, Social & Relationship
Leadership & Talent	Skill gaps, retention challenges	Enhanced innovation and agility, stronger organisational culture, long-term operational resilience	Capability development, inclusive culture	Human, Social & Relationship
Environmental, Social & Governance (ESG)	Climate risk, compliance exposure	Leadership in sustainable finance, access to green funding opportunities, strengthened brand equity	Sustainable finance initiatives, ESG governance structure	Financial, Natural, Social & Relationship

Integration with Strategy and Risk Management

All material matters are embedded within our strategic priorities and Enterprise Risk Management framework. Performance against these priorities is monitored through clearly defined KPIs and overseen by Senior Management and the Board of Directors.

Through this integrated and disciplined approach, BRAC Bank PLC remains committed to resilient, responsible, and sustainable value creation.

LEADERSHIP INSIGHTS

MESSAGE FROM THE CHAIRPERSON

FROM MISSING MIDDLE TO MISSING MAJORITY

At a Glance

- BRAC Bank enters its 25th year with a clear strategic pivot—from serving the "Missing Middle" to unlocking the vast potential of the "Missing Majority."
- 2025 marked strong financial performance, industry leadership in digital banking, and continued progress in sustainable finance and inclusion.
- The Bank is undertaking a full-scale transformation—anchored in omnichannel banking, hyper-personalisation, and relationship-led growth—to deepen customer engagement and expand financial access.
- With a balanced portfolio and disciplined execution, BRAC Bank is positioned to lead the next phase of inclusive banking in Bangladesh while preparing for long-term international expansion.

Dear Valued Shareholders,

On behalf of the Board of Directors of BRAC Bank, I am pleased to present our Integrated Annual Report and audited financial statements for the fiscal year ended December 31, 2025. As we step into our 25th year, this has been a defining chapter in our journey—marked not only by strong financial performance and milestone achievements, but by a deeper realisation of the scale of opportunity that lies ahead.

For nearly a quarter century, BRAC Bank has stood as a pioneer of inclusion—built on the conviction that those left outside the formal financial system deserve not just access, but opportunity. As we reflect on this legacy, we also recognise a far broader horizon. Our journey began with the "Missing Middle." Our future lies with the "Missing Majority."

Born with Purpose, Evolving with Responsibility

In 1972, in the aftermath of a newly independent Bangladesh, Sir Fazle Hasan Abed returned with a belief that would reshape development thinking—that every individual, regardless of circumstance, holds immense potential.

As microfinance clients evolved into entrepreneurs, a structural gap became evident—the absence of financial support for small and medium enterprises. BRAC Bank was established in 2001 to address this "Missing Middle," not merely as a bank, but as a platform for economic empowerment.

Today, that philosophy continues to define us. With BRAC holding over 46% of our shares, every dividend we generate contributes directly to national

development—funding education, healthcare, and poverty alleviation. Our shareholders are not only investors; they are partners in nation-building.

A Legacy Delivered, A Reality Recognised

Over the past 25 years, BRAC Bank has become synonymous with inclusive banking, achieving significant milestones across all segments of our business.

We have strengthened our leadership in CMSME banking, serving over 2 million customers with cumulative disbursements of approximately BDT 2,000 billion in collateral-free loans. Our SME portfolio remains one of the most resilient in the industry, with an NPL ratio remaining below 2%, reflecting disciplined underwriting and deep relationship-based engagement.

Our Retail Banking business has gained strong momentum, driven by growing customer adoption, deeper engagement, and rapid digital integration. Astha, our digital banking app, now serves over 1.2 million users, processing more than BDT 200 billion in monthly transactions—signalling a decisive shift in customer behaviour towards digital channels. This growth is supported by an expanding ecosystem of branches, agent banking outlets, and digital platforms, enabling seamless access to banking services.

Our remittance inflows exceeded USD 2 billion annually, supported by over 80 global exchange partnerships and seamless digital onboarding, enhancing accessibility for expatriates and their families.

Through TARA, we serve over 465,340 women customers, representing 20% of our customer base, while holding 23% of the private sector's women-led SME portfolio. With BDT 2,590+ crore disbursed annually and an NPL ratio of 1.3%, this segment continues to demonstrate both impact and resilience.

In Corporate Banking, we enabled landmark transactions, including USD 95.77 million in offshore financing for MJL Bangladesh's acquisition of two Aframax tankers—one of the largest such arrangements by a local private bank. Our corporate digital platform, CORPnet, processed BDT 227,321 crore through 80 lakh transactions in 2025, marking a 43% year-on-year growth and reinforcing our capability in delivering large-scale, efficient solutions.

Our Agent Banking network now serves over 0.4 million underbanked individuals, with 80% of outlets located in rural areas—extending formal financial services to the most underserved regions of the country.

In sustainable finance, we published Bangladesh's first independent IFRS S1 and S2 report, with over 83% of our loan portfolio—BDT 604.56 billion—allocated to sustainable finance, earning the top position in Bloomberg's ESG Rating among Bangladeshi companies.

Through our CSR initiatives, we invested BDT 247 million and positively impacted 1,72,502 lives across Bangladesh in 2025, spanning education, healthcare, inclusion, environment, and culture.

These achievements reaffirm that a values-driven institution can lead in both purpose and performance.

Yet, they also underscore a critical reality. Despite this progress, nearly 72% of adults in Bangladesh remain outside the formal financial system. Account ownership remains limited, digital adoption uneven, and a significant portion of economic activity continues to rely on informal financing.

This is the "Missing Majority"—and addressing this gap defines our next phase of growth.

From Transactional to Relationship Banking

The next frontier for BRAC Bank lies in expanding the boundaries of the financial system itself. While significant progress has been made in access, deeper challenges remain in building trust, encouraging meaningful usage, and fostering long-term financial relationships.

Our strategic focus is therefore shifting from access-led inclusion to engagement-led inclusion—where customers are not only onboarded but actively participate in and benefit from the formal financial ecosystem. This transition positions growth not as a function of market share capture, but as a function of market expansion.

Our strategic initiatives are now aligned towards bringing the Missing Majority into the financial ecosystem, with retail banking transformation serving as the cornerstone of this shift.

This transformation goes beyond retail as a segment—it represents a bank-wide evolution in how we engage with customers. It is a transition from transaction-led banking to relationship-led banking, where long-term engagement replaces one-time acquisition as the primary driver of growth.

At the core of this transformation is an omnichannel model, where branches, digital platforms, relationship managers, and agent banking operate as a unified ecosystem. Each touchpoint is designed to understand customer needs, respond with speed and relevance, and deliver a seamless experience across channels.

We have built integrated customer profiles that enable a comprehensive, real-time understanding their behaviour, preferences, and financial needs.

This allows us to move towards hyper-personalised banking—offering tailored solutions aligned with individual life stages, financial goals, and usage patterns.

Our ambition is to evolve every channel and every interaction into a "superstore" of BRAC Bank's services—where customers can access the full breadth of our offerings through the channel of their choice, with consistency and confidence.

This shift is also redefining our operating model. Our extensive sales and relationship network is being strengthened into a dynamic lead-generation and relationship-building engine, capable of identifying opportunities, nurturing customers, and deepening engagement across the lifecycle.

Importantly, this transformation is anchored in capability building. Our people remain at the centre of this journey. We are investing in skills, tools, and systems to ensure that our teams evolve alongside the organisation—combining technological fluency with human insight to deliver meaningful customer outcomes.

Alongside retail transformation, our broader initiatives continue to reinforce inclusion. Through digital lending platforms and agricultural financing solutions, we are expanding access to underserved segments. Through climate finance, we are enabling resilience among vulnerable communities, particularly women-led enterprises.

Together, these initiatives reflect a unified strategic intent—to extend formal finance to those who remain excluded, while deepening engagement with those already within the system.

Financial Strength with Strategic Balance

Our financial performance in 2025 reflects both resilience and disciplined execution. We achieved a Net Profit After Tax of BDT 22,509 million, representing 57% growth, alongside Earnings Per Share of BDT 9.12. Profit Before Tax stood at BDT 34,021 million, growing by 41% year-on-year.

Our deposits grew by 27%, while our loan portfolio expanded by 17%.

Our portfolio remains distinctively diversified, with approximately 42% in CMSME, 41% in Corporate, and 17% in Retail. This balanced structure strengthens resilience, reduces concentration risk, and positions us to scale inclusively.

Our SME NPL ratio remains below 2%, supported by a robust relationship-based lending model and a nationwide network of SME unit offices and field officers.

We continue to demonstrate that sustainable growth is built not on concentration, but on balance.

A Bank that Leads

The financial services landscape is evolving rapidly—towards greater connectivity, intelligence, and responsiveness. Customer expectations are rising, and the definition of banking is being reshaped globally.

In this environment, leadership will be defined not by scale alone, but by the ability to anticipate change and respond with clarity and conviction.

BRAC Bank's legacy is built on challenging convention. Our future requires us to do so again—at greater scale, with greater precision, and with unwavering commitment to our purpose.

Our ambition is clear—to be the most trusted, most innovative, most inclusive, and ultimately, the safest bank in Bangladesh.

This will require agility, discipline, and alignment across the organisation—One Bank, One Purpose, One Ambition.

Gratitude and Commitment

I extend my sincere gratitude to our shareholders for your continued trust and confidence. Your support enables us to pursue long-term strategies that create enduring value—financial, social, and environmental.

I thank my fellow Board members and our senior leadership for their guidance and unwavering commitment to governance and integrity.

To our employees and field staff—your dedication remains the foundation of our success.

We remain grateful to our regulators and stakeholders for their continued oversight and support.

Finally, to our customers—both those we serve today and the millions we have yet to reach—you remain at the heart of our purpose.

As we step into our 25th year, we do so with clarity and conviction.

Our journey is no longer defined solely by the Missing Middle we have served. It is now defined by the Missing Majority we must reach.

This is not just the next phase of our growth. It is the next frontier of inclusion.

Sincerely yours,

Meheriar M. Hasan
Chairperson

চেয়ারপারসন-এর বার্তা

‘মিসিং মিডল’ থেকে ‘মিসিং মেজরিটি’

এক নজরে

- ব্র্যাক ব্যাংক ২৫তম বছরে পদার্পণ করেছে একটি সুস্পষ্ট কৌশলগত পরিবর্তন নিয়ে, যেখানে লক্ষ্য হলো ‘মিসিং মিডল’ থেকে বিপুল সম্ভাবনাময় ‘মিসিং মেজরিটি’–কে ব্যাংকিং সেবা দেওয়া।
- ২০২৫ সালে শক্তিশালী আর্থিক পারফরম্যান্স, ব্যাংকিং খাতে ডিজিটাল ব্যাংকিংয়ে অগ্রণী অবস্থান এবং টেকসই অর্থায়ন ও অন্তর্ভুক্তিতে ধারাবাহিক অগ্রগতি অর্জিত হয়েছে।
- গ্রাহক সম্পৃক্ততা আরও বৃদ্ধি এবং আর্থিক সেবার পরিসর বাড়াতে ব্যাংক পূর্ণাঙ্গ রূপান্তর কার্যক্রম বাস্তবায়ন করছে, যার ভিত্তি ওমনিচ্যানেল ব্যাংকিং, হাইপার–পার্সোনালাইজেশন এবং রিলেশনশিপ–লেড গ্রোথ।
- ব্যালেন্সড পোর্টফোলিও ও পরিকল্পিত বাস্তবায়নের মাধ্যমে ব্র্যাক ব্যাংক বাংলাদেশের অন্তর্ভুক্তিমূলক ব্যাংকিংয়ের পরবর্তী ধাপে নেতৃত্ব দিতে প্রস্তুত। পাশাপাশি দেশের বাইরেও দীর্ঘমেয়াদি সম্প্রসারণের দিকেও অগ্রসর হচ্ছে ব্র্যাক ব্যাংক।

প্রিয় শেয়ারহোল্ডারগণ,

ব্র্যাক ব্যাংকের পরিচালনা পর্ষদের পক্ষ থেকে ৩১ ডিসেম্বর ২০২৫ সমাপ্ত অর্থবছরের জন্য আমাদের সমন্বিত বার্ষিক প্রতিবেদন এবং নিরীক্ষিত আর্থিক বিবরণী উপস্থাপন করতে পেরে আমি আনন্দিত। আমাদের ২৫তম বছরে পদার্পণের এই সময়ে এটি আমাদের যাত্রার একটি গুরুত্বপূর্ণ অধ্যায়, যেখানে শক্তিশালী আর্থিক সাফল্য ও লক্ষণীয় অর্জনের পাশাপাশি আগামীর বিশাল সম্ভাবনা সম্পর্কে আমাদের লক্ষ্য, পরিকল্পনা ও প্রস্তুতি প্রতিফলিত হয়েছে।

গত প্রায় ২৫ বছর ধরে ব্র্যাক ব্যাংক অন্তর্ভুক্তির পথপ্রদর্শক হিসেবে ভূমিকা পালন করে আসছে এই বিশ্বাসকে লালন করে যে, আনুষ্ঠানিক আর্থিকব্যবস্থার বাইরে থাকা মানুষদের কেবল আর্থিক সেবায় প্রবেশাধিকার নয়, সুযোগ পাওয়ারও অধিকার রয়েছে। আমাদের এই সাফল্যের পথচলার দিকে ফিরে তাকালে আমরা সামনে আরও বিস্তৃত সম্ভাবনার দিগন্ত দেখতে পাই। আমরা বিশ্বাস করি, আমাদের যে যাত্রা শুরু হয়েছিল ‘মিসিং মিডল’ দিয়ে, তার ভবিষ্যৎ ‘মিসিং মেজরিটি’–এর মধ্যে নিহিত।

লক্ষ্য নিয়ে শুরু, দায়িত্বশীলতায় বিকাশ

১৯৭২ সালে সদ্য স্বাধীন বাংলাদেশে স্যার ফজলে হাসান আবেদ এমন একটি বিশ্বাস নিয়ে ফিরে আসেন, যা উন্নয়ন ভাবনাকে নতুনভাবে রূপ দিয়েছে। তিনি বিশ্বাস করতেন, প্রতিটি মানুষই তার নিজ অবস্থান থেকে অসীম সম্ভাবনার অধিকারী।

ক্ষুদ্রঋণ গ্রাহকরা যখন উদ্যোক্তায় পরিণত হতে শুরু করল, তখন একটি প্রধান সমস্যা স্পষ্ট হয়ে ওঠে। এটি হলো ক্ষুদ্র ও মাঝারি উদ্যোগে আর্থিক সহায়তার অভাব। এই ‘মিসিং মিডল’–কে ব্যাংকিং সেবার আওতায় আনার লক্ষ্যে ২০০১ সালে স্যার ফজলে হাসান আবেদ প্রতিষ্ঠা করেন ব্র্যাক ব্যাংক, যা কেবল একটি ব্যাংক হিসেবেই নয়, বরং অর্থনৈতিক ক্ষমতায়নের প্ল্যাটফর্ম হিসেবেও আত্মপ্রকাশ করে।

তাঁর সেই দর্শন আজও আমাদের পরিচয়ের ভিত্তি। ব্র্যাক আমাদের ৪৬%–এরও বেশি শেয়ারের মালিক হওয়ায় আমরা যে লভ্যাংশ অর্জন করি, তা সরাসরি জাতীয় উন্নয়নে অবদান রাখে। দেশের শিক্ষা, স্বাস্থ্যসেবা এবং দারিদ্র্য বিমোচনে এই অর্থ ব্যাপকভাবে সহায়তা করে। আমাদের শেয়ারহোল্ডাররা শুধু বিনিয়োগকারীই নন, তারা জাতি গঠনের অংশীদারও।

গৌরবময় ঐতিহ্য, স্বীকৃত বাস্তবতা

বিগত ২৫ বছর ধরে ব্র্যাক ব্যাংক অন্তর্ভুক্তিমূলক ব্যাংকিংয়ের পথিকৃৎ হিসেবে নিজেকে প্রতিষ্ঠিত করেছে। আমাদের ব্যবসার প্রতিটি ক্ষেত্রে আমরা অর্জন করেছি উল্লেখযোগ্য সব মাইলফলক, যা আমাদের এই যাত্রাকে দিয়েছে এক অনন্য পূর্ণতা।

সিএমএসএমই ব্যাংকিংয়ে আমাদের নেতৃত্বস্থানীয় অবস্থান আরও শক্তিশালী হয়েছে। ২০ লাখের বেশি গ্রাহককে প্রায় ২,০০০ বিলিয়ন টাকার জামানতবিহীন ঋণ বিতরণ করেছি আমরা। আমাদের এসএমই পোর্টফোলিও ব্যাংকিং খাতে টেকসই অবস্থানে রয়েছে, যেখানে খেলাপি ঋণের হার ২%–এরও কম। এটি সম্ভব হয়েছে সুশৃঙ্খল আন্ডাররাইটিং এবং সম্পর্কভিত্তিক গ্রাহকসেবার মাধ্যমে।

আমাদের রিটেইল ব্যাংকিং কার্যক্রমে উল্লেখযোগ্য অগ্রগতি অর্জিত হয়েছে, যা গ্রাহকদের অবিচল আস্থা, সম্পৃক্ততা এবং ডিজিটাল ট্রান্সফরমেশনের প্রতিফলন। আমাদের ডিজিটাল ব্যাংকিং অ্যাপ আস্থা এখন ১২ লাখেরও বেশি ব্যবহারকারীকে সেবা দিচ্ছে এবং প্রতি মাসে ২০০ বিলিয়ন টাকার বেশি লেনদেন সম্পন্ন করছে। গ্রাহকরা যে ডিজিটাল চ্যানেলের দিকে ঝুঁকছে, এটি তার স্পষ্ট প্রমাণ। আমাদের এই প্রবৃদ্ধির মূলে রয়েছে শাখা ও উপশাখা, এজেন্ট ব্যাংকিং আউটলেট এবং ডিজিটাল ইকোসিস্টেমের ভূমিকা, যা গ্রাহকদের জন্য নিশ্চিত করে চলছে সহজ, দ্রুত ও সুবিধাজনক ব্যাংকিং সেবা।

আমাদের রেমিট্যান্স প্রবাহ বছরে ২ বিলিয়ন মার্কিন ডলার অতিক্রম করেছে, যার পেছনে রয়েছে বিশ্বজুড়ে ৮০টিরও বেশি এক্সচেঞ্জ হাউসের সঙ্গে পার্টনারশিপ এবং নিরবচ্ছিন্ন ডিজিটাল অনবোর্ডিং। ফলে, প্রবাসী ও তাদের পরিবারের জন্য ব্যাংকিং সেবা আরও সহজ হয়েছে।

‘তারা’ প্ল্যাটফর্মের মাধ্যমে আমরা ৪,৬৫,৩৪০–এরও বেশি নারী গ্রাহককে সেবা দিচ্ছি, যা আমাদের মোট গ্রাহক বেসের ২০%। একইসঙ্গে বেসরকারি খাতে নারী–নেতৃত্বাধীন এসএমই পোর্টফোলিওর ২৩% আমাদের দখলে রয়েছে। বছরে ২,৫৯০ কোটি টাকারও বেশি ঋণ বিতরণ এবং ১.৩% খেলাপি ঋণ নিয়ে এই খাতটি প্রভাব ও টেকসইতা— উভয় ক্ষেত্রেই ধারাবাহিকভাবে শক্তিশালী অবস্থান ধরে রেখেছে।

কর্পোরেট ব্যাংকিং ট্রানজ্যাকশনে আমরা উল্লেখযোগ্য মাইলফলক অর্জন করেছি, যার মধ্যে রয়েছে এমজেএল বাংলাদেশকে দুটি আফ্রামাক্স ট্যাংকার অধিগ্রহণের জন্য ৯৫.৭৭ মিলিয়ন মার্কিন ডলারের অফশোর লোন। এটিই স্থানীয় কোনো বেসরকারি ব্যাংকের জন্য এ ধরনের অন্যতম বৃহৎ উদ্যোগ।

আমাদের কর্পোরেট ডিজিটাল প্ল্যাটফর্ম ‘কর্পনেট’ ২০২৫ সালে ৮০ লাখ ট্রানজ্যাকশনের মাধ্যমে ২,২৭,৩২১ কোটি টাকার লেনদেন সম্পন্ন করেছে, যা বছরওয়ারি ৪৩% প্রবৃদ্ধি অর্জন করেছে এবং বৃহৎ পরিসরে দক্ষ ও কার্যকর সল্যুশন প্রদানে আমাদের সক্ষমতাকে আরও সুদৃঢ় করেছে।

আমাদের এজেন্ট ব্যাংকিং নেটওয়ার্ক এখন ব্যাংকিং সেবার আওতার বাইরে থাকা ৪ লাখেরও বেশি মানুষকে সেবা দিচ্ছে, যার ৮০% আউটলেট গ্রামীণ এলাকায় অবস্থিত। ফলে, দেশের প্রান্তিক ও প্রত্যন্ত অঞ্চলে আনুষ্ঠানিক আর্থিক সেবা পৌঁছে দেওয়া সম্ভব হয়েছে।

টেকসই অর্থায়নে আমরা বাংলাদেশের প্রথম ইনডিপেন্ডেন্ট আইএফআরএস এস–১ ও এসট–২ রিপোর্ট প্রকাশ করেছি। আমাদের মোট ঋণ পোর্টফোলিওর ৮৩%–এরও বেশি টেকসই অর্থায়ন খাতে বরাদ্দ রয়েছে, যার পরিমাণ ৬০৪.৫৬ বিলিয়ন টাকা। এর মাধ্যমে ব্লুমবার্গের ইএসজি রেটিংয়ে বাংলাদেশি প্রতিষ্ঠানগুলোর মধ্যে আমরা শীর্ষস্থান অর্জন করেছি।

সিএসআর উদ্যোগে আমরা ২০২৫ সালে ২৪৭ মিলিয়ন টাকা বিনিয়োগ করেছি। শিক্ষা, স্বাস্থ্য, আর্থিক অন্তর্ভুক্তি, পরিবেশ ও সংস্কৃতি খাতে দেশজুড়ে আমরা ১,৭২,৫০২ জন মানুষের জীবনে ইতিবাচক প্রভাব ফেলতে সক্ষম হয়েছি।

আমাদের এই অর্জনগুলো প্রমাণ করে যে, একটি মূল্যবোধভিত্তিক প্রতিষ্ঠান লক্ষ্য ও পারফরম্যান্স— উভয় ক্ষেত্রেই নেতৃত্ব দিতে পারে।

এই বিষয়গুলো একটি গুরুত্বপূর্ণ বাস্তবতাকেও আমাদের সামনে তুলে ধরে। এই অগ্রগতি সত্ত্বেও এখনও বাংলাদেশে প্রায় ৭২% প্রাপ্তবয়স্ক মানুষ আনুষ্ঠানিক আর্থিকব্যবস্থার বাইরে রয়েছে। ব্যাংক অ্যাকাউন্টধারীর সংখ্যা এখনও সীমিত, ডিজিটাল সেবার ব্যবহারে বৈষম্য রয়েছে এবং অর্থনৈতিক কার্যক্রমের একটি বড় অংশ এখনও অনানুষ্ঠানিক অর্থায়নের ওপর নির্ভরশীল।

এই সেগমেন্টটিকেই আমরা বলছি 'দ্যা মিসিং মেজরিটি' এবং এই ব্যবধান দূর করার পথই আমাদের পরবর্তী প্রবৃদ্ধির ধরণ নির্ধারণ করবে।

লেনদেনভিত্তিক থেকে সম্পর্কভিত্তিক ব্যাংকিং

আর্থিক ব্যবস্থার পরিসর আরও বিস্তৃত করার ওপর ব্র্যাক ব্যাংকের পরবর্তী অগ্রযাত্রা নির্ভর করবে। গ্রাহকদের সেবা গ্রহণের সুযোগ বাড়লেও এখনও কিছু চ্যালেঞ্জ রয়ে গেছে। গ্রাহক আস্থা ও সেবার অর্থবহ ব্যবহার বাড়ানোর পাশাপাশি দীর্ঘমেয়াদি আর্থিক সম্পর্ক তৈরি করার ক্ষেত্রে কাজ করার এখনও অনেক সুযোগ রয়েছে।

তাই আমাদের কৌশলগত দৃষ্টি এখন 'আর্থিক সেবা নিশ্চিত করা' থেকে 'গ্রাহকদের সক্রিয় সম্পৃক্ততা বাড়ানো'র দিকে যাচ্ছে। এই প্রক্রিয়ায় গ্রাহকরা শুধু সেবার আওতাতেই আসেন না, বরং সক্রিয়ভাবে অংশ নেন এবং আনুষ্ঠানিক আর্থিকব্যবস্থার সুবিধা গ্রহণ করেন। এই পরিবর্তনের ফলে প্রবৃদ্ধি আর কেবল মার্কেট শেয়ার বাড়ানোর ওপরই নয়, বরং বাজার পরিসর সম্প্রসারণের ওপরও নির্ভর করছে।

আমাদের কৌশলগত উদ্যোগগুলো এখন 'মিসিং মেজরিটি'কে আর্থিকব্যবস্থায় যুক্ত করার সাথে সম্পৃক্ত। এই পরিবর্তনের মূল ভিত্তি হিসেবে কাজ করছে আমাদের রিটেইল ব্যাংকিং ট্রান্সফরমেশন।

এই রূপান্তর শুধু রিটেইল ব্যাংকিংয়ের মধ্যেই সীমাবদ্ধ নয়, এই রূপান্তর পুরো ব্যাংকেই ঘটছে, যা গ্রাহকদের সঙ্গে আমাদের সম্পৃক্ততার ধরনে একটি মৌলিক পরিবর্তন নির্দেশ করে। এই লেনদেনভিত্তিক ব্যাংকিং থেকে সম্পর্কভিত্তিক ব্যাংকিংয়ে রূপান্তর গ্রাহকদের সাথে দীর্ঘমেয়াদি সম্পর্ক নিশ্চিত করবে, যা হয়ে উঠতে পারে প্রবৃদ্ধির প্রধান চালিকাশক্তি।

এই রূপান্তরের কেন্দ্রবিন্দুতে রয়েছে একটি সমন্বিত ওমনিচ্যানেল মডেল, যেখানে শাখা–উপশাখা, ডিজিটাল প্ল্যাটফর্ম, রিলেশনশিপ ম্যানেজার এবং এজেন্ট ব্যাংকিং একসঙ্গে একটি একীভূত ইকোসিস্টেম হিসেবে কাজ করে। প্রতিটি সার্ভিস টাচপয়েন্ট এমনভাবে গড়ে তোলা হয়েছে, যাতে গ্রাহকের প্রয়োজন বুঝে দ্রুত সেবা দেওয়া যায়। এটি গ্রাহকদের জন্য সব চ্যানেলে সর্বোৎকৃষ্ট ব্যাংকিং অভিজ্ঞতা নিশ্চিত করবে।

আমরা সমন্বিত গ্রাহক প্রোফাইল তৈরি করেছি, যা গ্রাহকদের আচরণ, পছন্দ এবং আর্থিক চাহিদা সম্পর্কে তাৎক্ষণিকভাবে একটি সামগ্রিক ধারণা পেতে সহায়তা করে। এর ফলে আমরা ধীরে ধীরে হাইপার–পার্সোনালাইজড ব্যাংকিংয়ের দিকে এগিয়ে যাচ্ছি, যেখানে গ্রাহকের জীবনের বিভিন্ন পর্যায়, আর্থিক পরিকল্পনা এবং লাইফস্টাইলের সঙ্গে সামঞ্জস্য রেখে উপযোগী সেবা ও সল্যুশন প্রদান করা হবে।

আমাদের লক্ষ্য হলো প্রতিটি চ্যানেল এবং প্রতিটি গ্রাহক–সম্পর্ককে ব্যাংকিং সেবার 'সুপারস্টোর'–এ রূপান্তর করা, যেখানে গ্রাহকরা তাদের পছন্দের চ্যানেলে আস্থার সাথে সর্বোচ্চ মানের সকল ব্যাংকিং সেবা গ্রহণ করতে পারবেন।

এই পরিবর্তনটি আমাদের কাজ করার পদ্ধতিকেও বদলে দিচ্ছে। আমাদের বিশাল সেলস এবং রিলেশনশিপ নেটওয়ার্ককে এখন আরও শক্তিশালী করা হচ্ছে, যাতে এটি নতুন গ্রাহক খুঁজে বের করা এবং তাদের সাথে সুসম্পর্ক গড়ে তোলার একটি কার্যকর মাধ্যম হয়ে ওঠে। এর ফলে আমরা খুব সহজেই নতুন সুযোগগুলো শনাক্ত করে দীর্ঘমেয়াদি গ্রাহক সম্পর্ক গড়ে তুলতে পারব।

এই রূপান্তরের ভিত্তি গড়ে উঠেছে সক্ষমতা উন্নয়নের ওপর। এই যাত্রার কেন্দ্রবিন্দুতে রয়েছে আমাদের কর্মীরা। আমরা দক্ষতা, প্রযুক্তি ও সিস্টেমে বিনিয়োগ করছি, যাতে আমাদের টিমগুলো প্রতিষ্ঠানের সঙ্গে তাল মিলিয়ে বিকশিত হতে পারে এবং প্রযুক্তিগত জ্ঞান ও দক্ষতা কাজে লাগিয়ে গ্রাহকদের অর্থবহ সেবা দিতে পারে।

রিটেইল ট্রান্সফরমেশনের পাশাপাশি আমাদের বিস্তৃত উদ্যোগগুলোও আর্থিক অন্তর্ভুক্তিকে আরও শক্তিশালী করছে। ডিজিটাল লোন প্ল্যাটফর্ম এবং কৃষিভিত্তিক অর্থায়ন সল্যুশনের মাধ্যমে আমরা আর্থিক সেবাবঞ্চিত জনগোষ্ঠীর কাছে পৌঁছানোর পরিসর বাড়াচ্ছি। আর জলবায়ু অর্থায়নের মাধ্যমে আমরা ঝুঁকিপূর্ণ জনগোষ্ঠী, বিশেষ করে নারী–নেতৃত্বাধীন ব্যবসাগুলোর উন্নয়ন ও টেকসইতা বৃদ্ধিতে সহায়তা করছি।

সমষ্টিগতভাবে এই উদ্যোগগুলো একটি অভিন্ন কৌশলগত লক্ষ্যের প্রতিফলন। আমাদের লক্ষ্য হলো, যারা এখনও আর্থিকব্যবস্থার বাইরে আছেন, তাদের কাছে আনুষ্ঠানিক আর্থিক সেবা পৌঁছে দেওয়া এবং যারা ইতিমধ্যেই আর্থিক সেবার আওতায় রয়েছে, তাদের সাথে ব্যাংকিং সম্পর্ক আরও শক্তিশালী করা।

কৌশলগত ভারসাম্যের সাথে আর্থিক সক্ষমতা

আমাদের ২০২৫ সালের আর্থিক পারফরম্যান্স টেকসইতা ও সুশৃঙ্খল কার্যক্রমের প্রতিফলন। সমন্বিতভাবে আমরা ২২,৫০৯ মিলিয়ন টাকার কর–পরবর্তী মুনাফা অর্জন করেছি, যেখানে বাৎসরিক ৫৭% প্রবৃদ্ধি অর্জিত হয়েছে। পাশাপাশি শেয়ারপ্রতি আয় বৃদ্ধি পেয়ে ৯.১২ টাকায় উন্নীত হয়েছে। আমাদের কর–পূর্ববর্তী মুনাফা দাঁড়িয়েছে ৩৪,০২১ মিলিয়ন টাকায়, যেখানে বছরওয়ারি প্রবৃদ্ধি ৪১%।

আমানতে আমাদের ২৭% প্রবৃদ্ধি হয়েছে এবং ঋণে হয়েছে ১৭%।

আমাদের রয়েছে বৈচিত্র্যময় পোর্টফোলিও। মোট পোর্টফোলিওর প্রায় ৪২% সিএমএসএমই, ৪১% কর্পোরেট এবং ১৭% রিটেইল খাতে। এই ভারসাম্যপূর্ণ কাঠামো আমাদের টেকসই বিজনেসকে আরও ত্বরান্বিত করেছে। এর ফলে কোনো একটি খাতে ঝুঁকি বেড়ে যাওয়ার সম্ভাবনা হ্রাস পায়, যা আমাদের আরও বড় পরিসরে এগিয়ে যেতে সহায়তা করে।

আমাদের এসএমই খাতে খেলাপি ঋণের হার ২%–এরও নিচে, যার পেছনে রয়েছে রিলেশন–বেজড শক্তিশালী লেন্ডিং মডেল এবং দেশজুড়ে বিস্তৃত এসএমই ইউনিট অফিস ও মাঠপর্যায়ের দক্ষ কর্মকর্তা।

আমরা ধারাবাহিকভাবে প্রমাণ করে চলেছি যে, টেকসই প্রবৃদ্ধি কেবল এককেন্দ্রিকতার ওপরই নয়, বরং ভারসাম্য ও বৈচিত্র্যপূর্ণ মডেলের ওপরও নির্ভর করে।

নেতৃত্বে অগ্রগামী ব্যাংক

আর্থিক সেবাখাত দ্রুত পরিবর্তিত হচ্ছে, যা এখন আরও বেশি বিস্তর, বুদ্ধিনির্ভর এবং দ্রুত সাড়াদানে সক্ষম। গ্রাহকের প্রত্যাশা বাড়ছে এবং বৈশ্বিকভাবে ব্যাংকিংয়ের সংজ্ঞাও নতুন রূপ নিচ্ছে।

এই পরিবর্তনশীল পরিবেশে নেতৃত্ব কেবল আয়তন বা ব্যাপ্তি দিয়ে নির্ধারিত হবে না; বরং পরিবর্তনের পূর্বাভাস পাওয়ার ক্ষমতা এবং স্বচ্ছতা ও দৃঢ়প্রত্যয়ের সাথে সাড়া দেওয়ার মাধ্যমেই নেতৃত্বের প্রকৃত স্বরূপ ফুটে উঠবে।

প্রচলিত ধারা চ্যালেঞ্জ করার মধ্য দিয়েই ব্র্যাক ব্যাংকের ভিত্তি গড়ে উঠেছে। আমাদের ভবিষ্যৎ আবারও আমাদের সেই পথেই আহ্বান করছে— তবে এবার আরও বড় পরিসরে, আরও নিখুঁতভাবে এবং আমাদের মূল লক্ষ্যের প্রতি অবিচল থেকে।

আমাদের লক্ষ্য স্পষ্ট— বাংলাদেশে সবচেয়ে বিশ্বস্ত, সবচেয়ে উদ্ভাবনী, সবচেয়ে অন্তর্ভুক্তিমূলক এবং সর্বোপরি সবচেয়ে নিরাপদ ব্যাংক হওয়া।

এটি বাস্তবায়নে প্রয়োজন পুরো প্রতিষ্ঠানজুড়ে গতিশীলতা, শৃঙ্খলা এবং সমন্বয় সাধন, যা আমাদের এক ব্যাংক, এক লক্ষ্যে এগিয়ে যেতে সহায়তা করবে।

কৃতজ্ঞতা ও অঙ্গীকার

আমাদের প্রতি আপনাদের অবিচল আস্থার জন্য আমি সকল শেয়ারহোল্ডারদের প্রতি জানাই আমার আন্তরিক কৃতজ্ঞতা। আপনাদের সহযোগিতাই আমাদের দীর্ঘমেয়াদি পরিকল্পনাগুলো বাস্তবায়নে সক্ষম করে তোলে, যা আর্থিক উন্নতির পাশাপাশি সামাজিক ও পরিবেশগত টেকসই উন্নয়নে ভূমিকা রাখে।

পরিচালনা পর্ষদ এবং ঊর্ধ্বতন নেতৃত্বের সুচিন্তিত দিকনির্দেশনা, সুশাসন ও শুদ্ধাচারের প্রতি দৃঢ় প্রতিশ্রুতির জন্য সবাইকে জানাই আমার আন্তরিক ধন্যবাদ।

আমাদের কর্মকর্তা ও মাঠ পর্যায়ের কর্মীদের জানাই ধন্যবাদ ও শুভেচ্ছা। আপনাদের নিষ্ঠাই আমাদের অগ্রযাত্রার মূল শক্তি।

আমাদের নিয়ন্ত্রক সংস্থা ও অন্যান্য অংশীজনদের প্রতিও আমরা কৃতজ্ঞ। তাদের সহায়তা ও তদারকি আমাদের লক্ষ্যে অবিচল থাকতে সাহায্য করেছে।

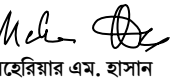
পরিশেষে, ধন্যবাদ ও কৃতজ্ঞতা জানাই সকল গ্রাহকদের প্রতি, যাদের আমরা বর্তমানে সেবা দিচ্ছি এবং যাদের কাছে এখনও পৌঁছানো বাকি। আপনারাই আমাদের সকল কাজের মূল প্রেরণা।

আমাদের ২৫তম বছরে পদার্পণের এই শুভক্ষণে আমরা এগিয়ে চলেছি সুনির্দিষ্ট ভিশন ও অটুট আত্মবিশ্বাস নিয়ে।

আমাদের অগ্রযাত্রা এখন আর শুধু 'মিসিং মিডল'–এর মধ্যেই সীমাবদ্ধ নয়, বরং ব্যাংকিং সেবাবঞ্চিত দেশের 'মিসিং মেজরিটি'–এর কাছে পৌঁছানোই এখন আমাদের প্রধান লক্ষ্য।

এটি কেবল আমাদের অগ্রযাত্রার একটি নতুন পর্যায় নয়, বরং আর্থিক অন্তর্ভুক্তির এক নতুন দিগন্ত।

শুভেচ্ছান্তে,



মেহেরিয়ার এম. হাসান
চেয়ারপারসন

MESSAGE FROM THE MANAGING DIRECTOR & CEO

UNWAVERING TRUST

Over 25 years, BRAC Bank has transformed inclusive finance in Bangladesh– empowering entrepreneurs, women, and unbanked communities through innovation, trust, and sustainable growth that touched nearly 20 million lives.

Tareq Refat Ullah Khan
Managing Director & CEO

Dear Valued Shareholders,

As BRAC Bank marks its 25th anniversary, I reflect on a journey defined by resilience, purpose, and inclusive growth. BRAC Bank was founded on a belief that finance, when channelled with purpose, can change the trajectory of lives, communities, and nations. That founding conviction - first articulated by Sir Fazle Hasan Abed KCMG when BRAC Bank commenced its journey as a private commercial bank on 4 July 2001 - continues to guide every step we make today.

A Legacy Rooted in Inclusion

Over the past 25 years, BRAC Bank has evolved from a SME-focused bank to a trusted partner for individuals and businesses across every segment of the economy – including Retail Banking and Corporate, Commercial and Institutional Banking.

From extending banking access to marginalised communities and small entrepreneurs, to redefining digital finance at national scale, our journey has been shaped by a simple truth: sustainable growth is only meaningful when it is inclusive. Sir Abed's lifelong philosophy - "Small is beautiful, but big is necessary" - is at the heart of all our endeavours.

This philosophy took a transformative turn in 2011 with the launch of bKash, conceived to bring millions of unbanked citizens into the formal financial system using nothing more than a mobile phone. That same commitment to inclusion later found expression in TARA, launched in 2017 as the country's first comprehensive banking proposition dedicated exclusively to women. Today, TARA stands not merely as a banking proposition, but as a

movement - supporting 400,000 women as earners, entrepreneurs, decision-makers, and leaders across every stage of life.

Our journey towards an inclusion gained added momentum when the bank ventured into Agent Banking in 2018 to take banking services to the unbanked people especially in the remotest areas of the country.

Uplifting Grassroots Entrepreneurs, Catalysing National Progress

In 2025, the scale of our impact reached a defining milestone. BRAC Bank has now served over 2 million SME customers, directly and indirectly touching the lives of nearly 20 million people. Today, CMSMEs constitute over 42% of our loan portfolio, distinguishing us within the industry. This achievement is unprecedented in the banking sector and reaffirms our position as the true synonym for SME financier in Bangladesh. It is also a powerful validation of our long-held belief that small enterprises, when supported responsibly, can drive national prosperity.

An Omnipresent Banking Ecosystem Powered by Digital Innovation

Our reach today spans more than 2,000 customer service touchpoints across branches, sub-branches, SME unit offices, agent banking outlets, ATMs, and CRM booths. For 25 years, these touchpoints have ensured uninterrupted access to finance for customers across urban centres, semi-urban markets, and remote rural communities alike. Complementing this physical presence is a robust digital infrastructure that allows us to serve customers with speed, security, and simplicity.

Astha, our mobile banking app launched in 2021, has matured into one of the country's most trusted digital banking platforms. With around 1.2 million users and monthly transactions exceeding BDT 200 billion, Astha now accounts for the majority of our transactional activity, fundamentally reshaping how customers interact with their bank. For our corporate, commercial, and institutional clients, CORPnet continues to facilitate approximately BDT 190 billion in transactions every month, underscoring our capability to deliver sophisticated, secure solutions at scale.

Strengthening the Retail Franchise

Our strong retail franchise further anchors the bank's stability. In 2025, our Retail FUM reached BDT 551.95 billion at a 33% year-on-year growth, contributing to 35% of the bank's total FUM. With retail deposits of BDT 426 billion and retail loans of BDT 126 billion, BRAC Bank remains one of the leading retail banks in the country, supported by a diversified funding base and disciplined credit practices.

Performance that Builds Trust

Financial performance in 2025 reflects both resilience and momentum. Despite a complex macroeconomic environment, the bank delivered strong growth across key indicators, reinforcing stakeholder confidence and strengthening our balance sheet. Our focus on cost efficiency has yielded a cost-to-income ratio of 45% in 2025, further underlining our disciplined approach to sustainable growth. Non-performing loans stood at 2.27%, while our NPL coverage remains robust to protect against any potential credit shocks. In 2024, our NPLs decreased to 2.63%, down from 3.38% in 2023, thanks to our outstanding underwriting team's efforts in acquiring quality clients and monitoring the existing portfolio. Moreover, we consistently maintain a healthy NPL coverage ratio, which was 133% for 2025.

Key Financial Highlights (Standalone)

Criterion	2025	2024
Profit Before Tax	25,003 million	19,592 million
Net Profit After Tax	15,809 million	12,136 million
Earnings Per Share	BDT 7.94	BDT 6.10
Growth in Deposits	29%	34%
CASA as a Percentage of Total Deposits	41%	42%
Growth in Loan Portfolio	17%	20%
Net Interest Margin (NIM)	1.18%	1.67%
Growth in Investment Income	78.39%	180.70%
Cost-to-Income Ratio	45%	47%
Non-Performing Loans	2.27%	2.63%

Criterion	2025	2024
CRAR	15.63%	14.95%
Net Asset Value Per Share	BDT 50.08	BDT 38.07
Total Dividend Announced	30%	25%
NPL Coverage	133%	134%
Return on Equity	18.02%	17.36%
Closing Market Price (DSE)	63.1	49
Closing Market Price (CSE)	63.5	48.70
Loans and Advances	730,659 million	623,372 million
Branches	194	189
Sub-branches	116	74
SME Unit Offices	446	446
ATMs	329	329
RCDMs	68	68
CRM	103	55
Customers	2.3 million	2 million
Employees	10,293	9,067
Training Participants	16,110	8,481
Training Programs Conducted	430	291
Agent Banking Outlets	1,122	1,119

This performance, underpinned by sound governance and transparency, has translated into strong market confidence. In 2025, BRAC Bank crossed a historic threshold by surpassing USD 1 billion in market capitalisation, becoming the only bank in Bangladesh to achieve this milestone. The trust of both local and international investors stands as a powerful endorsement of our strategy, execution, and values-based approach that creates societal impact.

Top-Notch Credit Ratings Manifest Governance Standards

Our credibility is further reinforced by the highest credit ratings among private sector banks in the country, with S&P Global Ratings assigning a B+ rating and Moody's Investors Service awarding a B2 rating - recognitions that reflect our strong capital position, liquidity, and risk management discipline.

S&P's rating is equivalent to the sovereign rating of Bangladesh and the continuation of this exclusive achievement for the last nine years reflects our steadfast commitment to excellence in asset quality, governance standards, and compliance.

Responsible Banking, Sustainable Impact

BRAC Bank has made big strides in sustainable finance and environmental responsibility, integrating ESG principles across its portfolio, disclosing Scope 3 GHG emissions at a portfolio level, and maintaining strong sustainability ratings from Bangladesh Bank and Bloomberg.

In 2025, BRAC Bank and IDCOL jointly financed a 64.55 MW solar power plant now supplying clean energy into the national grid, advancing renewable transition in the country. As a values-based institution, BRAC Bank continues to champion renewable energy generation.

BRAC Bank marked a sustainability milestone in 2025 by issuing the first Social Subordinated Bond in Bangladesh, worth BDT 10 billion. The landmark issuance strengthens the bank's Basel III Tier-II capital while directing funding to CMSMEs, women-led enterprises, agriculture, food security, affordable housing, and essential services such as healthcare and sanitation.

Our ability to structure complex, high-value transactions was also demonstrated through the landmark financing extended to MJL Bangladesh for the acquisition of two Aframax oil tankers, the largest foreign currency offshore term loan ever provided by a private bank in Bangladesh's shipping sector.

BRAC Bank Credit Ratings at a glance:

Impact Beyond Banking

Beyond balance sheets and markets, our responsibility to society remains central to who we are. Through our corporate social responsibility initiatives, BRAC Bank has contributed to improving the quality of life of more than 635,000 people in the past 10 years, spanning education, healthcare, agriculture, environmental protection, sports, culture, and disaster response. These initiatives are not peripheral to our business; they are integral to our purpose.

Looking Ahead with Clarity and Conviction

As we reflect on 2025, I do so with a deep sense of responsibility, gratitude, and confidence in the institution we have collectively built. None of this progress would be possible without the dedication of our co-workers, the guidance of our Board of Directors, the trust of our customers and shareholders, and the continued support of Bangladesh Bank and other regulators. I extend my sincere appreciation to each of you for standing with BRAC Bank as we strive to grow responsibly and sustainably.

As we look ahead, our ambition is unequivocal. We will continue to build a bank that is profitable and principled, where innovation is deliberately designed to expand inclusion, and scale is pursued while remaining grounded in the values that shaped our origin. Guided by the vision of our founder and strengthened by the trust we have earned, BRAC Bank is well positioned to play a defining role in shaping Bangladesh's economic and sustainable future. Our aim is to be the most trusted financial partner for people in Bangladesh and beyond.

Thank you for your continued confidence and partnership.

With warm regards,

Tareq Refat Ullah Khan
Managing Director & CEO

ম্যানেজিং ডিরেক্টর অ্যান্ড সিইও-এর বার্তা

আস্থা অবিচল

২৫ বছরে ব্র্যাক ব্যাংক বাংলাদেশের অন্তর্ভুক্তিমূলক ব্যাংকিং ব্যবস্থায় নতুন দিগন্ত উন্মোচন করেছে—উদ্যোক্তা, নারী ও ব্যাংকিং সুবিধাবঞ্চিত মানুষের ক্ষমতায়নে উদ্ভাবন, আস্থা ও টেকসই প্রবৃদ্ধির মাধ্যমে প্রায় ২ কোটি মানুষের জীবনে ইতিবাচক প্রভাব ফেলেছে।

তারেক রেফাত উল্লাহ খান
ম্যানেজিং ডিরেক্টর অ্যান্ড সিইও

সম্মানিত শেয়ারহোল্ডারগণ,

ব্র্যাক ব্যাংকের ২৫ বছর পূর্তিতে আমি স্মরণ করছি আমাদের সেই যাত্রাকে, যা গড়ে উঠেছে দৃঢ়তা, উদ্দেশ্য ও অন্তর্ভুক্তিমূলক প্রবৃদ্ধির ওপর ভিত্তি করে। সঠিক উদ্দেশ্যে ব্যবহৃত অর্থায়ন মানুষের জীবন, সমাজ ও দেশের গতিপথ বদলে দিতে পারে— এই বিশ্বাস থেকেই ব্র্যাক ব্যাংক প্রতিষ্ঠিত হয়েছিল। ২০০১ সালের ৪ জুলাই বেসরকারি বাণিজ্যিক ব্যাংক হিসেবে যাত্রার শুরুতে সেই দৃঢ় বিশ্বাস প্রথম ব্যক্ত করেছিলেন স্যার ফজলে হাসান আবেদ কেসিএমজি। এই বিশ্বাস আজও আমাদের প্রতিটি পদক্ষেপকে পথ দেখিয়ে চলছে।

যে পথচলা অন্তর্ভুক্তির ভিত্তিতে গড়ে ওঠা

গত ২৫ বছরে ব্র্যাক ব্যাংক একটি এসএমই–কেন্দ্রিক ব্যাংক থেকে বিকশিত হয়ে অর্থনীতির প্রতিটি খাতের ব্যক্তি ও ব্যবসা প্রতিষ্ঠানের বিশ্বস্ত আর্থিক অংশীদারে পরিণত হয়েছে। এর মধ্যে রিটেইল ব্যাংকিং এবং কর্পোরেট, কমার্শিয়াল অ্যান্ড ইনস্টিটিউশনাল ব্যাংকিং অন্যতম।

প্রান্তিক জনগোষ্ঠী ও ক্ষুদ্র উদ্যোক্তাদের কাছে ব্যাংকিং সেবা পৌঁছে দেওয়া থেকে শুরু করে জাতীয় পর্যায়ে ডিজিটাল অর্থায়নকে নতুনভাবে সংজ্ঞায়িত করেছি আমরা। আমাদের এই যাত্রা সম্ভব হয়েছে একটি সাধারণ, অথচ অর্থপূর্ণ দর্শন থেকে — টেকসই প্রবৃদ্ধি তখনই অর্থবহ হয়, যখন তা অন্তর্ভুক্তিমূলক হয়। স্যার আবেদের জীবনদর্শন 'ছোট সুন্দর, কিন্তু বড় হওয়া অপরিহার্য' আমাদের সকল প্রচেষ্টার কেন্দ্রবিন্দুতে রয়েছে।

তাঁর এই দর্শন নতুন মাত্রা পায়, যখন ২০১১ সালে বিকাশ–এর যাত্রা শুরু হয়। শুধু একটি মোবাইল ফোনের মাধ্যমে ব্যাংকিং সেবার বাইরে থাকা কোটি কোটি মানুষকে আনুষ্ঠানিক আর্থিক সেবার আওতায় আনার লক্ষ্য নিয়ে যাত্রা শুরু করে বিকাশ। পরবর্তীতে একই অঙ্গীকার নিয়ে ২০১৭ সালে শুধুমাত্র নারীদের জন্য দেশের প্রথম পূর্ণাঙ্গ ব্যাংকিং সেবা 'তারা' চালুর মাধ্যমে অন্তর্ভুক্তিতে নতুন মাত্রা যোগ করে ব্র্যাক ব্যাংক। আজ 'তারা' কেবল একটি ব্যাংকিং প্রপোজিশনই নয়, বরং এটি একটি প্রতিশ্রুতি, যা ৪ লাখ নারীকে জীবনের প্রতিটি পর্যায়ে এগিয়ে চলতে সহায়তা করছে।

অন্তর্ভুক্তিতার যাত্রা বেগবান করতে ২০১৮ সালে আমরা চালু করি এজেন্ট ব্যাংকিং সেবা। দেশের প্রত্যন্ত অঞ্চলের ব্যাংকিং সেবার বাইরে থাকা মানুষের কাছে সহজ ব্যাংকিং সেবা পৌঁছে দিতে আমরা এই উদ্যোগ নিই।

তৃণমূল উদ্যোক্তাদের এগিয়ে নেওয়ার মাধ্যমে জাতীয় উন্নয়নে ভূমিকা রাখা

২০২৫ সালে আমাদের কার্যক্রমের প্রভাব এক গুরুত্বপূর্ণ মাইলফলক অর্জন করেছে। ব্র্যাক ব্যাংক এখন পর্যন্ত ২০ লাখেরও বেশি এসএমই গ্রাহককে সেবা প্রদান করেছে, যা প্রত্যক্ষ ও পরোক্ষভাবে প্রায় ২ কোটি মানুষের জীবনে প্রভাব ফেলেছে। বর্তমানে আমাদের ঋণ পোর্টফোলিওর ৪২%–এরও বেশি সিএমএসএমই খাতে। এই অর্জন ব্যাংকিং খাতে নজিরবিহীন এবং বাংলাদেশে এসএমই অর্থায়নে আমাদের শীর্ষস্থানীয় অবস্থানকে আরও সুদৃঢ় করেছে। আমাদের এই দীর্ঘদিনের বিশ্বাস আবারও প্রমাণ করেছে যে, দায়িত্বশীলভাবে সহায়তা পেলে ক্ষুদ্র উদ্যোগগুলো জাতীয় সমৃদ্ধির চালিকাশক্তি হয়ে উঠতে পারে।

ডিজিটাল ইনোভেশনে পরিচালিত 'ওমনিচ্যানেল ব্যাংকিং ইকোসিস্টেম'

শাখা, উপশাখা, এসএমই ইউনিট অফিস, এজেন্ট ব্যাংকিং আউটলেট, এটিএম এবং সিআরএম বুথ মিলিয়ে ২,০০০–এরও বেশি কাস্টমার সার্ভিস টাচপয়েন্টের মাধ্যমে আমরা দেশজুড়ে ব্যাংকিং সেবা দিচ্ছি। গত ২৫ বছর ধরে এই টাচপয়েন্টগুলো শহর, শহরতলী ও প্রত্যন্ত গ্রামীণ এলাকার গ্রাহকদের নিরবচ্ছিন্নভাবে আর্থিক সেবা দিয়ে যাচ্ছে। সার্ভিস আউটলেটের পাশাপাশি শক্তিশালী ডিজিটাল অবকাঠামোর মাধ্যমে আমরা গ্রাহকদের আরও দ্রুত, নিরাপদ ও সহজ ব্যাংকিং সেবা দিচ্ছি।

২০২১ সালে চালু হওয়া আমাদের মোবাইল ব্যাংকিং অ্যাপ 'আস্থা' এখন দেশের অন্যতম বিশ্বস্ত ডিজিটাল ব্যাংকিং প্ল্যাটফর্ম। প্রায় ১২ লাখ ব্যবহারকারী এবং মাসিক ২০০ বিলিয়ন টাকার বেশি লেনদেনের মাধ্যমে 'আস্থা' এখন আমাদের মোট লেনদেন কার্যক্রমের বড় অংশ জুড়ে রয়েছে, যা ব্যাংকের সঙ্গে গ্রাহকদের যোগাযোগের ধরনে নিয়ে এসেছে মৌলিক পরিবর্তন। কর্পোরেট, কমার্শিয়াল অ্যান্ড ইনস্টিটিউশনাল ব্যাংকিং গ্রাহকদের জন্য রয়েছে আমাদের ডিজিটাল ব্যাংকিং প্ল্যাটফর্ম 'কর্পনেট', যেখানে প্রতি মাসে প্রায় ১৯০ বিলিয়ন টাকার লেনদেন সম্পন্ন হচ্ছে। এই প্ল্যাটফর্ম কর্পোরেট গ্রাহকদের বৃহৎ পরিসরে উন্নত ও নিরাপদ ব্যাংকিং সেবা প্রদানের ব্যাপারে আমাদের সক্ষমতা ও প্রতিশ্রুতির প্রতিফলন।

রিটেইল ব্যাংকিংয়ে দৃঢ় অবস্থান

আমাদের শক্তিশালী রিটেইল ব্যাংকিং কার্যক্রম ব্যাংকের ভিতকে আরও সুদৃঢ় করেছে। ২০২৫ সালে আমাদের রিটেইল এফইউএম ৫৫১.৯৫ বিলিয়ন টাকায় পৌঁছেছে, যা বছরওয়ারি ৩৩% প্রবৃদ্ধি অর্জন করেছে। এটি ব্যাংকের মোট এফইউএম–এর ৩৫%। ৪২৬ বিলিয়ন টাকার রিটেইল ডিপোজিট এবং ১২৬ বিলিয়ন টাকার রিটেইল লোন নিয়ে বর্তমানে ব্র্যাক ব্যাংক দেশের অন্যতম শীর্ষ রিটেইল ব্যাংক। আমাদের এই শক্তিশালী অবস্থানের পেছনে রয়েছে বৈচিত্র্যময় তহবিলের উৎস এবং সুশৃঙ্খল ঋণ ব্যবস্থাপনা।

আস্থায় গড়ে ওঠা পারফরম্যান্স

২০২৫ সালে আমাদের ফাইন্যান্সিয়াল পারফরম্যান্স টেকসই ও শক্তিশালী অবস্থান বজায় রেখেছে। চ্যালেঞ্জিং সামষ্টিক অর্থনৈতিক পরিবেশ সত্ত্বেও ব্র্যাক ব্যাংক গুরুত্বপূর্ণ সূচকগুলোতে শক্তিশালী প্রবৃদ্ধি অর্জন করেছে, যা আমাদের প্রতি স্টেকহোল্ডারদের আস্থা আরও জোরদার করেছে এবং আমাদের ব্যালেন্স শিটকে আরও শক্তিশালী করেছে। ব্যয় ব্যবস্থাপনায় আমাদের মনোযোগ ২০২৫ সালে ৪৫% কস্ট–টু–ইনকাম রেশিও অর্জনে সহায়তা করেছে, যা টেকসই প্রবৃদ্ধির যাত্রায় আমাদের আরও এক ধাপ এগিয়ে নিয়েছে। ২০২৫ সালে আমাদের খেলাপি ঋণের হার (এনপিএল) ছিল ২.২৭%। সম্ভাব্য ঋণ ঝুঁকি মোকাবেলায় আমাদের এনপিএল কাভারেজও রয়েছে শক্তিশালী অবস্থানে। ২০২৪ সালে আমাদের এনপিএল ২.৬৩%–এ নেমে আসে, যা ২০২৩ সালে ছিল ৩.৩৮%। এর পেছনে রয়েছে আমাদের দক্ষ আন্ডাররাইটিং টিমের মানসম্পন্ন গ্রাহক অনবোর্ডিং এবং বিদ্যমান পোর্টফোলিওর কার্যকর তদারকি। পাশাপাশি আমরা ধারাবাহিকভাবে একটি মানসম্পন্ন এনপিএল কাভারেজ রেশিও বজায় রাখতে সক্ষম হয়েছি, যা ২০২৫ সালে ছিল ১৩৩%।

এক নজরে আমাদের প্রধান আর্থিক সূচকসমূহ (এককভাবে)

সূচক	২০২৫	২০২৪
কর–পূর্ববর্তী মুনাফা	২৫,০০৩ মিলিয়ন	১৯,৫৯২ মিলিয়ন
কর–পরবর্তী মুনাফা	১৫,৮০৯ মিলিয়ন	১২,১৩৬ মিলিয়ন
শেয়ারপ্রতি আয়	৭.৯৪ টাকা	৬.১০ টাকা
আমানতে প্রবৃদ্ধি	২৯%	৩৪%
মোট আমানতে চলতি ও সঞ্চয়ী আমানতের হার	৪১%	৪২%
ঋণ পোর্টফোলিওতে প্রবৃদ্ধি	১৭%	২০%
নিট ইন্টারেস্ট মার্জিন (এনআইএম)	১.১৮ %	১.৬৭%
বিনিয়োগ আয়ে প্রবৃদ্ধি	৭৮%	১৮১%
আয়ের বিপরীতে খরচের অনুপাত	৪৫%	৪৭%
খেলাপি ঋণের হার	২.২৭%	২.৬৩%
সিআরএআর	১৫.৬৩%	১৪.৯৫%
শেয়ারপ্রতি নিট অ্যাসেট ভ্যালু	৫০.১১ টাকা	৩৮.০৭ টাকা

সূচক	২০২৫	২০২৪
ঘোষিত মোট লভ্যাংশ	৩০%	২৫%
এনপিএল কাভারেজ	১৩৩%	১৩৪%
রিটার্ন অন ইক্যুইটি	১৮.০২%	১৭.৩৬%
শেয়ারের সর্বশেষ লেনদেন মূল্য (ডিএসই)	৬৩.১	৪৯.০০
শেয়ারের সর্বশেষ লেনদেন মূল্য (সিএসই)	৬৩.৫	৪৮.৭০
ঋণ ও অগ্রিম	৭৩০,৬৫৯ মিলিয়ন	৬২৩,৩৭২ মিলিয়ন
শাখা	১৯৪	১৮৯
উপশাখা	১১৬	৭৪
এসএমই ইউনিট অফিস	৪৪৬	৪৪৬
এটিএম	৩২৯	৩২৯
আরসিডিএম	৬৮	৬৮
সিআরএম	১০৩	৫৫
গ্রাহক	২৩ লাখ	২০ লাখ
কর্মী	১০,২৯৩	৯,০৬৭
প্রশিক্ষণে অংশগ্রহণকারী	১৬,১১০ জন	৮,৪৮১ জন
পরিচালিত প্রশিক্ষণ কর্মসূচি	৪৩০টি	২৯১টি
এজেন্ট ব্যাংকিং আউটলেট	১,১২২	১,১১৯

সুশাসন ও স্বচ্ছতার মাধ্যমে আমাদের এই অর্জিত পারফরম্যান্স ব্যাংকিং খাতে দৃঢ় আস্থা তৈরি করেছে। ২০২৫ সালে ব্র্যাক ব্যাংক বাংলাদেশের একমাত্র ব্যাংক হিসেবে ১ বিলিয়ন মার্কিন ডলারের বেশি মার্কেট ক্যাপিটালাইজেশন অর্জনের ঐতিহাসিক মাইলফলকে পৌঁছেছে। দেশীয় ও আন্তর্জাতিক বিনিয়োগকারীদের এই আস্থা আমাদের কৌশল বাস্তবায়ন সক্ষমতা এবং মূল্যবোধভিত্তিক দৃষ্টিভঙ্গির এক শক্তিশালী স্বীকৃতি, যা সামাজিক প্রভাব সৃষ্টিতে সহায়তা করে।

দেশসেরা ক্রেডিট রেটিং আমাদের সুশাসনের প্রতিফলন

দেশের বেসরকারি ব্যাংকগুলোর মধ্যে সর্বোচ্চ ক্রেডিট রেটিং অর্জনের মাধ্যমে আমাদের বিশ্বাসযোগ্যতা আরও সুদৃঢ় হয়েছে। এসঅ্যান্ডপি গ্লোবাল রেটিংস আমাদের 'বি+' রেটিং প্রদান করেছে এবং মুডি'স ইনভেস্টরস সার্ভিস দিয়েছে 'বি–২' রেটিং, যা আমাদের শক্তিশালী মূলধন ভিত্তি, তারল্য এবং সুশৃঙ্খল ঝুঁকি ব্যবস্থাপনার প্রতিচ্ছবি।

এসঅ্যান্ডপি–এর এই রেটিং বাংলাদেশের সার্বভৌম রেটিংয়ের সমতুল্য। গত ৯ বছর ধরে আমাদের এই ধারাবাহিক অনন্য অর্জন আমাদের সম্পদের গুণগত মান, সুশাসন এবং কমপ্লায়েন্স উৎকর্ষের ব্যাপারে ব্যক্ত করা প্রতিশ্রুতির প্রতিফলন।

দায়িত্বশীল ব্যাংকিং, টেকসই প্রভাব

টেকসই অর্থায়ন ও পরিবেশ রক্ষায় দায়িত্বশীল কার্যক্রমে উল্লেখযোগ্য অগ্রগতি অর্জন করেছে ব্র্যাক ব্যাংক। এটি সম্ভব হয়েছে পুরো পোর্টফোলিওতে ইএসজি নীতিমালার বাস্তবায়ন, পোর্টফোলিও পর্যায়ে স্কোপ থ্রি গ্রিনহাউস গ্যাস (সিএইচজি) নির্গমন রিপোর্ট প্রকাশ এবং বাংলাদেশ ব্যাংক ও ব্লুমবার্গের কাছ থেকে শক্তিশালী সাসটেইনেবিলিটি রেটিং অর্জনের মাধ্যমে।

২০২৫ সালে ব্র্যাক ব্যাংক ও আইডিসিওএল যৌথভাবে ৬৪.৫৫ মেগাওয়াট ক্ষমতার একটি সৌর বিদ্যুৎকেন্দ্রে অর্থায়ন করেছে, যা এখন জাতীয় গ্রিডে পরিচ্ছন্ন বিদ্যুৎ সরবরাহ করছে এবং দেশে নবায়নযোগ্য জ্বালানির রূপান্তরকে ত্বরান্বিত করছে। এভাবে একটি মূল্যবোধভিত্তিক প্রতিষ্ঠান হিসেবে ব্র্যাক ব্যাংক নবায়নযোগ্য জ্বালানি উৎপাদনে অগ্রণী ভূমিকা পালন করে যাচ্ছে।

২০২৫ সালে ব্র্যাক ব্যাংক বাংলাদেশে প্রথম সোশ্যাল সাবঅর্ডিনেটেড বন্ড ইস্যু করে টেকসই অর্থায়নে একটি গুরুত্বপূর্ণ মাইলফলক অর্জন করেছে, যার পরিমাণ ১০ বিলিয়ন টাকা। এই উল্লেখযোগ্য উদ্যোগ ব্যাংকের 'বেসেল থ্রি টিয়ার–টু' ক্যাপিটালকে শক্তিশালী করেছে এবং একইসঙ্গে সিএমএসএমই, নারী–নেতৃত্বাধীন ব্যবসা, কৃষি, খাদ্য নিরাপত্তা, সাশ্রয়ী আবাসন এবং স্বাস্থ্যসেবা ও স্যানিটেশনের মতো গুরুত্বপূর্ণ খাতে অর্থায়ন প্রবাহ নিশ্চিত করেছে।

এমজেএল বাংলাদেশকে দেওয়া অর্থায়ন সুবিধার মধ্য দিয়ে হাই–ভ্যালু অর্থায়নের ক্ষেত্রে আমাদের সক্ষমতা আবারও প্রমাণিত হয়েছে। এই অর্থায়নে দুটি আফ্রামাক্স তেলবাহী জাহাজ অধিগ্রহণ করা হয়েছে, যা বাংলাদেশের শিপিং খাতে কোনো বেসরকারি ব্যাংকের দেওয়া সর্ববৃহৎ বৈদেশিক মুদ্রার অফশোর টার্ম লোন।

এক নজরে ব্র্যাক ব্যাংকের ক্রেডিট রেটিং

ব্যাংকিংয়ের চেয়েও বেশি কিছু

ব্যাংকিং সার্ভিস ও ব্যালেন্স শিট প্রবৃদ্ধির বাইরেও সমাজের প্রতি আমাদের দায়-দায়িত্ব আছে। এটি আমাদের সত্তার সঙ্গে ওতপ্রোতভাবে জড়িয়ে আছে। কর্পোরেট সামাজিক দায়িত্বশীলতা উদ্যোগের মাধ্যমে গত ১০ বছরে ব্র্যাক ব্যাংক শিক্ষা, স্বাস্থ্যসেবা, কৃষি, পরিবেশ সংরক্ষণ, ক্রীড়া, সংস্কৃতি এবং দুর্যোগ মোকাবেলাসহ বিভিন্ন ক্ষেত্রে ৬,৩৫,০০০-এরও বেশি মানুষের জীবনমান উন্নয়নে অবদান রেখেছে। এই উদ্যোগগুলো আমাদের ব্যবসার বাইরে কিছু নয়; বরং এগুলোই আমাদের লক্ষ্য পূরণের অবিচ্ছেদ্য অংশ।

দৃঢ়তা ও আত্মবিশ্বাস নিয়ে সামনে এগিয়ে চলা

আমাদের ২০২৫ সালের কার্যক্রমে রয়েছে দায়িত্ববোধ, কৃতজ্ঞতা এবং আমাদের সম্মিলিতভাবে গড়ে তোলা এই প্রতিষ্ঠানের প্রতি অবিচল আস্থা। এই অগ্রযাত্রার কোনো কিছুই আমাদের সহকর্মীদের নিষ্ঠা, পরিচালনা পর্ষদের দিকনির্দেশনা, আমাদের গ্রাহক ও শেয়ারহোল্ডারদের আস্থা এবং বাংলাদেশ ব্যাংক ও অন্যান্য নিয়ন্ত্রক সংস্থার অব্যাহত সহায়তা ছাড়া সম্ভব হতো না। দায়িত্বশীল ও টেকসইভাবে এগিয়ে চলার এই প্রচেষ্টায় ব্র্যাক ব্যাংকের পাশে থাকার জন্য আপনাদের প্রত্যেকের প্রতি আমি আন্তরিক কৃতজ্ঞতা প্রকাশ করছি।

সামনের দিনগুলোতে আমাদের লক্ষ্য একদম স্পষ্ট। আমরা এমন একটি ব্যাংক হতে প্রতিশ্রুতিবদ্ধ, যা লাভজনক হওয়ার পাশাপাশি নীতিনিষ্ঠায় অটল থাকবে। আমাদের কাছে উদ্ভাবনের মূল লক্ষ্য হলো অন্তর্ভুক্তি বৃদ্ধি করা। একইসঙ্গে আমরা আরও বড় হওয়ার পথে এগিয়ে গেলেও প্রতিষ্ঠাকালীন মূল্যবোধে থাকি সবসময় অটল। আমাদের প্রতিষ্ঠাতা স্যার ফজলে হাসান আবেদের দর্শনে পরিচালিত এবং অর্জিত আস্থায় শক্তিশালী হয়ে ব্র্যাক ব্যাংক বাংলাদেশের অর্থনৈতিক ও টেকসই ভবিষ্যৎ গঠনে গুরুত্বপূর্ণ ভূমিকা রাখতে প্রস্তুত। আমাদের লক্ষ্য হলো, দেশ এবং দেশের বাইরের মানুষের সবচেয়ে বিশ্বস্ত আর্থিক অংশীদার হওয়া।

আমাদের এই সাফল্যের পথচলায় আপনাদের অবিচল আস্থা ও সহযোগিতার জন্য ধন্যবাদ।

আন্তরিক শুভেচ্ছা,

তারেক রেফাত উল্লাহ খান
ম্যানেজিং ডিরেক্টর অ্যান্ড সিইও

OVERVIEW OF BRAC BANK

BRAC BANK: A QUARTER-CENTURY OF VALUES-BASED BANKING

2 million
SME Customer Served

BDT 2,000 billion
SME loan disbursement since inception

Astha
serving 1.2 million+ customers

1st Bank
to complete integration with bKash QR platform

GABV
Only member of the Global Alliance for Banking on Values from Bangladesh

1st Bank in Bangladesh
with the best credit ratings from all top-tier domestic credit rating agencies

USD 1 Bn
Highest market capitalisation in the banking sector

36.06%
Largest international investor shareholding in the domestic banking industry

Since its inception in 2001, BRAC Bank has remained committed to a values-based banking philosophy rooted in governance, transparency, ethics and a strong compliance culture. This unwavering dedication has earned the confidence of customers, partners and communities alike, with trust emerging as the Bank's most valuable asset.

Founded with the vision of bringing formal banking solutions to unbanked small and medium enterprises, BRAC Bank has grown into one of Bangladesh's leading financial institutions, playing a pivotal role in advancing private sector development and supporting national economic priorities.

Adding Value to Society

As a member of the Global Alliance for Banking on Values (GABV), BRAC Bank embraces the holistic '3P' philosophy of People, Planet and Prosperity. This commitment has translated into tangible social, environmental and economic impact across Bangladesh.

The Bank continues to explore opportunities in green climate funds, bankable climate adaptation projects and green bonds, while aligning its impact with the Sustainable Development Goals and the government's development priorities—ensuring that its contribution extends beyond financial performance into lasting societal value.

Digital Transformation Journey

BRAC Bank has advanced a comprehensive digital transformation to strengthen customer confidence across all segments. Through investments in core banking systems, innovative SME loan management solutions, and digital platforms, the Bank has built a resilient digital backbone that delivers personalised, secure and efficient solutions.

BRAC Bank's mobile financial services subsidiary, bKash, continues to expand digital financial access, empowering grassroots communities nationwide. In partnership with Bangladesh Bank, initiatives such as the TakaPay Card, Bangla QR and Digital Cattle Haat support the transition towards a cashless economy.

A Trusted Partner Across Every Segment

Beyond its pioneering leadership in SME banking, BRAC Bank has built robust businesses across Retail Banking and Corporate, Commercial and Institutional Banking—providing comprehensive financial solutions tailored to the evolving needs of individuals and enterprises.

The Bank's diversification extends across customer profiles, product offerings, funding structures, economic sectors and revenue sources. This balanced approach enhances resilience, supports customised solutions and reinforces long-term confidence among stakeholders.

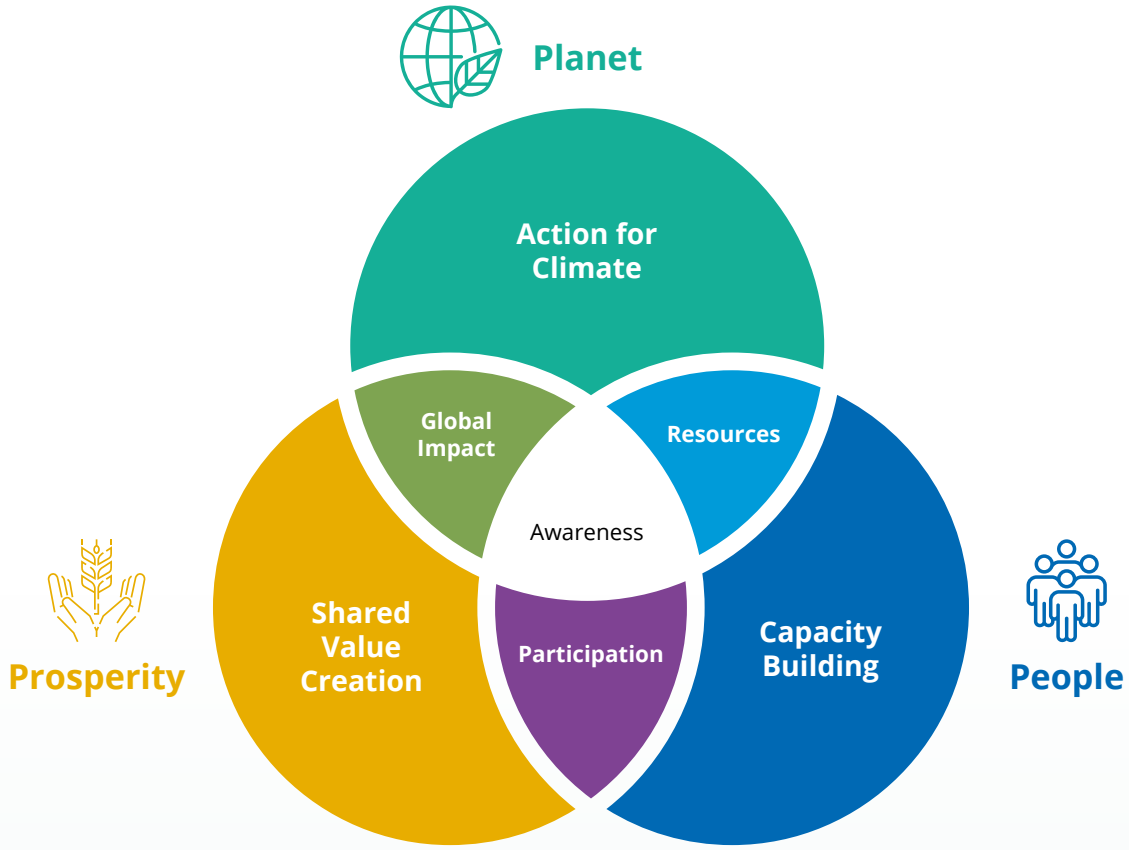
Trust Affirmed by the Market

BRAC Bank was the first bank in Bangladesh to achieve the highest credit rating from CRAB, reflecting superior long-term solvency and robust governance. International credit ratings from S&P and Moody's further affirm the Bank's disciplined risk management and compliance focus.

The Bank maintains capital ratios well above regulatory minimums, demonstrating financial strength and resilience. Reflecting investor confidence, BRAC Bank has achieved strong market performance, with its shares trading at a premium to book value on the Dhaka Stock Exchange.

OUR PHILOSOPHY – PEOPLE, PLANET, PROSPERITY IN ALIGNMENT WITH GABV PRINCIPLES

Sustainability is woven into the very fabric of BRAC Bank's strategy, governance, and day-to-day decision-making. Guided by the 3P philosophy of People, Planet, and Prosperity, the bank advances a model where financial performance and societal progress move in lockstep. As the sole representative from Bangladesh in the Global Alliance for Banking on Values (GABV), BRAC Bank aligns its operations with globally recognised principles that champion long-term social, environmental, and economic value over short-term gain—demonstrating that responsible banking is not a parallel agenda, but the core engine of sustainable prosperity.



The culture of sustainability, good governance, and compliance is embedded in the bank's value system. As a member of the GABV, BRAC Bank has embraced the following principles:

PRINCIPLE 1

Social and environmental impact and sustainability are at the heart of our business model

PRINCIPLE 2

Grounded in communities, we serve the real economy and enable new business models to meet the needs of both

PRINCIPLE 3

We forge long-term relationships with clients and enable a direct understanding of their economic activities and the risks involved

PRINCIPLE 4

We focus on the long term, remain self-sustaining, and stay resilient to external disruptions.

PRINCIPLE 5

We foster transparent and inclusive governance

PRINCIPLE 6

All these principles are embedded in our culture as a financial institution of repute

People Focus

- Diverse products and solutions cater to the widest range of needs—from corporate loans to SME credit to personal loans and collateral-free financing for women entrepreneurs—enabling us to closely integrate with the lives of our customers.
- Over the past 25 years, we have continually evolved to maximize our developmental impact, most notably as pioneers in SME banking in Bangladesh. We have served over 2 million CMSME customers, disbursing BDT 20,000 billion in collateral-free loans, touching the lives of an estimated 20 million people.
- Through TARA, our women banking proposition, we serve over 300,000 women customers representing 28% of our total customer base. We hold 25% of the private commercial banking sector's women-led SME portfolio, with 93% of loans being collateral-free and an NPL ratio of just 1.1%.
- Our Agent Banking network serves over 400,000 unbanked individuals with 80% rural penetration—the highest in the industry—bringing formal banking from the char lands of Gaibandha to the hills of Khagrachari to remote areas of the Sundarbans.
- In 2025, we conducted 430 training programmes with 16,111 participants—investing in our 10,000+ Full time employees and 3,000+ outsourced staff who embody Sir Fazle Hasan Abed's vision every day.
- The bank has a robust financial foundation built on exemplary governance controls and oversight, reinforcing customer trust.

Planet Focus

- For the fifth consecutive year since the rating's inception in 2020, Bangladesh Bank recognized BRAC Bank as one of the top sustainable banks in Bangladesh, a commendation reflecting our green and sustainable financing initiatives and values-based banking.
- We rank #1 in Bloomberg's ESG rating among all Bangladeshi Banks, with a score of 3.94, outperforming even multinational companies operating in Bangladesh.
- 83% of our total loan portfolio—BDT 604.56 billion—is dedicated to sustainable financing, far exceeding the regulatory target of 40%. Of this, 9% is allocated specifically to green finance, surpassing the 5% benchmark.
- BRAC Bank published Bangladesh's first independent IFRS S1 and S2 sustainability report in accordance with ISSB standards, and disclosed 100% of our carbon emissions—Scope 1, 2, and 3—including financed emissions using the globally recognized PCAF methodology.
- Our total carbon footprint for 2025 was 1,541,606.2 tCO_2e. These insights now shape our transition finance strategy, enabling sector-specific decarbonization pathways.
- We provided USD 15 million in long-term financing for a 68 MW grid-tied solar power plant—our first major renewable energy investment—projected to offset over 70,000 tonnes of CO_2 annually.
- We established 50 Sustainable Finance Helpdesks across our network to connect clients with sustainable credit solutions and green refinance schemes.
- As a member of the GABV, we ensure that enterprises receiving our financing meet common environmental standards and contribute to Bangladesh's climate commitments.

Prosperity Focus

- As part of our focus on shared prosperity, we are advancing developmental impact in Bangladesh by expanding access to finance for the 'missing middle'—entrepreneurs too established for microfinance yet too small for conventional banking.
- We launched Shafollo, Bangladesh's first instant digital loan platform, delivering collateral-free loans up to BDT 500,000 in 10 minutes via mobile phone. Over 19,000 loans have been disbursed, democratizing credit through technology and trust.
- Through our digital agri-lending platform Shubidha, we supported over 10,000 farming families with BDT 706 million in financing, delivering credit in 20 minutes to smallholder farmers long excluded from formal finance.
- In partnership with UNEP, UN Women, and BASE, we launched a USD 3 million climate finance scheme targeting women-led SMEs in coastal Bangladesh for renewable energy adoption and climate resilience.
- We organized entrepreneur accelerator programmes like Uddokta 101, Amrai TARA, and UddogTARA Digital Workshops, training over 3,000 women entrepreneurs annually and providing market access support to over 600 entrepreneurs.
- BRAC Bank's Agent Banking network expanded to 1,122 outlets, driving financial inclusion of unbanked people and conducting over 100 Uthan Boithok (courtyard meetings) for financial literacy, opening more than 15,000 accounts for remittance recipients.
- Our CORPnet digital banking platform exceeded BDT 2,273.21 billion in transaction volume, emerging as the most trusted partner for large corporates and business conglomerates.
- We are effectively integrating and implementing sustainable development solutions to support holistic socio-economic growth, with 172,502 lives positively impacted through our CSR initiatives spanning education, disability inclusion, climate adaptation, and humanitarian programs.

Through these integrated efforts across People, Planet, and Prosperity, BRAC Bank demonstrates that values-based banking is not only morally imperative but commercially sound. Our consistent financial performance, industry-leading ESG ratings, and recognition from global institutions validate our belief that profit and purpose are not contradictory—they are complementary. As we enter our 25th year, we remain committed to proving that banking can be a force for good, serving all stakeholders while building a more inclusive, sustainable, and prosperous Bangladesh.

MISSION, VISION & VALUES

Since inception, BRAC Bank has been a trusted partner to large corporations and small enterprises, major deposit-holders, and micro account holders alike. Anchored in its core philosophies, the bank is renowned in the financial services industry for delivering innovative, value-added and adaptive finance-led transformation solutions that help create maximum and lasting impact.

OUR MISSION

- Achieve sustained growth in Small and Medium Enterprises (SME) sectors.
- Ensure continuous low-cost deposit growth with controlled growth in Retained Assets.
- Corporate assets to be funded through self-liability mobilization.
- Drive asset growth through syndications and strategic investments in faster-growing sectors.
- Continuous endeavour to increase fee-based income.
- Maintain debt charges at 2% to ensure a steady profitable growth.
- Achieve efficient synergies between the bank's branches, SME Unit Offices and BRAC field officers for delivery of remittance and the bank's other products and services.
- Manage diverse lines of business in a fully controlled environment, without compromising on service quality.
- Keep a geographically diverse workforce fully motivated and aligned towards materialising the bank's vision into reality.

OUR VISION

To build a profitable and socially responsible financial institution with a focus on markets and businesses with growth potential, thereby assisting BRAC and its stakeholders in building a "just, enlightened, healthy, democratic and poverty-free Bangladesh".

OUR VALUES

BRAC Bank is an organisation where values sit at the heart of every action and decision. As a values-based bank, it believes in 3P philosophy of People, Planet and Prosperity. It shares the principles of Values-Based Banking, which underpin everything the bank does.

- **Integrity** - Demonstrating honesty and consistency in behaviour, guided by strong moral principles and the ethical code of conduct defined by the bank.
- **Innovation** - The continuous pursuit of new ideas, methods, technologies and solutions to deliver better outcomes with optimal use of resources.
- **Inclusiveness** - Fostering a diverse mix of people, perspectives and ideas from all sections of society.
- **Customer Centricity** - Placing customers at the centre of every engagement by delivering relevant services and continuously enhancing customer experience.
- **Effectiveness** - Delivering outcomes that meet stakeholder expectations while creating meaningful and measurable business impact.

CODE OF CONDUCT

Code of Conduct sets the principles for the stakeholders- Members of the Board of Directors and its committees, employees of all levels and categories of BRAC Bank PLC, business partners and service providers and receivers to and from the bank to uphold and promote the interests of the bank.

Individuals associated with BRAC Bank PLC, including its subsidiaries as owner, director, employee, advisor/ consultant, and contractor/supplier or in any other form of stakeholder under legal or institutional provisions/ arrangements must act with integrity i.e. in an honest, fair and legitimate manner. Their activities must be fully customer service oriented and be motivated by integrity and ethics, of course, in full conformity with the legal and regulatory requirements.

All Members of the Board of Directors and its committees, employees of all levels, business partners and service providers and receivers to and from BRAC Bank PLC are expected to display the highest standards of professionalism and commitment to ethics and integrity in all their conducts. It is also strongly expected that they all in every act and at all times would pay due respect, care and consideration to others and put the public interest first.

Directors of Board, members of different committees of the Board and Management of the bank individually and collectively will remain committed and responsible to excel the practice of corporate governance principles and activities by placing due attention and weights on the compliance of best ethical standards and integrity as recommended by the regulators for enhancing their internal and external credibility and establishing transparency.

THE OBJECTIVES OF THIS CODE OF CONDUCT ARE

- to protect the interests of customers, owners and employees, stakeholders of the Bank as well as the counterparties, in addition to the wider interests of the society as a whole.
- to vesting the responsibility of compliance of the codes set herein along with abidance of legislation, regulation and industry/ employer codes and standards on all concerned in all their day-to-day activities.
- to ensure integrity, high ethical standards, due skill, care and diligence in the bank's business and allied activities, including the stakeholders.
- to take reasonable care and measures to organize, manage and control the bank's dealings and affairs responsibly and effectively, with adequate risk management systems and financial resources.
- to effectively employ the resources, policies and procedures, processes, systems and control checks, including compliance checks and staff training that are necessary for compliance with and proper understanding of these guidelines and that of the bank's own.

ETHICAL PRINCIPLES

At BRAC Bank, ethical conduct is fundamental to sustainable banking and responsible corporate citizenship. BRAC Bank upholds integrity, transparency, and accountability as the foundation of its operations. Guided by strong governance, internal controls, and codes of conduct, the Bank ensures ethical decision-making at all levels. This commitment protects stakeholder interests, builds trust, and sustains public confidence in the financial system.

Customer Protection

BRAC Bank prioritizes customers through fair treatment, transparency, and responsible banking. It offers products tailored to customer needs and capacity, while upholding service quality and integrity. Customer data is safeguarded with strict privacy protocols and advanced security systems. The Bank also drives financial inclusion by reaching underserved communities and supporting responsible financial management.

Accountability and Transparency

Accountability and transparency underpin BRAC Bank's governance framework. BRAC Bank's governance is built on accountability and transparency. With strong internal controls, risk management, and reporting systems, the Bank ensures responsible decisions and compliance with regulations. All transactions are recorded with accuracy and reliability, reinforcing stakeholder trust and strengthening its reputation for responsible banking.

Environmental Responsibility

BRAC Bank is dedicated to environmental responsibility and sustainable development. Partnering with institutions like the Department of Agricultural Extension and Bangladesh Agricultural University, the Bank promotes climate-resilient crops and sustainable farming in vulnerable regions. These efforts support communities in adapting to climate challenges while advancing environmental sustainability.

Integrity and Responsible Banking

Integrity drives BRAC Bank's operations and stakeholder relationships. The Bank emphasizes ethical conduct, transparency, and responsible lending across all segments. With a strong focus on SME banking and financial inclusion, it supports entrepreneurs and small businesses while maintaining prudent credit practices that foster sustainable growth and prevent unethical lending.

Respect, Diversity and Fairness

BRAC Bank fosters respect, inclusion, and fairness across its workplace and stakeholder relationships. It is committed to equal opportunity, diversity, and non-discrimination in employment. By collaborating with organizations like the Bangladesh Business and Disability Network, the Bank promotes inclusive employment and empowers persons with disabilities, reinforcing its dedication to a diverse and equitable workplace.

Fair Competition

BRAC Bank competes responsibly by adhering to fair practices and compliance with competition laws. It enhances technology-driven products, operational efficiency, and customer experience to deliver sustainable value, while ensuring market competition remains transparent and ethical.

Anti-Corruption and Anti-Bribery

BRAC Bank enforces a strict zero-tolerance policy against corruption and bribery. Any form of undue influence or unethical inducement is prohibited. Comprehensive policies and controls are in place to detect and prevent misconduct, ensuring employees and partners uphold the highest standards of professional integrity.

Anti-Money Laundering and Financial Crime Prevention

BRAC Bank is committed to preventing financial crimes through strong Anti-Money Laundering (AML) and Know Your Customer (KYC) frameworks aligned with global standards. Employees are required to remain vigilant and strictly follow policies to ensure the Bank's systems are never misused for illicit activities.

Political Neutrality

BRAC Bank maintains political neutrality by avoiding contributions or support to political parties or activities. Employees may engage in politics personally, but only in ways that do not conflict with the Bank's interests, policies, or professional responsibilities.

Compassion and Stakeholder Responsibility

BRAC Bank believes ethical banking goes beyond compliance, focusing on respect, fairness, and empathy for employees, customers, partners, and communities. Through responsible practices, community engagement, and sustainable strategies, the Bank contributes to economic development and social wellbeing while upholding the highest ethical standards.

A GLIMPSE OF BRAC BANK

Synopsis

BRAC Bank PLC is a full-service private commercial bank in Bangladesh recognised for driving inclusive growth, financial innovation, and sustainable development.

Founded in 2001 by Sir Fazle Hasan Abed, the bank has earned a reputation for transparency, resilience, and purpose-led performance, consistently securing top-tier credit ratings and international recognition.

BRAC Bank today serves as a trusted partner for individuals, entrepreneurs, and enterprises across every segment of the economy, offering solutions that span corporate, small and medium enterprises (SME), and retail banking.

Corporate and Institutional Banking delivers tailored solutions to large and mid-sized businesses, including trade finance, cash management, working capital, project finance, transaction banking, and the digital platform CORPnet. Strategic partnerships with International Finance Corporation, Asian Development Bank, and British International Investment, along with a global correspondent banking network, enable seamless cross-border transactions in over 120 currencies, empowering industry leaders with world-class financial solutions.

Empowering SMEs remains BRAC Bank's strongest lever for creating real impact. With the country's largest SME network - 310 branches and sub-branches, 446 SME unit offices and over 1,100 agent banking outlets - the bank provides collateral-free loans, advisory support, and capacity-building programmes, enabling enterprises of all sizes to grow sustainably.

Retail Banking combines convenience with innovation, offering deposit products, consumer loans, cards, remittance services, and digital banking app 'Astha'. Through continuous digital innovation, BRAC Bank ensures seamless, accessible, and reliable banking for individuals and households nationwide.

Anchored in the philosophy of People, Planet, and Prosperity, BRAC Bank is the only Bangladeshi member of the Global Alliance for Banking on Values underscoring its commitment to ethical and sustainable finance. As a values-based organisation, BRAC Bank continues to uphold Corporate Social Responsibility initiatives that break financial barriers and social taboos, creating opportunities and ensuring access for people to realise their potential and lead meaningful lives.

BRAC Bank has set to become the most trusted, innovative, and inclusive bank, driven by purpose and powered by people, shaping the future of finance for Bangladesh.

Share Capital

Particulars	2025 (BDT)	2024 (BDT)
Authorized share capital	50,000,000,000	50,000,000,000
Issued, subscribed and paid-up capital	19,909,261,670	17,697,121,490

Credit Rating

In compliance with Bangladesh Bank's BRPD circular No. 06, dated July 05, 2006, and with a view to assure investors and other stakeholders of the sustainable operating positions of the bank, while also safeguarding stakeholder interests, BRAC Bank is subject to ratings assessment by reputed credit rating agencies. The summary of Bank's credit rating as of 31 December 2025 is presented below:

Rating agency	Long-term rating	Short-term rating	Outlook	Valid up to
Credit Rating Agency of Bangladesh (CRAB)	AAA	ST-1	Stable	30 June 2027
S&P Global Ratings	B+	B	Stable	November, 2026
Moody's	B2	NP	Negative	December, 2026

Credit Rating Disclosure on Financial Instruments

Instruments	Long-term rating	Outlook	Valid up to
Affordable housing bond	AAA	Stable	16 June 2026
BRAC Bank 2nd subordinated bond	AA_1(Hyb)	Stable	16 June 2026
BRAC Bank Social Sub-bond	AA_1(Hyb)	Stable	23 June 2026

Key Information About the Bank

BRAC Bank's business can be broadly classified around its three major wings:

Corporate Banking

Retail Banking

SME Banking

Network

The bank has established an expansive network of service touchpoints across Bangladesh in its efforts to enabling access to banking a reality for all. The bank serves 2.3mn people mostly in rural and semi urban parts of the country. Furthermore, the bank's agent banking network, comprising an effective branchless banking model dispensing all the services of a typical branch, conducting 7,851,083 transactions in 2025.

Credit Rating Disclosure on Financial Instruments

Service points	Number
Business regions	**8**
Total branches (including SME SC/KB)	**194**
Sub Branch	**116**
Premium lounges	**26**
ATMs	**329**
CDMs	**68**
SME unit offices	**446**
Agent banking outlets	**1,122**

Office Address

Corporate Office Address	Share Department
BRAC Bank PLC. Head Office: Anik Tower, 220/B, Tejgaon-Gulshan Link Road, Tejgaon I/A, Dhaka-1208, Bangladesh	**BRAC Bank PLC.** Head Office: Anik Tower (Ground Floor), 220/B, Tejgaon Gulshan Link Road, Tejgaon I/A, Dhaka-1208, Bangladesh Phone: 09677555124, 09677555125

Subsidiary Information

Within Bangladesh			Outside Bangladesh
BRAC EPL Investment Limited Medona Tower Level 13, 28 Mohakhali C/A, Dhaka-1213, Bangladesh	**BRAC EPL Stock Brokerage Limited** Symphony (3rd Floor) SE (F)-9, Road No-142, Gulshan Avenue, Dhaka- Bangladesh.	**bKash Limited** Shadhinata Tower, Bir Sreshtha Shaheed Jahangir Gate, 546 Shaheed Sharani, Dhaka-1206, Bangladesh.	**BRAC Saajan Exchange Company Limited** 160-162, Lozells Road, Birmingham, West Midlands, B19 2SX, United Kingdom.

Financial Calendar

Quarterly results

Particulars	Submission date to regulatory bodies
Un-audited consolidated results for the 1st quarter ended 31 March 2025	May 13, 2025
Un-audited consolidated results for the 2nd quarter and half year ended 30 June 2025	July 29, 2025
Un-audited consolidated results for the 3rd quarter ended 30 September 2025	October 27, 2025

Quarterly results

Particulars	Submission date to regulatory bodies
Notice date of the 26th Annual General Meeting	May 25, 2025
Record date (Cash & Stock Dividend)	May 25, 2025
26th Annual General Meeting held on	June 19, 2025
Date of distribution of bonus shares	June 22, 2025

Taxation on Dividend Income

Stock dividend is tax-exempted. In case of cash dividend, the followings are withholding tax deduction rate at source on dividend income as per section 117 of Income Tax Act. 2023:

- If the shareholder is a company, either resident or non-resident, the applicable tax rate @ 20%.
- If the shareholder is a resident or non-resident Bangladeshi, other than a company, the applicable tax rate @ 10% (if having no eTIN, the rate would be 15%)
- If the shareholder is a non-resident (foreign individual), the applicable tax rate @ 30%.

Information Sensitive to Share Price

Particulars	Date of disclosure
Corporate disclosure for the approval of the Financial Statements 2024, recommendation of dividend, record date for dividend entitlement of 26th AGM (June 19, 2025)	April 28, 2025
Corporate disclosure for the first quarter financial information (un-audited) ended on 31 March, 2025	May 12, 2025
Corporate disclosure for the half-year financial information (un-audited) ended on 30 June, 2025	July 28, 2025
Corporate disclosure for the 3rd quarter financial information (un-audited) ended on 30 September, 2025	October 23, 2025

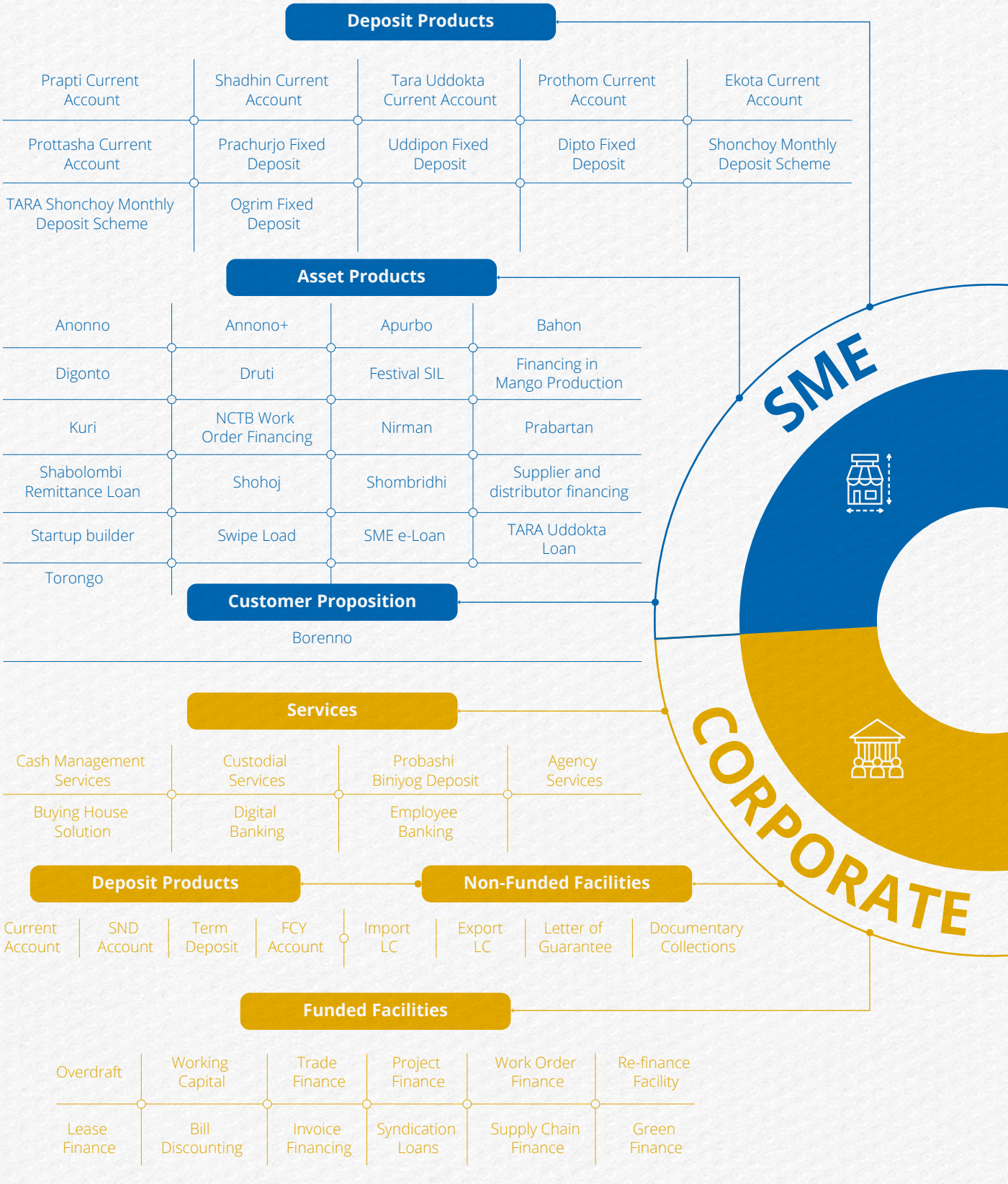
Capital Market Details

Particulars	DSE	CSE
Stock symbol	BRACBANK	BRACBANK
Company/scrip code	11138	22029
Year of listing	2007	2007
Market category	A	A
Electronic share availability	Yes	Yes
Market lot (Nos)	1	1
Face value of each share (BDT)	10	10
Total number of securities	1,990,926,167	1,990,926,167

Dividend Snapshot of last 5 years

Dividend Year	Record date (Cash & Stock Dividend)		Annual General Meeting held on	Dividend Rate	
	Cash	Stock		Cash	Stock
2024	May 25, 2025		June 19, 2025	12.50%	12.50%
2023	May 7, 2024	May 19, 2024	May 30, 2024	10.00%	10.00%
2022	May 09, 2023	May 15, 2023	May 31, 2023	7.50%	7.50%
2021	April 6, 2022		April 28, 2022	7.50%	7.50%
2020	May 04, 2021		May 27, 2021	10.00%	5.00%

PRODUCTS AND SERVICES



Deposit

Deposit Scheme

Flexi DPS | TARA Flexi DPS

Fixed Deposit

- Golden Fixed Deposit
- General Fixed Deposit
- Freedom Fixed Deposit (FFD)
- Non-Resident Foreign Currency (NFCD) Account
- Abiram Fixed Deposit
- Probashi Shubidha Fixed Deposit
- Interest First Fixed Deposit

Current Account

- Resident Foreign Currency Deposit (RFCD)
- Probashi Current Account
- Freelancer Matrix Account (ERQ & LCY)
- Expat Salary Accounts
- Current Plus Account
- Mariner's Account

Savings Account

- Happy Savers
- TARA Happy Savers
- Future Star
- Agami Savers, TARA Agami Savers
- Triple Benefit Savings (TBS), TARA TBS
- Golden Benefits Savings (GBS), TARA GBS
- Probashi Savings Account
- Savings suite for Employee Banking
- Freelancer Matrix Savings Account
- Dyuti Savings
- Probashi Poribar
- Virtual/TARA Virtual/Probashi Virtual Savings Account
- High Value/TARA High Value Premium Savers

Loan

Personal Loan | Auto Loan | Home Loan | Secured Loan/Overdraft | Digital Loan

Credit Cards

- Visa/Mastercard Classic Credit Card
- Visa/Mastercard Gold/ Gold Flexi Credit Card
- Visa/Mastercard Platinum Credit Card
- Visa Platinum Flexi Credit Card
- Mastercard Millennial Credit Card
- Visa TARA Platinum Credit Card
- Diners Club Emerald Credit Card
- Mastercard TARA World Credit Card
- Mastercard World Credit Card
- Visa Signature Credit Card
- Visa Infinite Credit Card

HISTORIC 25 YEARS OF OPERATIONS

Leading from the front in our journey
of creating the best bank of Bangladesh

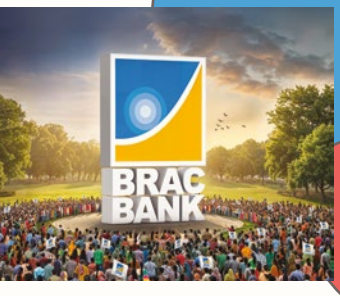
1999 Date of Incorporation

2001 Banking Operations Inauguration

2002 Establishment of First SME UNIT OFFICE

2004 IFC Onboarded as Investor

2006 Launch of Initial Public Offering (IPO)



2025

January 27, 2025
S&P rates BRAC Bank as the best in Bangladesh

February 26, 2025
BRAC Bank wins Gold at Qorus Reinvention Awards for innovation in digital banking

March 3, 2025
Raised BDT 700 crore through Subordinated Bond to enhance its capital base

April 23, 2025
BRAC Bank promotes 2,000 coworkers

May 4, 2025
BRAC Bank TARA's 8th anniversary

June 24, 2025
Launch of Diners Club International

2025

July 7, 2025
The country's first independent IFRS S1 and S2 Report

July 17, 2025
Launches the first 'Digital First' branch

July 21, 2025
1 billion market capitalization

July 24, 2025
The first company in Bangladesh to publicly disclose all scopes greenhouse gas emission report

August 20, 2025
Top bank for the fifth consecutive year in Bangladesh Bank Sustainability Rating in 2024

August 24, 2025
Number 1 Bangladeshi Company in Bloomberg ESG Rating

2025

September 2, 2025
Financing the largest ocean-going Aframax oil tankers in Bangladeshi flag

October 1, 2025
Issuance of the country's first-ever Social Subordinated Bond according to ICMA Principles

November 9, 2025
Branch & sub-branch network reaches 300

November 12, 2025
Launch of Agent Banking System – PRANTIK

December 17, 2025
ICMAB Best Corporate Award 2024

December 21, 2025
Launch of the country's first SME Innovation Lab

December 30, 2025
'ASTHA' App marks 11 lakh users

2007
Listed on DSE & CSE

2011
Inauguration of 250th ATM

2013
Bestowed with "Best Managed Bank" Award From Asian Banker

2017
First Bank In Pvt. Sector to Have Mcap Crossing US $ 1bn

2021
Foreign currency credit rating upgrade to "Ba3" by Moody's

Completion of historic 20 years of operetions

2023

January 28
Country's first Premium Banking Segment - Borenno for SME customers

February 3
1000th Agent Banking Outlet Milestone

March 3
The first bank in Bangladesh to disclose Scope 3 greenhouse gas (GHG) emissions according to PCAF methodology

June 21
Launch of Smart Farmer's Card

October 17
The Best Financial Institution from DHL-The Daily Star Bangladesh Business Award 2022

November 1
Launch of TakaPay Payment Scheme

November 30
First Sustainability Report Launched

2024

November 21
Launch of Carbon Reduced Shipping Service with DHL

December 9
The country's first Medical Quota Debit Card

December 27
'ASTHA' App marks 5 lakh users

December 31
'ASTHA' App marks 8 lac users

2024

February 21
Issuance of BDT 700 crore Subordinated Bond

March 14
Launch of Bancassurance Service

April 30
Piloting All-women Branch Initiative

May 24
Launch of OBU Deposit Products

November 14
Launch of Electronic Loan Origination System (eLAP) for SME

FOOTPRINT OF BRAC BANK

Reaching Customers Across Bangladesh Through an Extensive Distribution Network

The nationwide footprint of BRAC Bank spans the length and breadth of Bangladesh, enabling the Bank to bring modern banking services closer to customers and contribute to the country's inclusive economic development. Through a diversified distribution network, the Bank ensures accessibility, convenience, and efficient service delivery for individuals, SMEs, and corporate clients across urban and rural areas.

The Bank's service distribution network consists of physical channels such as branches, sub-branches, agent banking outlets, SME unit offices, ATMs and Cash Deposit Machines (CDMs/RCDMs). These are complemented by a strong and continuously expanding digital ecosystem including the Astha mobile banking application, internet banking, **Obichol** – the digital loan approval system, and **Subidha** – the digital lending platform.

Agent Banking continues to play a transformative role in expanding financial inclusion. From account opening and cash withdrawals to loan disbursement, EMI payments, inward remittance, and utility bill payments, agent outlets provide convenient banking services to customers, particularly in remote and underserved areas. The expansion of this channel not only improves financial access but also creates employment opportunities and supports local economic growth.

To further enhance customer convenience, the Bank has deployed Recyclable Cash Deposit Machines (RCDMs), enabling customers to deposit cash quickly without visiting a branch counter. These machines help reduce queue time while improving operational efficiency and accessibility.

Serving Clients Through Our Growing Digital Presence

Digital banking remains a strategic priority for BRAC Bank as customer behaviour continues to shift toward seamless and technology-driven financial services. The Bank's digital channels allow customers to conveniently manage their banking needs while they socialize, shop, and conduct business online.

Through continuous investment in digital infrastructure, BRAC Bank is strengthening its capabilities to deliver secure, efficient, and innovative banking solutions. These digital platforms complement the Bank's physical network and support its long-term vision of building a future-ready banking ecosystem.

Distribution Network by Division (2025)

Division	Branches	Sub-Branches	Agent Banking Outlets	SME Unit Offices	ATMs & Cash Deposit Machines
DHAKA	91	58	244	115	213
CHATTOGRAM	41	21	255	92	46
SYLHET	13	5	49	28	16
KHULNA	17	8	155	59	16
BARISHAL	6	4	89	31	6
MYMENSINGH	5	3	54	23	5
RAJSHAHI	14	9	141	57	17
RANGPUR	7	8	135	41	10

Our International Presence

Through its international remittance service provider, BRAC Saajan Exchange Limited (UK), BRAC Bank facilitates secure and convenient remittance services for the Bangladeshi diaspora. The platform enables expatriates to remit funds to their families efficiently, supporting household income and contributing significantly to Bangladesh's foreign currency inflow.

Remittance continues to play a vital role in strengthening the national economy, and BRAC Bank remains committed to expanding its remittance corridors and enhancing service efficiency for overseas Bangladeshis.

DISTRIBUTION OF SHAREHOLDING

BRAC Bank has a robust shareholding structure distributed amongst three major entities

SL. No.	Name	Sponsors/ Directors/Others	No. of shares held as on 31.12.2025	% Paid-up Shares
1	BRAC	Sponsor	919,111,744	46.165%
2	Late Sir Fazle Hasan Abed, KCMG	Sponsor	19,543	0.001%
3	Late A. S. Mahmud	Sponsor	16,345	0.001%
4	Dr. Saleh Uddin Ahmed	Sponsor	13,426	0.001%
5	Mr. Meheriar M. Hasan, Chairperson (Nominated by BRAC)	Nominated Director	Nil	Nil
6	Mr. Faruq M. Ahmed, Vice-Chairperson	Independent Director	Nil	Nil
7	Ms. Farzana Ahmed	Independent Director	Nil	Nil
8	Dr. Zahid Hussain	Independent Director	Nil	Nil
9	Mr. Salek Ahmed Abul Masrur	Independent Director	Nil	Nil
10	Ms. Anita Ghazi Rahman	Independent Director	Nil	Nil
11	Mr. Chowdhury MAQ Sarwar	Independent Director	Nil	Nil
12	Ms. Lila Rashid	Independent Director	Nil	Nil
13	General public, institute and foreign	Other than sponsor/Director	1,071,765,109	53.832%
Total shares			**1,990,926,167**	**100%**

BOARD OF DIRECTORS

MEHERIAR M. HASAN

CHAIRPERSON

Mr. Meheriar M. Hasan was appointed as Nominated Director to the Board of BRAC Bank PLC in October 2020. Afterward, he was elected as Chairperson of BRAC Bank PLC on May, 2023. He is also the Chairperson of BRAC Saajan Exchange Limited, Subsidiary of BRAC Bank PLC.

Mr. Hasan is a global thought leader, an innovator, and a voice of authority in the realm of financial services industry. He brings with him over 37 years of rich experience in breakthrough innovation and pathbreaking disruption, building direct/digital distribution channels to generate new profit sources at some of the world's largest financial institutions. He possesses an unparalleled track record in enabling businesses to accelerate profitable growth through design thinking and building multi-channel sales/ service processes and platforms.

Mr. Hasan founded Terafina Inc, a leading digital omnichannel sales solution provider in financial services. He also served as Senior Advisor to McKinsey from 2012 to 2014 and was a guest lecturer at the University of Southern California, Marshall School of Business, from 2006 to 2008. Mr. Hasan holds a Master of Science in Finance, Master of Arts in Economics, and Bachelor of Arts in Economics with a minor in Mathematics from the University of Arizona.

Some of Mr. Hasan's distinguished engagements include:

- As the founder he defined the vision and led the building of Terafina, which was ranked amongst the top two fintech disruptors by Celent. Terafina was acquired by NCR Corporation in February 2021.
- As Executive Vice President of digital banking at the US Bank, he led the build-out of one of the largest digital banking businesses in the country in record time. The digital channel ranked first in over customer experience by Keynote, a third-party benchmark.
- As Executive Vice President at Wells Fargo, he designed and developed one of the largest direct-to-consumer/digital lending channels in the financial services industry.
- He led the Product & Engineering for Digital Insight, the largest online banking application service provider in the US to serve credit unions and small/mid-sized banks.
- At Transamerica, as head of Sales and Marketing he pioneered the first private-labeled direct-to-consumer channel in the insurance industry, fully integrated with independent agencies and business back-office operations.

Over his long and resplendent career, Mr. Hasan also served as a Board member on the board of bkash Limited.

FARUQ M. AHMED

VICE-CHAIRPERSON

Mr. Faruq M. Ahmed was appointed as an Independent Director to the Board of BRAC Bank PLC in December 2021. Afterward, he was elected as Vice-Chairperson of BRAC Bank PLC in June 2023. He is also the Chair of the Board Executive Committee of the bank.

Mr. Ahmed led Trust Bank PLC as its Managing Director and CEO from February 2018 to February 2021. Before taking up the position, he served as the Additional Managing Director of the bank.

Prior to Joining Trust Bank, Mr. Ahmed served as the Additional Managing Director of The City Bank Limited and held the positions of their Chief Risk Officer and CAMLCO. He also served Mercantile Bank and AB Bank Limited as Deputy Managing Director.

After completing BSS Honours and MSS in Economics from the University of Dhaka, Mr. Ahmed started his career as a Probationary Officer with AB Bank Limited in 1984. He received the Bangladesh Bank Gold Medal and BCCI (erstwhile) Gold Medal in the Banking Diploma examination in 1987 for securing the first position obtaining above 60 per cent mark. He gained hands-on experience and knowledge through working in different capacities in almost all the banking fields at home and abroad. He served the Mumbai office of AB Bank for five years as Country Manager facilitating correspondent and reimbursement banking services in India to the Bangladeshi banks. He is a well rounded banker and has led different major sectors of banking areas in different phases of his service tenure.

Mr. Ahmed is the founder Chairman of the Association of Anti-Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB) and a life member of the Bangladesh Economic Association.

He served Bangladesh Institute of Bank Management as A K Gangopadhaya Chair Professor. Presently he is an Adjunct Faculty in the Business School of East West University.

Mr. Ahmed has participated in various professional trainings, workshops, and seminars at home and abroad. A regular columnist on banking and economic issues in the national dailies, Mr. Ahmed has so far authored more than thirty books and numerous articles on economy and banking, capital market, accounting, literature, and travel. For his noteworthy contributions to Bangla language and literature, he received Bangla Academy Award in 2019 in the travel writing category. He also received IFIC Bank Literary Award in 2011 for the excellent translation of 'A Poet Apart' - the literary biography of poet Jibanananda Das originally written by Clinton B. Seely and "City-Anando Alo Award 2019 for one of his travelogues.

DR. ZAHID HUSSAIN

INDEPENDENT DIRECTOR

Dr. Zahid Hussain was appointed as an Independent Director to the Board of BRAC Bank PLC in September 2020. He is also a Member of the Board Audit Committee and Board Risk Management Committee of BRAC Bank PLC.

At present, Dr. Hussain is a Director of BRAC EPL Investment Limited, BRAC EPL Stock Brokerage Limited, and BRAC Saajan Exchange Limited.

Dr. Hussain retired from the World Bank, where he joined on May 1, 1995, as a Lead Economist on June 30, 2019. During this time, he was a key member of the bank's macro, trade, and investment global practice providing budgetary support (development support credit) and technical assistance to the government, and prepared growth diagnostics, public expenditure reviews, periodic macroeconomic updates, and policy notes on macroeconomic management and structural issues.

Dr. Hussain was also engaged as a Lecturer at Boston University, the University of Massachusetts Boston, and Framingham State College, Framingham, Massachusetts in the USA from 1987 to 1992.

Dr. Hussain obtained a Ph.D. in Economics from Boston University, USA, in 1992 and completed Master of Arts in Political Economy from Boston University, USA, in 1987. He earned his MBA from the Institute of Business Administration, University of Dhaka, Bangladesh in 1979 where he was a member of the faculty from 1980-1984.

Dr. Hussain has published numerous journals and articles on Economics, Management, and Business.

SALEK AHMED ABUL MASRUR

INDEPENDENT DIRECTOR

Mr. Salek Ahmed Abul Masrur was appointed as an Independent Director to the Board of BRAC Bank PLC in March 2022. He is also the Chair of the Board Risk Management Committee and member of the Board Executive Committee.

Mr. Masrur is a seasoned banker with 36 years of banking experience in Bangladesh and international market in senior positions.

Mr. Masrur was the Chief Executive Officer of The Consolidated Tea & Lands Co. (Bangladesh) Limited (known as Finlay Tea). Before joining The Consolidated Tea & Lands Co. (Bangladesh) Limited, Mr. Masrur was the Country Head of Bank Alfalah, Bangladesh from 2009 to 2019, the longest-serving CEO of any Foreign Bank. He served as Global Head of Origination and Client Coverage Islamic Banking at Standard Chartered Bank, UAE. He was also the Director Portfolio Management of at Standard Chartered Bank, Singapore from Sept 2005 to June 2007. He served as Head of Client Relationships from 2002 to 2005 at Standard Chartered Bank, Bangladesh, and as Head of Corporate Banking at Citibank NA, Bangladesh from 2000 to 2001. He also served as the Head of Corporate Banking at Standard Chartered Bank from 1995 to 1999.

He started his career at ANZ Grindlays Bank as a Management Trainee in 1985. He led different major sectors of banking areas in different phases during his service tenure.

Mr. Masrur was recognized for his strong leadership skills displayed through leading teams to success both locally and abroad. He also participated in a good number of professional trainings, workshops, and seminars both at home and abroad.

Mr. Masrur obtained his MBA Degree from the University of Tennessee, USA, and his BBA from the Trine University in Indiana. He is CSA qualified.

ANITA GHAZI RAHMAN

INDEPENDENT DIRECTOR

Ms. Anita Ghazi Rahman was appointed as an Independent Director of BRAC Bank PLC in January 2024 and also a member of the Board's Executive Committee.

Ms. Rahman is a Senior Advocate of the Supreme Court of Bangladesh with over 21 years of post-qualification experience. She holds an LLB (Hons.) from University College London (UCL) and was called to the Bar of England and Wales by Lincoln's Inn in 2003. She is the Founder and Managing Partner of The Legal Circle, a prominent law firm, and has founded several pioneering legal initiatives including Think Legal Bangladesh and the Legal Circle Law Reports (LCLR).

She was enrolled as an Advocate in Bangladesh in 2004, admitted to the High Court Division in 2006, and to the Appellate Division in 2018. In 2025, she was conferred the rank of Senior Advocate.

Ms. Rahman specialises in corporate and commercial law, with a focus on company law, joint ventures, mergers and acquisitions, and dispute resolution. She leads the litigation practice at her firm and is consistently recognised as a leading practitioner in international legal directories. Her articles on legal and governance matters and current legal issues are widely published in both national and international platforms.

She has received numerous accolades, including recognition by the Dhaka Tribune as one of the "Inspiring Individuals to Follow", inclusion in Future Startup's "15 Under 35", and features in books such as From Stones to Castles and Aine Tarunno. She is an Asia 21 Young Leader (Class of 2016) and an alumna of the Common Purpose Global Leadership Programme.

In addition to her legal career, Ms. Rahman serves on the boards of several non-profit and professional bodies. She has been a longstanding mentor for various incubators and accelerators and has played an active role in nurturing Bangladesh's start up ecosystem. She is deeply committed to impact investment and is a General Member of the National Advisory Board for Impact Investment in Bangladesh.

Ms. Rahman also served as an Independent Director of the Chittagong Stock Exchange and currently represents BRAC Bank as a Nominated Director on the Board of bKash Limited. She is known for her commitment to public service, pro bono legal work, and her strong advocacy for good governance.

CHOWDHURY MAQ SARWAR

INDEPENDENT DIRECTOR

Mr. Chowdhury MAQ Sarwar was inducted as an Independent Director to the Board of BRAC Bank PLC in April, 2024. He is also the Chair of the Board Audit Committee.

Mr. Sarwar is a distinguished banker with 36 years of diverse experience in both international and domestic banks.

He is nationally recognized for his pivotal role in shaping thought leadership in prevention of money laundering and setting up and managing Internal Control & Compliance (ICC) functions considered best in class in domestic banking industry.

He was the longest serving CAMLCO, having served in Citibank NA, Standard Chartered and Eastern Bank PLC in that role. He was also a past Chairman of Anti Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB).

He played an important role in driving to enhance & improve the overall awareness of compliance and control within the local banking industry as member of various committees/ focus groups of Bangladesh Bank, BFIU and Association of Banks, Bangladesh.

Mr. Sarwar served as Deputy Managing Director & Head of Internal Control and Compliance at Eastern Bank PLC from 2018 to 2019, where he oversaw the Internal Audit, Monitoring and Compliance functions.

He worked as a Consultant to Islami Bank Bangladesh PLC from 2015 to 2018 in AML/CFT Remediation Project and helped implement the recommendations made by reputed international risk consulting firm, Kroll engaged by IBB to help transfer global best practices.

Throughout his extensive career, Mr. Sarwar held key positions such as Head of Legal and Compliance at Standard Chartered Bank from 2004 to 2015, and Head of Internal Control, Compliance and Human Resources at Citibank NA from 2000 to 2003. He also contributed significantly in various important roles at American Express Bank between 1993 and 1999. His professional journey commenced as a Probationary Officer at IFIC Bank Limited in 1984.

He is a passionate trainer having delivered bespoke AML/CFT, Sanctions, Operational Risks, Fraud Risk, and Internal Control & Compliance training to wide audiences, including bankers, law enforcers and regulators.

Mr. Sarwar obtained his Bachelor of Commerce and Masters in Management from the University of Dhaka.

LILA RASHID

INDEPENDENT DIRECTOR

Ms. Lila Rashid was inducted as an Independent Director to the Board of BRAC Bank PLC in May 2024, where she also serves as a member of the Board Risk Management Committee and the Board Audit Committee.

Ms. Rashid is a retired Executive Director of Bangladesh Bank (the central bank of the country). She represented the central bank as an Official Observer on the boards of two private and one state-owned commercial bank. In September 2024, the Government appointed her as a member of both the General Body and the Governing Body of PKSF (Palli Karma-Sahayak Foundation).

She was engaged in a three-year research project titled "Gender Gap in Financial Inclusion in Bangladesh," and she recently completed another project titled "Planning for Gender Center of Excellence for Financial Inclusion in Bangladesh," both of which were funded by the Bill & Melinda Gates Foundation. Additionally, she served as the National Financial Inclusion Specialist for the ADB CARES Project.

Throughout her tenure at Bangladesh Bank, Ms. Rashid served in various capacities across diverse departments. Her most notable contributions include formulating microfinance policies and playing a pivotal role in the establishment of the Microcredit Regulatory Authority (MRA) in Bangladesh.

With over a decade of hands-on experience, she dedicated herself to shaping and executing policies within the microfinance sector of Bangladesh. Additionally, she spent close to three years contributing to the development of payment systems and more than two years providing policy guidance and financial assistance to the SME sector. Her expertise lies in analyzing policies and data, crafting effective policy frameworks, engaging in negotiations with stakeholders, and ensuring the successful implementation of policies.

In recognition of her exceptional performance and national contributions, Ms. Rashid was honored with the 'Gold Medal' by Bangladesh Bank in 2008. She was also the recipient of a Bangladesh Bank scholarship in 1998 to pursue her MBA at the University of New Orleans, USA.

Ms. Rashid holds a PhD from Jawaharlal Nehru University, India, and an MBA from the University of New Orleans, USA. She earned her B.Sc. and M.Sc. in Physics from the University of Dhaka.

DIRECTORS' RESPONSIBILITY STATEMENT

This year marks a proud milestone for BRAC Bank – 25 years of enduring trust. Since our inception, we have stood as a partner in progress for Bangladesh, guided by integrity, transparency, and accountability. Over the years, we have earned the confidence of our shareholders, customers, regulators, and communities by staying true to our values and by building a resilient institution that contributes meaningfully to the nation's socio-economic development.

The Board of Directors remains committed to strengthening this foundation of trust. Our role is to ensure that the bank operates responsibly, sustainably, and in line with the highest standards of governance. We are accountable for:

- Setting the strategic direction of the bank
- Managing and mitigating risks
- Ensuring strong internal controls and compliance
- Overseeing financial stewardship and transparency
- Supporting human resource development and capacity-building

In line with Bangladesh Bank BRPD Circular No. 02 (February 11, 2024) and the BSEC Corporate Governance Code (June 3, 2018), we outline our key responsibilities below to ensure the bank remains strong, sustainable, and valuable to everyone we serve.

Work planning and strategic management

The Board sets the strategic direction of the bank each year, aligning goals with our values and expected behaviours. We monitor performance quarterly, adapt to changing circumstances, and share our plans openly through the Annual Report. The Board also works towards:

- Aligning the bank's strategies with target objectives and outcomes.
- Implementing key changes to bring forward appropriate structural amendments.
- Ensuring enhancement of institutional efficiencies for improved future preparedness.
- Engaging across other applicable policy matters.
- Evaluating and monitoring implementation of the bank's workflow on a quarterly basis.

In our Annual Report, we share a clear picture of how the bank is doing and the environment we are operating in. We want our shareholders to understand our plans, not just for the next year, but for the long term- so you can feel confident in the bank's stability and growth.

We also set clear goals (KPIs) for the Managing Director & CEO and the senior leadership team, reviewing their progress regularly to ensure we stay on track.

Credit risk and risk governance

Credit risk is a key challenge for any financial institution, and controlling this risk is a central mandate of the Board's executive responsibilities. Policies, strategies, and procedures regarding the evaluation of loan/investment proposals, sanctions, disbursements, recovery measures, and write-offs are initiated with the Board's approval under the ambit of existing laws, rules, and regulations.

The Board delegates the authority of loan/investment sanction to the Managing Director & CEO and executives under his leadership. Importantly, to maintain the integrity of our trust-based governance, no Director interferes directly or indirectly, explicitly or tacitly, with the loan approval process, recusing themselves in the event of any apparent or perceived conflict of interest.

The Board also frames policies for enabling effective risk control, monitoring compliance with the risk framework on a regular basis, and retuning this framework as per the evolving business environment. The Board reviews the risk compliance report quarterly, with discussions and conclusions incorporated into the minutes for future reference.

Internal control management

The Board of Directors is responsible for designing, implementing, and maintaining effective internal controls to safeguard assets and prevent/detect fraud and errors. The Board is committed to maintaining ethical leadership, strong governance, prudent risk management, and a robust control environment in line with applicable laws, regulatory requirements, and best practices. The effectiveness of the internal control system is regularly assessed through risk-based internal audits, thematic reviews, and specialized monitoring and investigation. The Audit Committee of the Board ensures oversight by reviewing internal and external audit findings, inspection reports issued by Bangladesh Bank, management responses, and the status of corrective actions on a regular basis. Such governance mechanism ensures that internal control

system remains adequate, effective, and responsive to the Bank's evolving risk profile and regulatory obligations.

Human resources management and development

The Board of Directors is responsible for providing strategic oversight of the Bank's human resources management and development framework, ensuring that people practices remain aligned with the Bank's long-term strategy, regulatory requirements, and values.

The Board establishes and approves all key human resources policies, including those relating to recruitment, promotion, transfer, disciplinary procedures, learning and development, diversity and inclusion, performance management, and employee well-being. In doing so, the Board maintains a clear separation between governance oversight and operational execution, which is the responsibility of management.

To preserve appropriate governance boundaries, neither the Chairperson nor members of the Board involve themselves in administrative or day-to-day human resources matters. Board members do not participate in employee selection or promotion committees, ensuring independence, objectivity, and a clear distinction between strategic oversight and operational decision-making.

The Board retains authority over recruitment, promotion, transfer, and disciplinary actions for officers up to two tiers below the Managing Director & CEO, while ensuring that all such actions strictly adhere to the Bank's approved human resources policies and applicable regulatory guidelines.

In 2025, the Board strengthened its oversight of human capital priorities, with particular focus on governance, leadership capability, diversity and inclusion, employee engagement, and well-being. The Board reviewed progress on key people initiatives and remains satisfied that appropriate systems, controls, and governance mechanisms are in place to support ethical conduct, regulatory compliance, and the development of a resilient, future-ready workforce.

Through these governance practices, the Board continues to set the tone for responsible human resources management and development, reinforcing a culture of integrity, accountability, performance excellence, and sustainable impact across the Bank.

Financial management

The annual budget and statutory financial statements are finalized with the approval of the Board. The Board engages in a comprehensive quarterly review of the bank's position with respect to its income, expenditure, liquidity, non-performing assets, capital adequacy, loan loss provisions, and steps taken for loan recovery of default accounts.

The Board also frames policies and procedures for the bank's procurement activities, deputing empowered teams with decentralized responsibilities. The maximum possible delegation of responsibility for expenditure rests with the Managing Director & CEO and his team. Decisions on matters relating to the bank's infrastructure development to advance business activity are adopted with the approval of the Board.

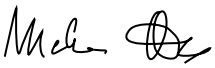
Further, the Board reviews the performance of the bank's Asset-Liability Committee (ALCO), as per Bangladesh Bank guidelines.

Appointment of Managing Director & CEO

To reinforce the bank's financial stability and uphold depositor confidence, the Board of Directors is entrusted with appointing a Managing Director (MD) or Chief Executive Officer (CEO) who demonstrates integrity, competence, and extensive experience.

Pursuant to BRPD Circular No. 05 dated February 27, 2024, BRPD Circular Letter No. 12 dated March 3, 2024, and BRPD Circular Letter No. 27 dated November 26, 2025, concerning the appointment and the Evaluation Committee of Bangladesh Bank for the appointment or reappointment to the position of Managing Director, the Board of Directors is required to identify and nominate a duly qualified candidate for the role. Any such appointment shall be subject to the formal prior approval of Bangladesh Bank.

On behalf of the Board of Directors,



Meheriar M. Hasan
Chairperson, BRAC Bank PLC.

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

BRAC Bank delivered strong performance in 2025, with growth in assets, improved asset quality, higher profitability, and continued focus on digital innovation and sustainability.

M Masud Rana, FCA
Additional Managing Director & Chief Financial Officer

Macroeconomic Context and Operating Environment

Fiscal year 2025 unfolded against a backdrop of geopolitical complexity and subdued global growth. Persistent conflicts—most notably the Russia–Ukraine war and ongoing instability across the Middle East—continued to distort energy and commodity markets, elevating supply-side risks. Simultaneously, strategic economic realignments between the United States and China reshaped global trade architecture, adding structural headwinds to an already cautious investment environment.

The International Monetary Fund projected global output at approximately 3.3% for 2025—moderate growth underpinned by resilient labor markets and accelerating investment in Artificial Intelligence yet constrained by tepid trade volumes and risk-averse capital allocation. Inflation deceleration across advanced economies provided some relief; however, interest rates remained elevated across most major economies, sustaining tight financial conditions.

Bangladesh navigated this challenging environment with commendable resilience. Foreign exchange reserves strengthened to USD 28.03 billion, underpinned by robust export performance and sustained remittance inflows. Headline inflation moderated to 8.5% by year-end, while deposit and loan growth recovered to 9.97% and 10.32% respectively—signals of returning confidence in the banking system, even as the sector continued to manage legacy non-performing loan (NPL) pressures and liquidity constraints.

Financial Performance: Delivering Across All Dimensions

Against this complex macroeconomic landscape, BRAC Bank delivered a year of broad-based financial outperformance, reinforcing its balance sheet strength and extending its competitive positioning across all core business segments.

Balance Sheet Expansion:

Total assets grew 27% year-on-year to BDT 1,179,672 million, driven by disciplined growth in both liabilities and earning assets. Total deposits surged 29% to BDT 889,517 million, with Current and Savings Account (CASA) balances expanding 27%, reflecting deepening customer relationships and our diversified funding strategy. On the lending side, the portfolio expanded by 17% to BDT 730,659 million, with well-calibrated exposure across SME, retail, and corporate segments.

Asset Quality:

Asset quality improved materially, with the NPL ratio declining to 2.27% from 2.63% in the prior year - a testament to disciplined underwriting and proactive risk management. Provision coverage strengthened to 133%, providing a robust buffer against credit cycle volatility and underscoring management's commitment to prudent balance sheet stewardship.

Profitability and Efficiency:

Total income reached BDT 57,946 million, representing 31% year-on-year growth, driven by strong net interest income expansion and fee income diversification. Rigorous cost discipline and process optimization reduced the cost-to-income ratio to 45% from 47%—reflecting structural efficiency gains rather than short-term cost reduction. Profit after tax reached BDT 15,809 million, a 30% increase year-on-year, with Return on Equity (RoE) improving to 18.02% and Return on Assets (RoA) advancing to 1.50%.

Capital Adequacy:

The Bank maintained a Capital Adequacy Ratio (CAR) of 15.63%, comfortably above regulatory minimums, affirming the strength of our capital base to absorb stress and support continued growth.

Total Revenue
- 2025: BDT 5,795 Cr
- 2024: BDT 4,425 Cr
- Growth: 31% ↑

Loan (EOP)
- 2025: BDT 73,066 Cr
- 2024: BDT 62,337 Cr
- Growth: 17% ↑

Profit After Tax
- 2025: BDT 1,581 Cr
- 2024: BDT 1,214 Cr
- Growth: 30% ↑

Deposit (EOP)
- 2025: BDT 88,952 Cr
- 2024: BDT 68,943 Cr
- Growth: 29% ↑

Total Asset
- 2025: BDT 117,967 Cr
- 2024: BDT 93,013 Cr
- Growth: 27% ↑

ROE
- 2025: 18.02%
- 2024: 17.36%
- Growth: ↑

ROA
- 2025: 1.50%
- 2024: 1.46%
- Growth: ↑

EPS(BDT)
- 2025: 7.94
- 2024: 6.10
- Growth: ↑

NPL Coverage
- 2025: 133%
- 2024: 134%
- Growth: ↑

CIR
- 2025: 45%
- 2024: 47%
- Growth: ↑

CRAR
- 2025: 15.63%
- 2024: 14.95%
- Growth: ↑

NAV
- 2025: BDT 50.08
- 2024: BDT 38.07
- Growth: ↑

Strategic Priorities: Innovation, Sustainability, and Social Impact

Beyond financial metrics, 2025 marked a year of purposeful strategic execution. BRAC Bank deepened its role as a driver of Bangladesh's digital transformation, sustainable finance, and inclusive economic development.

Digital Innovation

- Our flagship mobile banking platform, Astha, surpassed one million active users and facilitated record monthly transactions of BDT 20,000 crore—the highest volume in the industry—affirming our position as the leading digital banking institution in Bangladesh.
- We pioneered Shafollo e-loan, Bangladesh's first instant digital SME loan, democratizing access to formal credit for small traders and grassroots entrepreneurs through a seamless, paperless experience.
- Through the Shubidha Agri-lending programme, we extended financial inclusion to 10,000 farming families, disbursing BDT 70.60 crore and directly benefiting an estimated 35,000 rural individuals.

Sustainable Finance and ESG Leadership

- BRAC Bank issued Bangladesh's inaugural Social Subordinated Bond, valued at BDT 1,000 crore and endorsed by S&P Global Ratings. Proceeds are channeled towards CMSMEs, women-led enterprises, and essential services—a landmark in the nation's sustainable capital markets development.
- The Bank was recognized as the Sustainable SME Financier of the Year – Asia at the Global SME Finance Awards 2025, affirming international recognition of our leadership in responsible SME financing.
- Bloomberg ranked BRAC Bank No. 1 in ESG performance among Bangladeshi financial institutions, while Bangladesh Bank classified us among the top sustainable banks in the country for the fifth consecutive year.

Corporate Social Responsibility

- Conducted financial literacy programmes spanning all 64 districts of Bangladesh, equipping youth with the knowledge and skills for responsible financial participation.
- Organized a dedicated Job Fair for Persons with Disabilities, facilitating meaningful employment for 46 individuals across diverse industries—a demonstration of our commitment to inclusive growth.
- Sponsored the Aporajeyo Alo Women's Hockey Tournament and hosted Breast Cancer Awareness Month events in partnership with Green Delta Insurance, reflecting our investment in community wellbeing beyond banking.

Recognition and External Validation

The following recognitions in 2025 independently validate BRAC Bank's performance, governance, and institutional standing:

- Secured the highest credit rating, 'AAA', from the Credit Rating Agency of Bangladesh (CRAB) for the third consecutive year—the gold standard of institutional creditworthiness.
- Awarded Best Bank in the Private Sector at the Commonwealth Business Excellence Awards 2025.
- Received the ICMAB Best Corporate Award – Gold and the ICSB National Award – Gold, recognizing excellence in corporate reporting and governance.
- Surpassed USD 1 billion in market capitalization—becoming the first and only bank in Bangladesh to achieve this milestone—reflecting sustained investor confidence in our long-term value creation strategy.

Strategic Outlook

As we enter the next phase of our growth journey, BRAC Bank is firmly positioned to capitalize on emerging opportunities while maintaining the financial discipline that defines our institutional character. Our strategic priorities are clear:

- Strengthen balance sheet quality through rigorous credit monitoring, enhanced provisioning frameworks, and continued reduction in NPL ratios.
- Optimize our funding mix to reduce cost of funds, improve net interest margins, and enhance long-term profitability.
- Accelerate digital transformation, leveraging automation, data analytics, and artificial intelligence to improve customer experience, productivity, and operational efficiency across all business lines.
- Invest in human capital through targeted capability development, succession planning, and performance-driven culture—ensuring our people remain our most enduring competitive advantage.
- Advance our ESG agenda, build on our sustainability leadership to attract patient capital, strengthen regulatory relationships, and create long-term societal value.

Our commitment to transparent financial reporting, sound governance, and ethical stewardship remains inviolable. We are confident that this combination of disciplined execution and forward-looking strategy will enable us to consistently generate superior returns for our shareholders while contributing meaningfully to Bangladesh's economic transformation.

In closing, I wish to express my profound gratitude to our valued shareholders, the Board of Directors, our regulators—particularly Bangladesh Bank—and all stakeholders for their continued trust, guidance, and partnership. I also extend my deepest appreciation to our dedicated colleagues, whose integrity, commitment, and professionalism are the foundation of everything we have achieved and aspire to build.

M Masud Rana FCA
Additional Managing Director & Chief Financial Officer

MESSAGE FROM THE CHIEF INFORMATION OFFICER

Technology has remained the central enabler of our ambitions, strengthening resilience, modernising systems, and enabling seamless, secure, and customer-centric banking experiences across the country.

A.S.M. Wasi Noman
Additional Managing Director & Chief Information Officer

Dear Stakeholders,

As I reflect on the progress of 2025, I do so with immense pride in how BRAC Bank PLC has continued to evolve as a technology-driven, customer-centric institution. This year has been a defining chapter in our transformation journey, where innovation, operational excellence, and sustainability converged to strengthen the foundation of our bank and prepare us for the future.

Technology has remained the central enabler of our ambitions. We have strengthened the resilience and reliability of our infrastructure, modernised our core systems, and expanded our network capacity to ensure that our services remain seamless and secure for customers across the country. Our focus has not only been on scaling technology but also on refining it, simplifying processes, consolidating systems, and enhancing governance to deliver a stable and efficient banking environment. The successful modernisation of our loan management and card systems, the expansion of digital onboarding capabilities, and the integration of intelligent automation into our operations reflect our commitment to building a smarter, faster, and more responsive institution.

Across Retail and SME Banking, our digital footprint has deepened significantly. Customers today can experience a fully digital journey from onboarding to transactions, from credit processing to service requests supported by enhanced platforms and streamlined workflows. Instant approvals, digital signatures, automated payment solutions, and integrated credit scoring models have transformed how we serve individuals and entrepreneurs. For our SME clients, we have digitised key stages of the loan lifecycle and expanded automation across operations, reducing processing time while strengthening risk oversight. These advancements are not merely technological milestones; they represent our promise to empower businesses and individuals with convenience, speed, and transparency.

In Wholesale Banking, we have reinforced our digital channels and strengthened connectivity with corporate partners through secure integrations and enhanced transaction capabilities. By enabling continuous service availability and expanding digital payment options, we have made corporate banking more agile and dependable. Our efforts ensure that businesses can operate with confidence, supported by robust systems designed for scale and stability.

Our Distribution Network and Operations teams have worked tirelessly behind the scenes to ensure that every technological upgrade translates into tangible improvements at the branch level. Enhanced queue management systems, intelligent customer support tools, and strengthened eKYC capabilities have significantly improved service delivery. Automation of manual processes in account opening and data management has increased efficiency while reducing

operational risk. These improvements reaffirm our commitment to providing a superior customer experience at every touchpoint, whether digital or physical.

Sustainability continues to guide our operational philosophy. We have progressed in implementing environmentally responsible initiatives, including renewable energy solutions for our SME units and refining green office practices. By embedding sustainability into our infrastructure and procurement processes, we are ensuring that growth is aligned with environmental stewardship. Transparency and governance remain integral to our procurement and infrastructure development activities, creating a fair and accountable ecosystem for all partners while supporting local businesses.

Simultaneously, we have strengthened our institutional backbone through the ongoing development of our own premises, enhanced data centre capabilities, and the advancement of our Disaster Recovery framework. We design these investments to secure long-term resilience, safeguard customer trust, and support uninterrupted service in an increasingly digital world.

As we move forward, our vision is clear. We will continue leveraging advanced data capabilities, customer relationship management tools, and collaborative fintech partnerships to create more personalised and intuitive banking experiences. Our goal is to deliver a truly omnichannel journey where customers interact with us effortlessly, supported by intelligent systems that anticipate their needs while upholding the highest standards of security and compliance.

The achievements of 2025 are the result of the collective dedication of our employees, partners, regulators, and most importantly, our customers who continue to place their trust in us. I extend my sincere gratitude to all stakeholders for being part of this journey. Together, we will continue to build a resilient, innovative, and sustainable BRAC Bank PLC that contributes meaningfully to the progress of our nation while staying true to our core values.

A.S.M. Wasi Noman
Additional Managing Director &
Chief Information Officer

CORPORATE ORGANOGRAM

GOVERNING STRUCTURE & GROUP STRUCTURE

BRAC Bank PLC maintains a comprehensive governance framework designed to ensure strategic oversight, effective risk management, regulatory compliance, and operational accountability. The framework integrates internal governance mechanisms with a strong external regulatory environment, aligning the Bank's operations with both national regulations and international best practices.

Internal Structure

At the apex of the governance structure is the Board of Directors, which provides strategic direction, approves key policies, and oversees the overall performance and sustainability of the Bank. The Board is supported by several specialized Board Committees, including the Audit Committee, Risk Management Committee, and Executive Committee, each responsible for strengthening governance oversight in their respective areas. The Audit Committee oversees financial reporting, internal control systems, and regulatory compliance, while the Risk Management Committee monitors the Bank's risk profile and ensures that appropriate policies and frameworks are in place to manage credit, operational, market, and technology-related risks. The Executive Committee facilitates timely decision-making on strategic and operational matters requiring prompt attention.

The Senior Management Team, led by the Managing Director and Chief Executive Officer, is responsible for executing the strategies and policies approved by the Board. Management ensures the effective implementation of business strategies, operational efficiency, and prudent risk management across all functions of the Bank.

An independent Internal Audit function, reporting to the Board through the Audit Committee, provides objective assurance on the adequacy and effectiveness of the Bank's internal control systems, governance processes, and risk management practices. Through periodic audits and reviews, the function identifies potential control gaps and recommends corrective measures to strengthen operational integrity.

The Bank conducts its operations through a number of business and support divisions. Core business segments include SME Banking, Retail Banking, Corporate Banking, and Treasury, which drive the Bank's growth and customer engagement. These are supported by enabling functions such as Information Technology, Human Resources, Finance, Risk Management, and Operations, ensuring efficient service delivery and institutional resilience.

External Structure

Externally, the Bank operates within a well-defined regulatory environment governed by national authorities. The primary regulator, Bangladesh Bank, supervises banking operations and maintains financial stability in the sector. Capital market activities are overseen by the Bangladesh Securities and Exchange Commission, which ensures market transparency and investor protection. Tax compliance is administered by the National Board of Revenue, while corporate registration and statutory compliance are regulated by the Registrar of Joint Stock Companies and Firms.

In addition, the Bank collaborates with several international development finance institutions, including the International Finance Corporation, British International Investment, and DEG – Deutsche

Investitions- und Entwicklungsgesellschaft. These partnerships provide long-term funding, technical expertise, and strategic guidance, enabling the Bank to align with global standards in sustainable finance and Environmental, Social, and Governance (ESG) practices.

Through this integrated governance framework, the Bank ensures accountability, transparency, and responsible decision-making while maintaining strong alignment with regulatory expectations and global banking standards.

Group Structure

BRAC Bank PLC operates a diversified group structure comprising subsidiaries and an associate company that collectively enable the delivery of a broad range of financial and digital services. This integrated ecosystem supports the Bank's strategy of expanding financial inclusion and offering comprehensive financial solutions across multiple segments of the economy.

bKash Limited

An associate company of the Bank, is one of the world's largest mobile financial service providers and plays a central role in advancing digital financial inclusion in Bangladesh. Through its extensive digital ecosystem, it enables secure and accessible financial transactions for millions of customers across the country.

BRAC EPL Investments Limited

A wholly owned subsidiary, provides merchant banking services including portfolio management, issue management, underwriting, and corporate advisory. The company supports institutional and individual clients in accessing and navigating the country's capital markets.

BRAC EPL Stock Brokerage Limited

Offers stock brokerage services to both local and international investors and maintains a strong presence in the country's equity markets, including the Dhaka Stock Exchange and the Chittagong Stock Exchange. The company is recognized for its research capabilities and institutional brokerage services.

BRAC SAAJAN Exchange Limited

Headquartered in the United Kingdom, serves as an important channel for facilitating remittance inflows to Bangladesh. Through its network and digital capabilities, the company supports secure and efficient cross-border remittance services for the Bangladeshi diaspora.

BRAC IT Services Limited (bracIT)

Operating as an associate company, bracIT provides end-to-end IT solutions and digital transformation support. In 2025, it remained a strategic partner in the Bank's "technology-first" agenda, focusing on AI integration and cybersecurity.

This robust group structure reinforces BRAC Bank's position as a nationally significant financial institution, driving synergy across banking, capital markets, and digital finance to ensure sustainable value for all stakeholders.

MANAGEMENT COMMITTEE

From Left to Right (Seated)

Nazmur Rahim
Deputy Managing Director and Head of Alternate Banking Channels

Chowdhury Moinul Islam
Deputy Managing Director and CAMLCO

From Left to Right (Standing)

Md. Muniruzzaman Molla
Deputy Managing Director and Head of Operations

Sheikh Mohammad Ashfaque
Deputy Managing Director and Head of Branch Distribution Network

M Masud Rana, FCA
Additional Managing Director and Chief Financial Officer

Syed Abdul Momen
Additional Managing Director and Head of SME Banking

Tareq Refat Ullah Khan
Managing Director and CEO

From Left to Right (Seated)

Ahmed Rashid Joy
Additional Managing Director and Chief Risk Officer

Monzula Morshed
Deputy Managing Director and Chief Human Resources Officer

From Left to Right (Standing)

Md. Shaheen Iqbal, CFA
Additional Managing Director and Head of Wholesale Banking

A.S.M. Wasi Noman
Additional Managing Director and Chief Information Officer

Md. Asif Bin Idrish
Deputy Managing Director and Head of Corporate, Commercial & Institutional Banking

Md. Mahiul Islam
Deputy Managing Director and Head of Retail Banking

Abdullah Al Mamun
Deputy Managing Director & Head of Internal Control and Compliance

EXTENDED MANAGEMENT TEAM (EMT)

From Left to Right (Seated)

Mahboobur Rahman
Head of Wholesale Underwriting, Area-1, Risk Management

Kazi Asaduzzaman
Head of Asset and ROC Operations, Operations

Tapati Bose
Head of Retail Deposit and Initiatives, Retail Banking

From Left to Right (Standing)

Imtiaz Ahmed
Head of ADC, Alternate Banking Channels

M Mahbubur Rahman FCS
Company Secretary

AKM Faisal Halim
Head of Transaction Banking, Wholesale Banking

Mokerrobin Mannan
Chief Digital Officer

Taher Hasan Al Mamun
Senior Zonal Head (South), Distribution Network

Rasheed Ahmed
Chief Legal Officer

Ekram Kabir
Chief Communication Officer

From Left to Right (Seated)

Farhana Sharmin Sumi
Senior HR Business Partner, Retail Banking and Treasury & FI, Human Resources

Indrajit Sur
Head of Medium Business and Supply Chain Finance, SME Banking

Mohammad Abdul Ohab Miah FCA
Financial Controller, Financial Reporting, Finance

From Left to Right (Standing)

Indraneel Chattopadhyay
Chief Marketing Officer

A.K.M. Tareq
Senior Zonal Head (North), Distribution Network

Brig Gen Md. Amin Akbar (Rtd)
Head of General Services

Khan Md. Golam Shahriar
Senior Deputy CAMLCO

M. Sarwar Ahmed
Head of Specialized & Vigilance Audit, Internal Control and Compliance

Alomgir Hossain
Head of Cottage, Micro & Small Business, SME Banking

Mesbah Uddin Muntassir
Senior HR Business Partner, SME, Legal and Recovery, Human Resources

Nurun Nahar Begum
Chief Technology Officer

Nazmul Ahsan, CFA
Head of Treasury

WOMEN ADVANCING WITH BRAC BANK, AT BRAC BANK

Women's access to finance and their growing role in entrepreneurship and professional life have remained central to BRAC Bank's journey since inception. Through initiatives supporting women entrepreneurs, expanding financial literacy, and fostering an inclusive workplace, the bank continues to create pathways for women to thrive as economic contributors and leaders.

BRAC Bank celebrates the women of, at, and with the bank whose ambition, resilience, and achievements continue to shape a more inclusive financial landscape.

Retail Banking and Financial Inclusion

Through its women-focused banking platform TARA, BRAC Bank has steadily expanded women's participation in formal finance, facilitating savings, digital banking, and responsible borrowing. By the end of 2025, the platform served over 465,340 women customers, reflecting a 22% year-on-year (YoY) growth. These customers hold more than 466,000 accounts, while deposits reached approximately BDT 12,968 crore, up 38.7% from the previous year.

Women now contribute 31% of the bank's total retail deposits. The retail lending portfolio for women reached BDT 1,386 crore in 2025, growing over 40% YoY, while more than 20,000 women accessed retail loans. Credit card issuance to women rose to nearly 29,500 cards. Over 200,000 women are now registered on Astha, the bank's digital platform. The Homemaker Account allows women without formal income documentation to open accounts in their own name, extending financial inclusion to previously excluded segments.

Women Entrepreneurs and SME Support

TARA's ecosystem complements broader SME initiatives, providing access to credit, enterprise support, and market linkages. The WSME lending portfolio for women reached BDT 2,608 crore in 2025, growing over 22% YoY, with 93% of loans being collateral-free. WSME deposits grew 67% YoY to BDT 2,873 crore. BRAC Bank currently serves more than 130,000 WSMEs and holds 23% of the total private commercial banks' WSME lending portfolio. The WSME portfolio maintains a non-performing loan (NPL) ratio of just 1.3%, demonstrating that when women entrepreneurs are trusted with access to credit, they deliver exceptional results.

BRAC Bank supported women-led businesses nationwide. Branch-level training programmes across 64 districts engaged nearly 1,900 women entrepreneurs, providing guidance on business documentation, banking services, and business management. About 25% of participants accessed loans, while over 60% formalised transactions by opening accounts.

The Amrai TARA initiative delivered intensive training in 10 districts—including Narayanganj, Chattogram, Mymensingh, and Khagrachari—engaging 300 women entrepreneurs in practical business management and digital marketing. The Uddokta 101 accelerator, in collaboration with Dhaka University, BRAC University, Daffodil International University, East West University, and Chattogram Independent University, trained 263 women in 2025, offering mentorship, practical modules, and opportunities to showcase products at campus trade fairs.

To support market access, the TARA Uddokta Mela in Dhaka showcased products from 85 women entrepreneurs, generating BDT 1.4 crore in direct sales and BDT 26 lakh in pre-orders, with QR transactions exceeding BDT 16 lakh. The UddogTARA accelerator provided digital training for over 250 participants in branding, photography, accounting tools, and online marketing.

Workplace Leadership, Career Development, and Inclusion

Female representation in the non-sales workforce at BRAC Bank reached 25% in 2025. The women's leadership development programme ELEA offered high-potential women structured leadership training and mentoring, with the first cohort comprising 24 participants.

BRAC Bank also launched Women Beyond Boundaries, a networking initiative where female leaders from across industries engage in conversations that encourage women employees to pursue leadership ambitions and broaden their professional horizons.

Employee support has been strengthened with a post-maternity return-to-work programme offering reintegration support, medical guidance, flexible arrangements, and counselling. The bank also introduced a professional certification reimbursement policy covering 75–100% of costs for women employees.

BRAC Bank introduced the Antibias@Workplace drive to address conscious and unconscious bias and foster a more equitable and inclusive work environment where women can thrive and progress.

The bank's daycare facility, previously limited to the head office, expanded to additional locations in 2025, supporting employees in balancing work and family responsibilities. BRAC Bank enforces a Sexual Harassment Elimination (SHE) Policy, reflecting zero tolerance for workplace harassment.

CSR and Social Empowerment

Through CSR initiatives, 807 female students from economically disadvantaged backgrounds received the Aporajeyo TARA Scholarship. About 342 athletes from all eight divisions showcased their talent at the Aporajeyo Alo Women's Hockey Tournament. The Aporajeyo Ami initiative trained 44 women with hearing and speech impairments in sewing skills, 56 women with disabilities in digital and marketing skills, and helped over 40,000 women regain eyesight through free screenings, cataract surgeries, and optical services.

OUR PRESTIGIOUS AWARDS 2025

ICMAB

Best Corporate Award 2024 – **Gold**

Bangladesh Bank

Top-10 Sustainable Banks 2024 (5th consecutive year)

ICSB

Corporate Governance Excellence 2024 – **Gold**

Bloomberg ESG

Number 1 in ESG Rating among Bangladeshi Banks

VISA

Excellence in Cross-Border Debit

VISA

Excellence in Product Innovation – Cross-Border Medical Debit Card

VISA

Excellence in Value Proposition in an Affluent Card

VISA

Excellence in Visa E-commerce Business (Issuing)

VISA

Excellence in Visa POS Acquiring Business

VISA

Excellence in Visa E-commerce Acquiring Business

Global SME Finance

Sustainable SME Financier of the Year – **Asia**

Mastercard

Excellence in Credit Business

(Domestic + Cross Border)

Mastercard

Excellence in Business (Affluent)

J.P. Morgan Chase

4 Elite Quality Recognition Awards

Financial Alliance for Women

Gender Data Champion Award

Commonwealth Business

Best Bank in Bangladesh

Ministry of Exp. Welfare

Top Remittance Award

Centre for NRB

Top Ten Remittance Award

Ministry of ICT (CCA)

Best Digital Signature User Award

Qorus-Infosys

Reinvention & Finacle Innovation Awards 2025

EVENT HIGHLIGHTS 2025

BRAC Bank's Chairperson Meheriar M. Hasan formally inaugurated state-of-the-art 'Digital First' branch on North Gulshan Avenue in Dhaka. As the bank's first 'Digital First' branch, this branch reimagined a customer-centric model that blends personalised service with advanced technology.

Bangladesh Bank organised a two-day seminar on the Cashless Bangladesh Initiative in Rajshahi, with BRAC Bank serving as the Lead Bank, to promote digital transactions and enhance financial awareness.

BRAC Bank extended landmark financing to MJL Bangladesh PLC for the acquisition of two ocean-going Aframax oil tankers - the largest vessels registered under the Bangladeshi flag. The bank's Chairperson Meheriar M. Hasan, Managing Director & CEO Tareq Refat Ullah Khan and Managing Director of MJL Bangladesh Azam J. Chowdhury were present at the signing ceremony.

BRAC Bank and Infrastructure Development Company Limited (IDCOL) jointly financed a landmark renewable energy initiative, a 64.55 MW solar power plant, operated by Bangladesh China Renewable Energy Company Limited (BCRECL).

BRAC Bank launched 'PRANTIK', an in-house developed Agent Banking System, that will deliver seamless and secure banking services to customers across the most remote corners of Bangladesh.

BRAC Bank launched a new Platinum Multicurrency debit card on the Mastercard network. The bank's Managing Director & CEO Tareq Refat Ullah Khan and Country Manager, Bangladesh of Mastercard Syed Mohammad Kamal were present.

Managing Director & CEO Tareq Refat Ullah Khan received certificate of Sustainability Rating 2024 from the then Bangladesh Bank Governor Ahsan H. Mansur, a recognition BRAC Bank achieved for the fifth consecutive year.

BRAC Bank was honoured with the Sustainable SME Financier of the Year – Asia at the prestigious Global SME Finance Awards 2025. Additional Managing Director and Head of SME Banking Syed Abdul Momen received the award in Johannesburg, South Africa.

BRAC Bank launched the country's first SME Innovation Lab - "Finnovision" - to help small businesses grow and thrive by adopting innovative solutions.

Managing Director & CEO Tareq Refat Ullah Khan received the ICMAB Best Corporate Award 2024 (Gold Award) from the then Adviser to the Ministry of Commerce Sk. Bashir Uddin.

The Institute of Chartered Secretaries of Bangladesh (ICSB) conferred the 'Gold Award' to BRAC Bank at 12th ICSB National Award for Corporate Governance Excellence 2024 in General Banking Category.

BRAC Bank was awarded four prestigious 2025 Elite Quality Recognition Awards from J.P. Morgan Chase Bank, N.A., in recognition of the bank's exceptional Straight-Through-Processing (STP) performance in international payment operations.

The Ministry of Expatriates' Welfare & Overseas Employment awarded BRAC Bank the prestigious Remittance Award for the second consecutive year at a ceremony marking the International Migrants Day and National Expatriates Day 2025.

BRAC Bank was awarded the Top Ten Remittance Award at the World Conference Series 2025. This recognition demonstrates BRAC Bank's unwavering commitment to bolstering the economy by simplifying remittance processes for wage earners worldwide.

BRAC Bank Managing Director & CEO Tareq Refat Ullah Khan distributed prizes among the winners at the closing ceremony of 'BRAC Bank Aporajeyo Alo Women's Hockey Tournament 2025'. The partnership between BRAC Bank and Bangladesh Hockey Federation is aimed at promoting women's hockey in Bangladesh.

BRAC Bank, in collaboration with Tarupallab, presented the 'Dwijen Sharma Poribesh Padak 2024' to four individuals and institutions for their exceptional contributions to biodiversity conservation, environmental education, and ecological awareness in Bangladesh.

BRAC Bank expanded its 'Aporajeyo TARA Scholarships' programme to provide financial assistance to 300 female students at the University of Rajshahi.

BRAC Bank achieved an exceptional milestone by winning a record six prestigious awards at the Visa Leadership Conclave 2025.

BRAC Bank won three prestigious awards at the Mastercard Excellence Awards 2025 for its outstanding business and innovation in various card issuing and acquiring segments.

BRAC won the Gender Data Champion Award from the New York-based Financial Alliance for Women at Female Economy Awards 2025 in Kampala, Uganda.

BRAC Bank was honoured with the title of 'Best Bank in the Private Sector' of Bangladesh at the prestigious Commonwealth Business Excellence Awards 2025, held in Kuala Lumpur, Malaysia.

BRAC Bank won the Best Digital Signature User Award at the Public Key Infrastructure (PKI) Summit 2025, organised by the Controller of Certifying Authorities (CCA), under the Ministry of ICT. This accolade recognised the bank's pioneering adoption and sustained use of digital signature technology in its procurement operations.

BRAC Bank organised an Anti-Money Laundering (AML) Conference on the theme 'Contemporary Risks & Challenges' to enhance awareness and understanding of AML-related issues of its officials.

Managing Director & CEO Tareq Refat Ullah Khan handed over the first prize - a brand new Royal Enfield motorcycle - to the winner of foreign remittance campaign. The bank launched the campaign to encourage expatriate Bangladeshis to send their hard-earned money through legal and secure channels.

OUR STRATEGY TO CREATE VALUE

OUR STRATEGIC OBJECTIVES

BRAC Bank enters its next phase of growth anchored in a position of strength—underpinned by uncompromising governance, a distinguished Board, and an expert management team that has consistently delivered performance in a complex and evolving operating environment. The bank's leadership is reinforced by strong ratings from leading global agencies, strong regulatory confidence, and its active role on international platforms such as the Global Alliance for Banking on Values (GABV).

As the operating landscape becomes more competitive, digitised, and regulated, BRAC Bank's strategy is guided by its aspiration to become the – Most Trusted, Most Innovative and Most Inclusive bank in Bangladesh –ensuring that growth remains responsible, resilient, and aligned with national development priorities.

The Most Trusted, Innovative and Inclusive Bank

Trust is BRAC Bank's most valuable currency and the foundation of its long-term ambition. The bank's leadership has articulated trust not as perception, but as measurable confidence - reflected in customer loyalty, deposit composition, regulatory assurance, and internal discipline. Strengthening CASA mobilisation, eliminating discretionary exceptions, and embedding policy adherence across the organisation are central to this objective.

Innovation is positioned as a strategic enabler of trust. BRAC Bank's approach to innovation prioritises reliability, control, and scalability—balancing digital advancement with the strength of its physical network. Investments are directed towards transforming core banking experiences, synchronising digital and branch-led journeys, and embedding technology into compliance, risk management, and decision-making processes. Innovation at BRAC Bank is purposeful, it simplifies banking, accelerates service delivery, and strengthens governance simultaneously.

Inclusion gives innovation its purpose—ensuring that growth meaningfully expands opportunity across all segments of society. Together, trust, innovation, and inclusion define the bank's strategic identity and its role in national progress.

Customer Centricity and Experience Excellence

BRAC Bank's strategy places customers at the centre of its operating model, with a deliberate shift from transaction-led interactions to relationship-led engagement. Customer centricity is being redefined through sharper profiling, data-driven insights, and differentiated value propositions, moving away from uniform product offerings towards personalised solutions aligned with individual and business needs.

Customer centricity remains a foundational principle across all segments and functions of the bank. Every individual, entrepreneur, and institution engaging with BRAC Bank is approached with the same commitment to service excellence, convenience, and respect. By empowering frontline teams, simplifying processes, and applying digital enablement where it enhances ease and clarity, the bank delivers consistent, responsive, and reliable experiences across touchpoints. The focus extends beyond transactional efficiency to building trust—strengthening long-term relationships, deepening loyalty, and reinforcing the bank's role as a dependable financial partner for all.

Strategic Focus Across SME, Retail and Corporate Banking

BRAC Bank's business strategy is anchored in a diversified yet integrated portfolio spanning SME, Retail, and Corporate Banking, ensuring balanced growth, risk diversification, and sustainable returns.

SME Banking remains the bank's defining strength and purpose. CMSMEs now constitute over 42% of the loan portfolio, uniquely positioning BRAC Bank as the country's true SME bank. Building on its pioneering role, the bank's ambition extends beyond domestic leadership - to evolve into South Asia's leading SME bank.

Retail Banking plays a critical role in strengthening funding stability, deepening customer relationships, and supporting CASA-led growth. Our Retail Banking is designed to enhance productivity, improve customer economics, and reduce operational friction, while aligning physical and digital engagement models.

Our Corporate, Commercial and Institutional Banking complements this ecosystem by driving scale, trade finance leadership, structured solutions, and fee-based income. Together, the three segments operate

within a unified 'phygital' framework—where branches, SME unit offices, agent banking, and digital platforms function as a single, integrated delivery system.

Digital Enablement as a Strategic Accelerator

Digital transformation at BRAC Bank is beyond technology - a business imperative. Investments in modern core banking systems, mobile and internet banking platforms, loan origination systems, and data infrastructure are designed to enhance speed, accuracy, and governance across the organisation.

Key platforms such as Astha, CORPNet, eLAP, and instant digital lending solutions are complemented by enterprise-wide initiatives in analytics, AML solutions, asset-liability management systems, and trade management platforms. These capabilities enable smarter decision-making, stronger compliance, and higher productivity, positioning digital as an accelerator of performance.

Financial Inclusion with Discipline

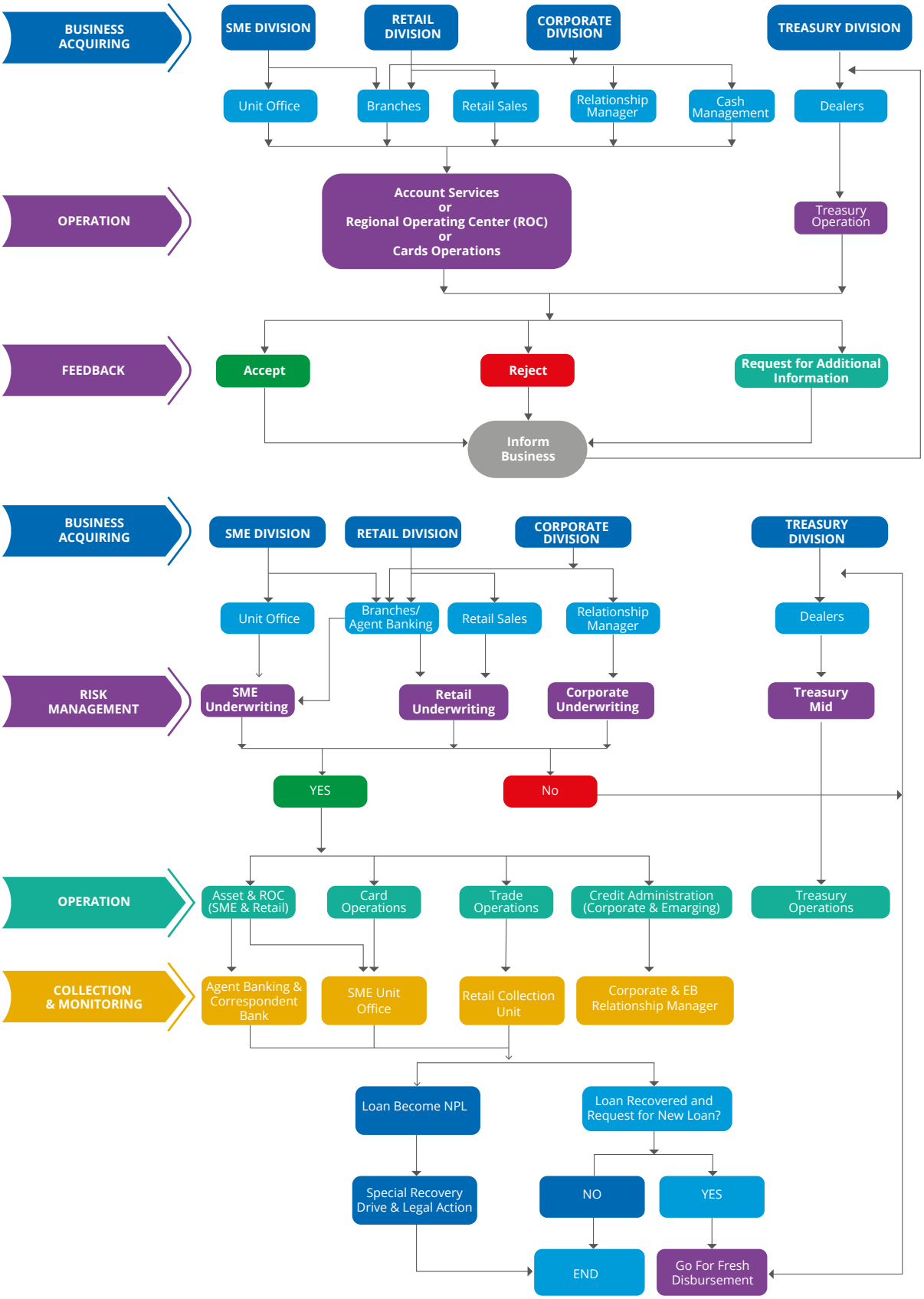
Since its inception, BRAC Bank has advanced financial inclusion as a tool for social mobility and economic resilience. By extending formal credit, savings, and transaction services to micro, small, and medium enterprises, rural entrepreneurs, women-led businesses, and first-time banking customers, the bank enables livelihoods to stabilise, enterprises to formalise, and communities to participate meaningfully in the national economy. Collateral-free SME financing, agent banking outreach in rural and semi-urban regions, and purpose-built retail solutions have reduced dependency on informal finance, unlocked productivity, and supported income generation at the grassroots level—where economic growth is most transformative.

Values-Based Banking and Corporate Governance

Strong governance, ethical conduct, and regulatory compliance form the bedrock of BRAC Bank's operating model. Over the 25 years, the bank has significantly strengthened its compliance culture, achieving satisfactory regulatory ratings across all parameters and emerging as a reference point for governance standards within the industry.

This framework has translated into strong capitalisation, consistent performance, and high investor confidence—reflected in the bank's market leadership and substantial international institutional shareholding. Recognition from global agencies, including S&P Global Ratings, Moody's Investors Service, Bloomberg ESG ratings, and Bangladesh Bank's sustainability assessments, affirms the bank's commitment to transparency, accountability, and responsible growth.

WORK FLOW OF BRAC BANK



OUR STAKEHOLDER-CENTRIC VALUE CREATION FOCUS

At BRAC Bank, our focus remains steadfast: delivering sustainable, long-term value to our diverse stakeholders. We believe that banking is more than financial transactions; it is about building a socially responsible institution that fosters a just, healthy, and poverty-free society. As we advance, we are transitioning from simply meeting expectations to actively driving systemic impact through innovation and resilience.

Our current value creation agenda integrates Environmental, Social, and Governance (ESG) principles into our core DNA. By prioritizing digital inclusion and SME empowerment, we are ensuring that every loan disbursed and every digital tool rolled out contributes to a much larger narrative—one where finance uplifts people while safeguarding our planet.

The following outlines the broader value we foster across our stakeholder ecosystem

- **Sustain Public Trust:** Act as the premier custodians of financial welfare, ensuring the security and prosperity of our customers' assets.
- **Drive Financial Inclusion:** Empower individuals with the tools and insights needed to make informed life choices and achieve their personal goals.
- **Champion Digital Integration:** Accelerate digital literacy and safety through immersive training, providing seamless access to our digital ecosystem.
- **Catalyse Employment:** Leverage our extensive national footprint to facilitate job creation and economic opportunities across Bangladesh.
- **Deepen ESG Integration:** Embed rigorous ESG standards across all operations to maximize our socio-financial and environmental impact.
- **Uplift Vulnerable Communities:** Expand our citizenship programs to provide essential support for underprivileged and marginalized households.
- **Partner in Nation-Building:** Strengthen our commitment to the state treasury and regulatory excellence as a primary contributor to national development.
- **Fortify Small Businesses:** Power the SME sector through strategic procurement and specialized credit facilities, acting as a growth engine for local suppliers.
- **Ensure Radical Transparency:** Maintain open, high-fidelity communication with media, regulators, and industry bodies.
- **Champion Human Rights:** Uphold the highest standards of fair labour and civil rights, ensuring dignity and equity for all within our value chain.

OUR VALUE CREATING BUSINESS MODEL

KEY INPUTS →

CAPITAL INPUTS	CREATION DRIVERS FOUNDATIONS	OUTCOMES	STAKEHOLDERS' IMPACTED

CAPITAL INPUTS

HUMAN
- **10,293** full time employees (FTEs)
- Women in workforce: **16.10%**
- **508,602** total training hours (430 training programs)
- People-centric culture

FINANCIAL
- **BDT 99,702 million** shareholders' funds
- **BDT 889,517 million** deposits
- **BDT 140,353 million** external borrowings

INTELLECTUAL
- Over 25 years of banking expertise
- Valuable homegrown brand
- Strong tech platforms
- Collaboration with FinTech's

MANUFACTURED
- Key Customer Touch Points: **194 branches** nationwide
- **446** SME unit offices
- **1,122** agent banking outlets with all 64 districts covered
- **329 ATMs, 68 RCDMs** and **103 CRMs**
- Digital banking ecosystem: Astha, Supply chain financing, Subidha, Corpnet
- Corporate office and other locations
- Data centers

NATURAL
- Natural resources consumed – electricity, fuel, renewable energy, water, paper, etc.
- ESG screening of portfolio
- Sustainable financing model

SOCIAL AND RELATIONSHIP
- More than **BDT 247.09 mn** invested in CSR
- Partnership with government for contributing to nation's interests
- Donation and contributions during crisis situations

CREATION DRIVERS FOUNDATIONS

- Workforce planning
- Fair recruitment policies
- Employee training and development
- Transparent performance appraisal
- Strong rewards and recognition policies
- Career advancement opportunities
- Best-in-class compensation standards

- Stringent asset quality selection criteria
- Comprehensive suite of loan products
- Wide range of deposit products
- Quick loan TAT for eligible borrowers
- Strong collections efficiency
- Ongoing monitoring
- Focus on lower-cost CASA
- Diversified borrowings

- World class core banking software (CBS)
- Data-driven decision-making system
- Process automation
- Best in class security standards
- Technology audits
- Customer need surveys and segmentation
- Design and development of products and services
- Development of key processes

- Strong frontline sales force
- Marketing and communications
- Distribution network set-up
- Customer service and complaint management
- Robust asset management practices
- MIS for improved decision making

- Green Finance Expansion
- Carbon Footprint Disclosure
- Digital Transformation
- Regulatory Compliance Leadership
- Climate Risk Integration

- Financial Inclusion
- SME Empowerment
- Community Investment
- Stakeholder Trust
- Global Partnerships
- Customer Experience
- Remittance Services

OUTCOMES

HUMAN
- **2,071 FTE** & **1,906** outsourced onboarded
- **15.89%** female onboarded
- **115,072** training participants, **31.57** average man hour
- **120** females in management roles

FINANCIAL
- Revenues: **BDT 57,946 million**
- Operating profit: **BDT 31,886 million**
- Net profit: **BDT 15,809 million**
- Return on assets: **1.50%**
- Return on equity: **18.02%**
- Dividend: **30%** (proposed)

INTELLECTUAL
International awards & recognition received:
- **Gold** – ICMAB Best Corporate Award 2024
- **Gold** -in the ICSB National Award 2024.
- Awarded **Best Bank** in the Private Sector at the Commonwealth Business Excellence Awards 2025
- Recognition as **one of the top 10 Sustainable Banks** by Bangladesh Bank
- Top sustainable bank in recent Bloomberg ESG rating.
- Issued BDT 1000 crore social bond accroding to ICMA principles.

MANUFACTURED
- More than **2.3 million** business customers
- **7.9 million** - total no. of transactions through agent banking channel
- 160k plus users in and BDT 79000 mn plus transaction volume in Astha digital banking app.
- 30k plus - loan processed through automated Loan System
- Supply Chain Financing Solution launched as new business channel for SME
- Document management system reduced turn-around-time, enhanced customer experience

NATURAL
- Reduced Carbon Footprint
- Resource Conservation
- Energy Transition Metrics
- Waste Reduction

SOCIAL AND RELATIONSHIP
- Contributed **BDT 50.17 million** through the Aporajeyo TARA Scholarship to support **807 female students** pursuing higher education from more than 25 districts in Bangladesh
- Contributed BDT 5.38 million in Uddokta 101, facilitating the graduation of 348 women entrepreneurs
- Provided scholarships to 35 children with disabilities from 33 co-workers.
- Invested BDT 29.22 million that enabled **47,534 individuals** to access essential eye screening services

STAKEHOLDERS' IMPACTED

HUMAN
- Customers
- Board & Management
- Employees

FINANCIAL
- Shareholders/Investors
- Customers
- Employees
- Regulator

INTELLECTUAL
- Customers
- Board &Management
- Employees

MANUFACTURED
- Local Communities
- Customers
- Employees

NATURAL
- Local Communities
- Customers
- Employee

SOCIAL AND RELATIONSHIP
- Local Communities
- Customers
- Government

KEY OUTPUTS

SDGS' IMPACTED

HUMAN

FINANCIAL

INTELLECTUAL

MANUFACTURED

NATURAL

SOCIAL AND RELATIONSHIP

OUR BUSINESS

Business Activities	Material Matters	Our Strategy	Key Risks
SME banking	Geopolitical & economic trends	Investing in key growth areas, including technology, marketing and Infrastructure	Credit
Corporate banking	Technology & digital transformation	Delivering innovative market-leading client experiences in all our Segments	Market
Retail banking	Customer satisfaction	Delivering Holistic Customer Value Proposition Leveraging a Collaborative Culture and Partnerships	Operational
Treasury management	Governance, compliance & conduct	Ramping Up the Next Wave of Digital Initiatives	Liquidity
Financial Intermediation	Ethical and transparent business practices	Futureproofing the Workforce	Cyber
Custodial Services	Leadership, talent development and retention	Integrating Environmental, Social and Governance (ESG) into Our Business	
Non-funded services	Environmental, Social & Governance (ESG) factors	Stewarding high-impact programs that enable grassroots upliftment	
Other banking services	Employee health and safety, workplace diversity and inclusion		
	Anti-corruption, anti-money laundering		
	Women empowerment		

STAKEHOLDER ENGAGEMENT AND VALUE CREATION

As a values-based financial services provider, BRAC Bank is deeply integrated into the ecosystem it serves. We safeguard value by aligning our strategic thrusts with the evolving needs of our stakeholders. In 2025, our engagement focused on maintaining trust during industry-wide volatility, ensuring that our "Triple Bottom Line" philosophy (People, Planet, Prosperity) translates into consistent, transparent value.

For the 2025 Annual Report, the stakeholder engagement section reflects BRAC Bank's shift toward digital-first inclusion and governance-led stability amidst a volatile macroeconomic climate.

Customers

Why are they important?

Customers are central to our business activities. Their support, through the purchase of our products and services, is vital in helping us achieve our strategic objectives.

Why are they important?

- Safe and convenient access (channel of choice), increasingly through digital channels
- Seamless customer experience
- Products cater to evolving needs
- Financial inclusion and literacy
- Data security
- Value-for-money banking that is competitive and transparent in pricing

Engagement Platforms

- Astha digital app and other digital and online solutions for retail customers
- CORPnet banking platform for corporate customers
- Numerous customer touch points, including branches and alternate delivery channels
- Contact centres
- Corporate website
- Media campaigns/advertisements
- social media

Our Approach

- Invest in digital platforms and solutions
- Deliver financial opportunities for different customer segments according to their financial needs and motivation
- Continuously enhance cybersecurity measures
- Digital innovation for easy anytime-anywhere access
- New product development
- Improvement of efficiency and service quality
- Expand geographical coverage area

Employee

Why are they important?

Achieving our strategic objectives relies significantly on the dedication and effectiveness of our team. Therefore, it is essential to create an environment that attracts, nurtures, and retains top talent.

Why are they important?

- A safe and healthy work environment, supported by flexible work practices
- Fair remuneration, effective performance management and recognition
- Career development and advancement opportunities
- Job security and career fulfillment
- Healthy work-life integration
- An empowering and enabling environment that embraces diversity and inclusivity

Engagement Platforms

- Training and professional development
- One-to-one interactions
- Townhalls
- Team building events (off-premises)

Our Approach

- Build ownership by motivating and engaging employees within the business
- Friendly HR practices
- Strong career development pathways
- Strengthen governance on employee well-being

Supplier

Why are they important?

The successful execution of our strategy is contingent on the vital products and services procured from our reliable supply chain partners. Strong relationships with these suppliers help us maximize the value of our business.

Our Approach

- Proper implementation of purchase orders
- Procurement policy ensuring strong controls and fair treatment
- Maintain fair engagement for all suppliers
- Streamlined payment processes
- Supplier development and extensive support initiatives
- Regular due diligence

What are their key expectations?

- Ethical procurement, guidance and effective communication
- Timely settlements

Engagement Platforms

- Business meetings
- Onboarding procurement process
- Performance evaluation
- Adhoc engagements

Shareholders & Investors

Why are they important?

A company with competent management, a solid financial position, and ethical business practices will entice the investment community to become its owners, which will result in a strong valuation of the company as measured by its stock price.

Why are they important?

- Share price appreciation and an attractive dividend stream
- Sustainable growth in earnings and NAV, financial returns, with ROE exceeding COE
- Attractive and sustainable growth strategy
- Sound balance sheet to protect against downside risk
- Strong, experienced and transparent management
- Compliance with regulatory/legal requirements
- Transparent reporting and disclosure

Engagement Platforms

- Annual General Meeting
- Dissemination of briefing materials - Investor presentations, financial statements
- Media briefings/media releases on significant events
- Announcements to stock exchanges
- BRAC Bank corporate website and dedicated investor relations (IR) mailbox

Our Approach

- Long term business strategy focused on wealth maximization and shareholder value creation
- Standard and sustainable dividend policy
- Active engagement with shareholders and the investment community
- Timely disclosures on financial results, asset quality and material events
- Strong governance and compliance culture

Business Partners

Why are they important?

Strategic partnerships enable us to accomplish our goals and objectives by offering crucial skills and expertise. To manage the business successfully and efficiently, it is crucial that we collaborate closely with our partners.

Why are they important?

- Ethical business practices
- Strong financial performance

Engagement Platforms

- Meetings, Knowledge Sharing Sessions and Webinars
- Seminars/Workshops

Our Approach

- Maintain good governance of partnerships
- Ensure mutual benefits for all parties

Community

Why are they important?

As a bank founded on moral principles, we have an ethical duty to support community organizations and the society in which we operate. Our sustainable business goals encompass socially responsible funding and fostering strong connections with the local community.

Why are they important?

- Support under-developed communities
- Contribute to grassroots development
- Partnering on common social and environmental issues
- Environmental preservation

Engagement Platforms

- Community projects
- Employee volunteerism
- Credit proposal analysis/ vetting
- Customer site visits
- Contributions to relief, zakat and other funds
- CSR Activities

Our Approach

- Invest in Corporate Social Responsibility (CSR) programs
- Financing of sustainable development to meet the SDGs
- Reducing our impact on the environment.
- Green finance and finance-linked to sustainability
- Finance responsibly
- Minimise carbon footprint

Government & Regulators

Why are they important?

Regulatory bodies and government agencies define the scope and limits of our operations. They continuously guide us, especially in the context of the global and macroeconomic environment, to prioritize actions that achieve broader economic goals and address economic crises. In return, we support socio-economic growth and financial stability through our adherence to policies.

Why are they important?

- Responsible banking practices
- Compliance with all legal and regulatory requirements
- Good corporate governance and business ethics
- Socio-economic growth

Engagement Platforms

- Regular meetings and update sessions
- Directives and circulars
- Trainings, seminars and workshops
- Feedback to regulators' information requirements

Our Approach

- Timely and accurate reporting
- Active participation in implementing government policies
- Strong internal controls and corporate governance mechanism
- Consistent exchequer contribution
- Contribute to various development programs

PUBLIC PERCEPTION AND RESPONSIBLE BANKING

• Corporate reputation and public image • Media coverage and stakeholder sentiment • Ethical conduct & integrity disclosures • Transparency in reporting good and bad news • CSR & sustainability reputation • Investor confidence and stakeholder engagement

BRAC Bank PLC's 2025 reputation and integrity profile reflects strong financial performance, transparent disclosures, and a deep commitment to sustainability and stakeholder trust. The bank's CSR initiatives, ethical governance, and consistent communication have reinforced investor confidence and public perception.

Public Perception & Reputational Integrity

Corporate Reputation & Public Image

- BRAC Bank is widely recognized as Bangladesh's leading SME-focused bank, with a reputation for innovation in digital banking and inclusive finance guided by its foundational philosophy of "More Than a Bank".
- Our consolidated net profit rose to BDT 22,509 mn in 2025, a 57% increase from 2024, strengthening its image as a resilient and growth-oriented institution.

Media Coverage & Stakeholder Sentiment

- Media coverage in 2025 highlighted BRAC Bank's record deposit growth (27% YoY) and expansion in loans and advances.
- Stakeholders, including customers and regulators, have responded positively to its digital transformation strategy and compliance with Bangladesh Bank regulations.
- Public sentiment is anchored by top-tier risk-profile affirmations, such as the highest 'AAA' domestic credit rating from CRAB.

Ethical Conduct & Integrity Disclosures

- The bank received an unqualified audit opinion in 2025, underscoring adherence to IFRS standards and regulatory compliance.
- Its governance framework emphasizes ethical banking practices, anti-money laundering measures, and transparent reporting.

Transparency in Reporting

- BRAC Bank publishes quarterly earnings disclosures and detailed annual reports, ensuring stakeholders are informed of both achievements and challenges.
- BRAC Bank's 2024 Sustainability & Impact Report enhanced transparency by highlighting both achievements and challenges, becoming the first Bangladeshi financial institution to fully disclose all GHG emissions under the PCAF methodology.

CSR & Sustainability Reputation

- CSR initiatives focus on financial inclusion, education, health and environmental sustainability.
- The bank has aligned its strategy with SDGs, emphasizing green financing and sustainable SME growth.
- Its social bond issuance further demonstrates commitment to impact-driven finance.
- BRAC Bank has secured the "Top Sustainable Bank" designation from Bangladesh Bank for five consecutive years.

For details please refer to page 332-388.

Investor Confidence & Stakeholder Engagement

- Consolidated Earnings per share (EPS) rose to BDT 9.12 in 2025, boosting investor confidence.
- The net asset value per share increased to BDT 51.56, reflecting strong capital strength.
- Regular AGMs and investor relations updates foster engagement and trust among shareholders.

Summary

Dimension	Highlights for BRAC Bank PLC (2025)
Corporate Reputation	Leading SME bank, strong digital image
Media Sentiment	Positive coverage on growth & compliance
Ethical Conduct	Unqualified audit, BB directives and IFRS compliance
Transparency	Quarterly disclosures, sustainability reports
CSR & Sustainability	SDG alignment, green financing, social bonds
Investor Confidence	EPS up 48%, NAV per share up 31%

OUR SIX CAPITALS AND VALUE CREATION MODEL

At BRAC Bank, sustainable value creation is driven by the effective management and integration of multiple forms of capital. Guided by the Integrated Reporting framework developed by the International Integrated Reporting Council (IIRC), the Bank recognises six interconnected capitals that underpin its strategy, operations, and long-term value creation.

By responsibly managing these capitals, BRAC Bank seeks to generate sustainable financial returns while contributing to inclusive economic growth, financial innovation, and social development in Bangladesh.

Financial Capital

Financial capital represents the funds available to support the Bank's operations, lending activities, and strategic investments.

BRAC Bank continued to strengthen its financial position in 2025 through balanced growth across deposits, loans, and non-funded income streams. As of 2025, the Bank maintained a strong balance sheet with customer deposits of approximately BDT 876,767 million (excluding bills payable & other deposit) and loans and advances of around BDT 730,659 million, supported by prudent risk management and diversified funding sources.

The Bank delivered strong profitability and shareholder returns, supported by efficient asset deployment and expanding revenue streams. In the year 2025, consolidated net profit after tax reached BDT 22,509 million, reflecting a 57% year-on-year increase, while deposits and total assets recorded robust growth.

Key financial indicators highlight the Bank's resilience (Solo):

18.02%	1.5%	15.63%	2.27%
Return on Equity (ROE)	Return on Assets (ROA)	Capital Adequacy Ratio	Non-Performing Loan Ratio

These metrics reflect the Bank's disciplined approach to capital management and its commitment to maintaining a strong financial foundation for sustainable growth.

Sustaining all-round fiscal performance despite macroeconomic indicators are gloomy

The bank has maintained its position of strength and delivered consistent growth across most of its key financial parameters. Despite the challenges induced by the macroeconomic indicators, we continued to deliver hefty growth in net earnings, with our solo profit after tax expanding by 30.26% in 2025. Further, the continuous monitoring of costs and building of operational efficiencies has resulted in a marginal decrease of 2% in the cost to income ratio to 45% over the previous year.

Maintaining financial stability

Asset growth

The bank's total assets rose by 27% to BDT 1,179,672 million in 2025, driven by loan and investments growth and enhanced liquidity position, with the bank seeking to build-up its liquidity buffers.

Asset quality

At BRAC Bank, our NPL ratio decreased to 2.27% in 2025 from 2.63% in the previous year, reflects bank's strength over non-performing asset management.

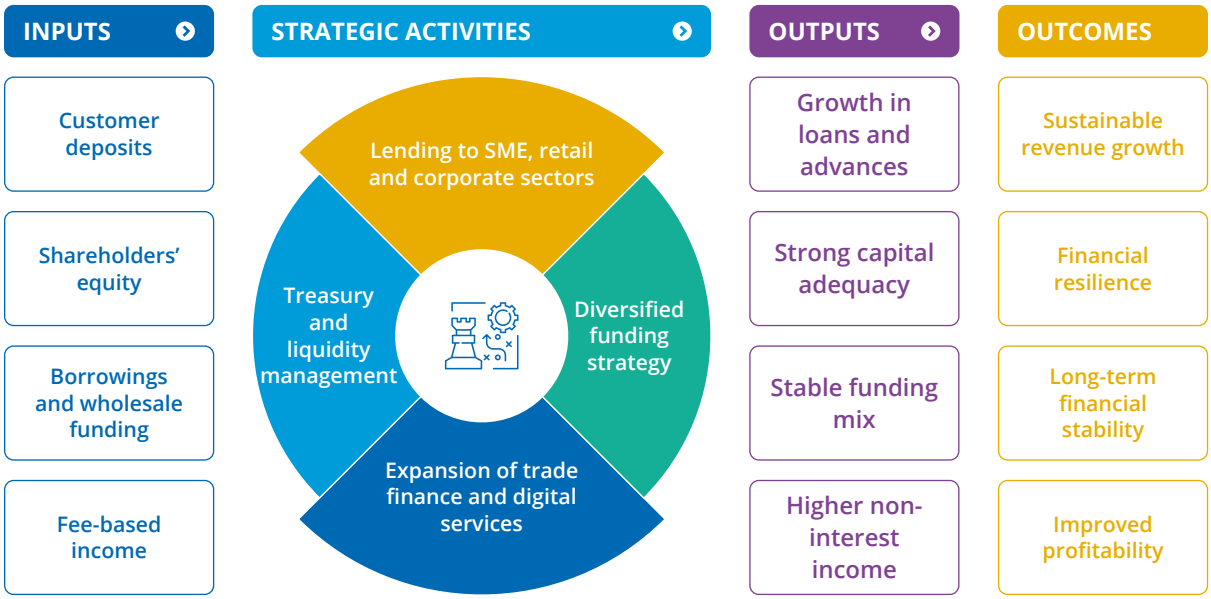
Capital and funding

- The bank's funding profile is dominated by deposits, with a share of 75% of total deposits as at end December 2025.
- Borrowings accounted for around 12% of the bank's funding profile during the year
- Strong profit retention during the year resulted in the bank's equity base increasing by 31.5% to BDT 99,702 million. Further, the bank's total risk-weighted capital ratio reached to 15.63%, comfortably above the regulatory requirement of 12.5%.

Shareholder return

Earnings per share (EPS) increased by 30.26% to BDT 7.94, reflecting the bank's improved profitability, while net asset value per share also expanded by 31.54% to BDT 50.08, with the bank continuing to record sound balance sheet growth. Considering this, the Board of Directors have declared a 30% dividend for the year 2025, split equally between cash and stock.

Value Creation Model



Forward Looking Statement

- **Diversification of loan portfolio**
- **Improving portfolio quality**
- **Deepening transactional banking footprint**
- **Accelerating increased contribution from fee-based income**
- **Partner with fintech companies to offer innovative lending solutions.**

Manufactured / Service Generating Capital

In 2025, BRAC Bank's Manufactured Capital—comprising our physical branch network, digital infrastructure, and automated delivery points—underwent a strategic evolution. We shifted from a traditional "brick-and-mortar" approach to a "Phygital" ecosystem. This transformation ensures that while our digital reach is limitless, our physical presence remains a tangible anchor of trust for the millions of Bangladeshis entering the formal banking fold.

The Physical Footprint: Anchoring Trust

Our physical assets are strategically distributed to balance high-value corporate hubs with deep-rural penetration.

Branch Network

We operate **194 Branches and 116 Sub-branches**, serving as high-touch advisory centres for complex financial needs.

Agent Banking Revolution

Our **1,122 Agent Banking Outlets** represent our most dynamic manufactured asset. These outlets act as "mini banks" in underserved areas, bringing formal banking to the doorsteps of rural SMEs and farmers.

Asset Utilization

In 2025, we optimized branch layouts to reduce carbon footprints by **15%**, transitioning to energy-efficient lighting and smart climate control.

Digital Infrastructure: The 24/7 Bank

Our manufactured capital is increasingly defined by bits and bytes rather than just bricks and mortar. We have invested heavily in high-availability systems to ensure zero-downtime banking.

Self-Service Terminals

Our network of **329 ATMs** and **103 CRMs** (Cash Recycling Machines) processed record transaction volumes in 2025, reducing teller-dependency by **40%**.

The "Astha" Ecosystem

Our mobile app is no longer just a tool; it is a core manufactured asset. In 2025, digital transactions via Astha surpassed physical counter transactions for the first time in our history.

Security Infrastructure

We deployed **Next-Generation Firewalls** and AI-driven fraud detection hardware, treating cybersecurity infrastructure as a critical component of our manufactured capital.

Operational Efficiency & Data Metrics

We measure the productivity of our manufactured capital through rigorous efficiency ratios:

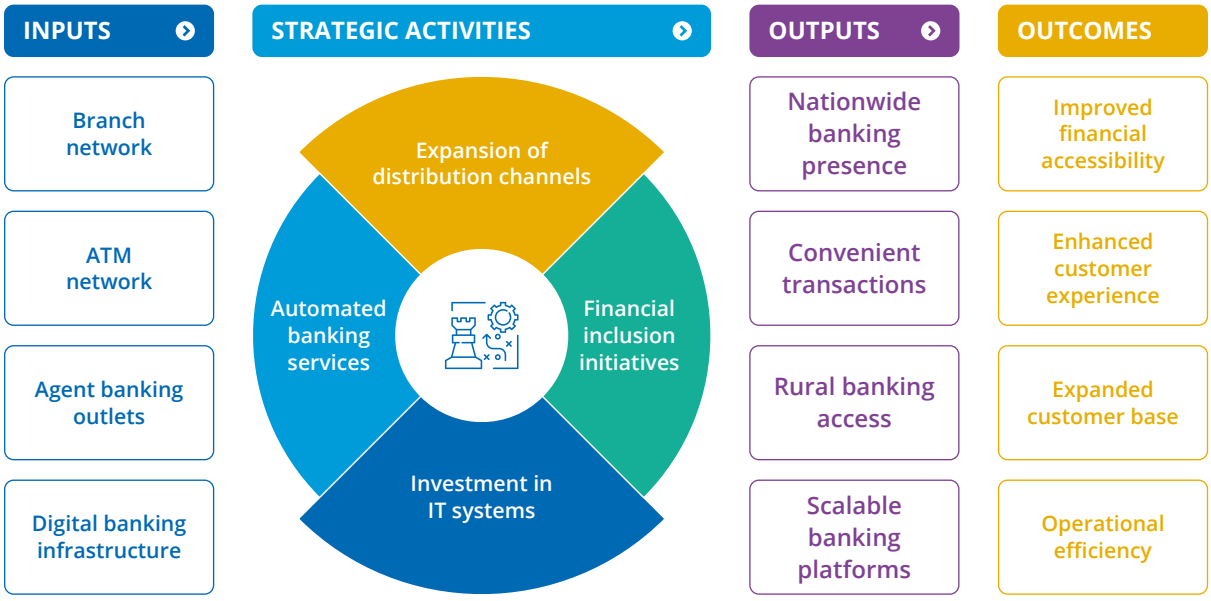
Infrastructure Metric	2024 Performance	2025 Achievement
Agent Banking Reach	1,119 Outlets	1,122 Outlets
CRM Uptime	94%	98.5%
Cost-to-Income Ratio	47%	45%

Theoretical Framework: Infrastructure as a Social Multiplier

From a theoretical standpoint, BRAC Bank treats Manufactured Capital as a "Social Multiplier":

- **Input:** Investment in physical outlets, servers, and automated machines.
- **Transformation:** These assets provide the pipes and plumbing for financial liquidity. By placing an Agent Banking outlet in a remote village, we transform a "dead asset" (unbanked cash) into "productive capital" (bank deposits).
- **Output:** Increased velocity of money, lower transaction costs for customers, and a "safe harbour" for national savings.
- **Interdependency:** Our Manufactured Capital is the primary delivery vehicle for our Social and Relationship Capital. Without the physical presence of an agent or a branch, the "Trust" (Social Capital) cannot be effectively operationalized in the Bangladeshi context.

Value Creation Model



Forward Strategy: The "Edge Banking" Model

For 2026, our strategy for Manufactured Capital focuses on "Edge Computing and Hyper-Local Presence":

CRM Expansion

Replacing traditional ATMs with **Cash Recycling Machines (CRMs)** to enable instant 24/7 deposits, further reducing branch congestion.

Smart Sub-branches

Converting low-traffic branches into automated **Smart Hubs** with remote video-advisory capabilities.

Cloud Integration

Migrating core banking workloads to local cloud infrastructure to enhance the speed of our "**Astha**" and "**CorpNet**" platforms.

Intellectual Capital

Intellectual capital represents the Bank's institutional knowledge, innovation capabilities, governance frameworks, and technology systems that drive competitive advantage.

BRAC Bank has consistently invested in advanced digital technologies and data-driven decision-making capabilities to enhance operational efficiency and customer experience. The Bank's digital banking platform, Astha, has grown rapidly, with more than 1.2 million users, facilitating over 27 million transactions worth approximately BDT 2.3 lakh crore.

Digital onboarding has also improved efficiency, with 77% of new accounts opened using e-KYC processes, demonstrating the Bank's progress in digital transformation and process automation.

Proprietary Systems and Data Intelligence

Our intellectual capital is increasingly codified into algorithms and digital protocols that drive precision in decision-making.

AI-Driven Credit Scoring

We have moved beyond traditional collateral-based lending. Our proprietary **SME Credit Scoring Engine** now integrates alternative data points, allowing us to assess the creditworthiness of "thin-file" borrowers in minutes.

Predictive Analytics

By leveraging data from our **1.5 million+ customers**, we use machine learning to predict churn and offer **hyper-personalized** financial products through the Astha app before the customer even identifies the need.

Cyber-Resilience Framework

Our intellectual property includes a custom-built, multi-layered security architecture that ensures 99.9% uptime and zero-compromise data integrity.

The Governance Dividend: A Culture of Trust

At BRAC Bank, "Governance" is not just a compliance requirement; it is a high-value intangible asset.

Transparency Benchmark

Our annual reports and disclosures consistently win national and international awards (ICAB, SAFA), reinforcing a brand identity synonymous with **integrity**.

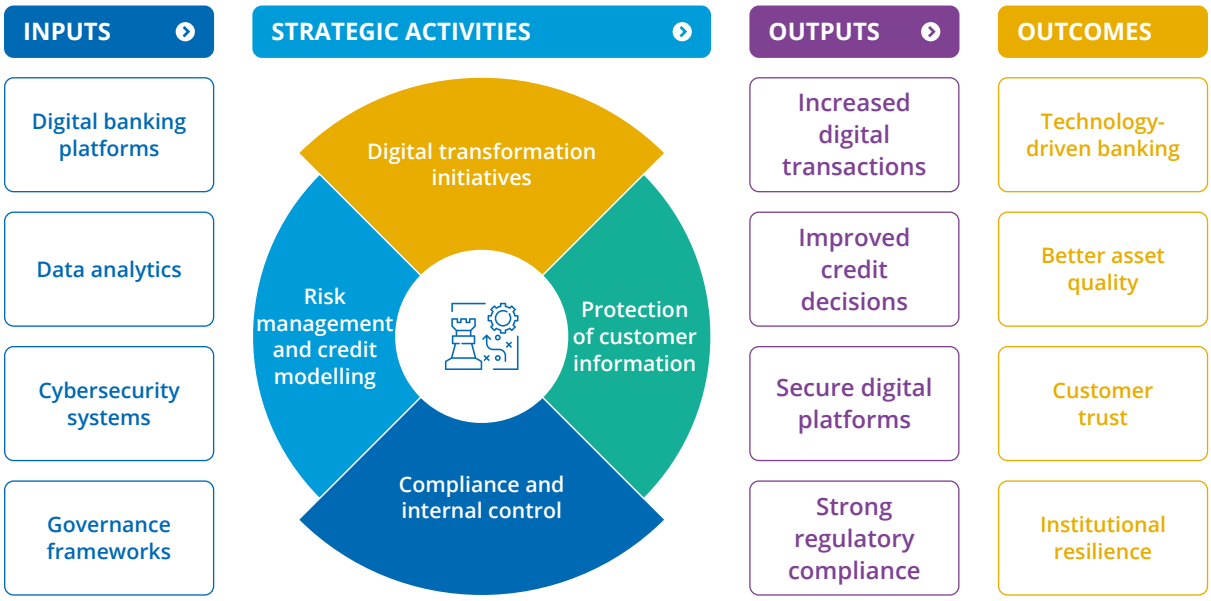
Process Excellence

We hold several **ISO certifications** and lean Six Sigma-inspired operational protocols that minimize waste and maximize the "speed to market" for new product launches.

Market Leadership in SME

Our 20+ years of "Tacit Knowledge" in the SME sector is our most guarded intellectual asset, enabling us to maintain a dominant 80% market share in specific micro-finance niches.

Value Creation Model



Forward Strategy: The "Cognitive Bank"

For 2026, our Intellectual Capital strategy focuses on "Generative Banking":

Natural Language Processing (NLP)

Deploying advanced chatbots that understand local dialects to assist the **50%** unbanked population in navigating banking tasks.

Open Banking APIs

Monetizing our intellectual infrastructure by allowing fintech partners to plug into our secure core, creating a "**Banking-as-a-Service**" (BaaS) revenue stream.

Knowledge Management Systems

Implementing a bank-wide digital library to ensure that the "Tacit Knowledge" of retiring senior leaders is captured and transferred to the next generation of "BRACBankers."

Human Capital

Workforce Composition and Diversity

Our human capital strategy is rooted in the belief that a diverse, motivated, and far-flung team is essential for navigating a complex market.

Total Employee Strength

Exceeded **10,000 people** by 2025, supporting a network of 310 branches and sub-branches, and over 1,100 agent banking outlets.

Gender Diversity

We maintained our position as a leading recruiter of women in the banking sector. Currently, women constitute approximately **16% of our total workforce**.

Leadership Inclusivity

Our commitment to gender equity extends to the highest levels, with **three women serving on the Board of Directors** and the distinction of having the nation's first and only female Chief Technology Officer (CTO).

Youth Engagement

Initiatives like **CAREERtalk** (conducted at institutions like the Islamic University of Technology in May 2025) and our **Young Leaders Program (YLP)** continue to bridge academia and industry, attracting the best young talent in the country.

Strategic Thrust: Upskilling for Digital Transformation

In 2025, we focused on transitioning our workforce from traditional processing roles to Advisory Hubs.

Digital Fluency

As part of our digital transformation journey, staff are continuously trained to assist customers with digital banking tools, ensuring that 82% of routine transactions are now successfully migrated to self-service channels.

Competency Framework

We developed and implemented a sophisticated **HR Competency Framework** (Project Adroit) to align employee skills with the bank's evolving technological needs.

Leadership Development

Investment in training remains a priority, focusing on future-focused skills such as **data analytics, AI-driven credit scoring, and cybersecurity**.

Theoretical Framework: Human Capital as a Job Creator

From a theoretical perspective, BRAC Bank utilizes Human Capital Theory to drive socio-economic impact.

- **Input:** Investment in high-quality recruitment, mentorship, and classroom training.
- **Transformation:** Our employees act as "Job Connectors" and facilitators of entrepreneurship. By leveraging their expertise in the SME sector, they unlock barriers for micro-entrepreneurs, effectively turning bank employees into indirect job creators across the country.
- **Output:** Enhanced productivity and innovation. Our human capital allows us to maintain the industry's highest market share in collateral-free SME lending, a segment that requires deep human insight and risk assessment capabilities.

Employee Well-being and Culture

Our culture is guided by the 3P Philosophy (People, Planet, Prosperity).

Values-Based Banking

Every "BRACBanker" is anchored in core values of Integrity, Innovation, Inclusiveness, and Customer Centricity.

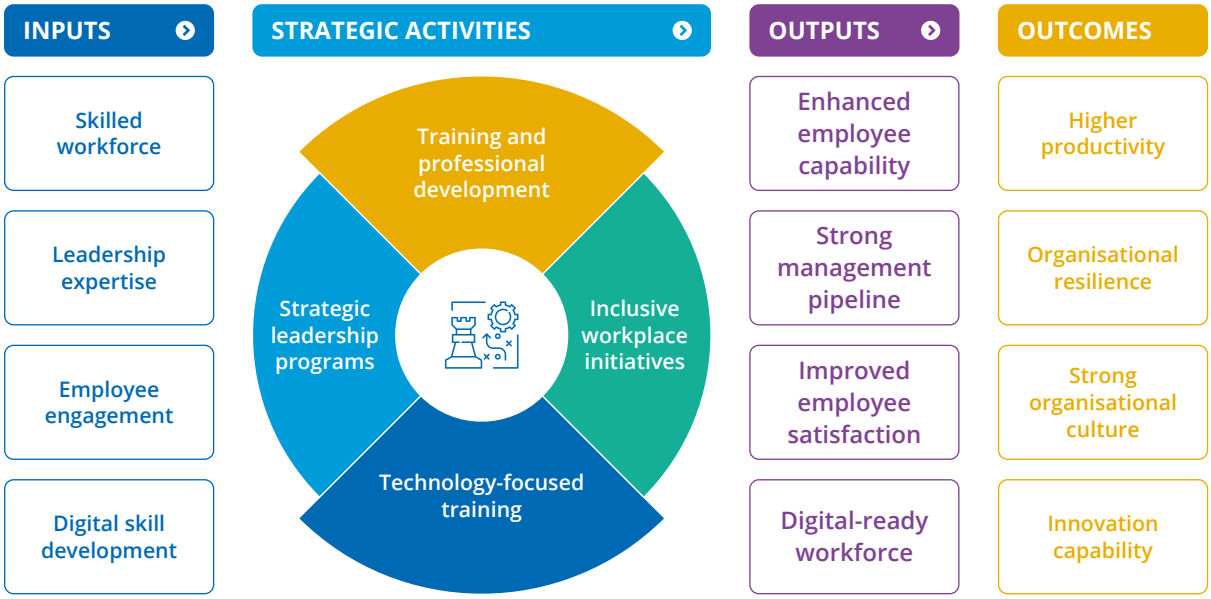
Incentivisation

Despite challenging economic conditions, our strong financial results—including a consolidated **57% growth in NPAT**—allow us to offer competitive rewards and ensure long-term employee retention.

Safe Workplace

We foster an equitable environment where women's voices are amplified through dedicated platforms like the **TARA** women's banking initiative and various internal leadership forums.

Value Creation Model



Forward Outlook: The Advisor of Choice

For 2026, our Human Capital strategy focuses on "Hyper-Personalisation and Empathy":

AI-Augmented Workforce

Empowering staff with AI tools to provide real-time, data-driven financial advice to customers.

Remote & Agile Work

Enhancing flexibility for our "far-flung" team to maintain motivation and peak performance.

Expanding Diversity

Aiming to further increase women's participation at the leadership level, moving beyond the industry-average "glass ceiling".

Social & Relationship Capital

Social and relationship capital reflects the Bank's relationships with customers, regulators, communities, and other stakeholders.

Since its inception in 2001, BRAC Bank has played a pioneering role in financing small and medium enterprises (SMEs), helping bring grassroots entrepreneurs into the formal financial system. Today, close to half of the Bank's lending portfolio is dedicated to SME financing, demonstrating its commitment to inclusive economic growth.

The Bank also plays a significant role in financial inclusion and entrepreneurship development. In 2025 alone:

- Over 140,000 CMSME customers were onboarded
- 43% of the banking industry's collateral-free CMSME loans were financed by BRAC Bank
- More than 300 women entrepreneurs were supported through the "Uddokta 101" programme
- Issued BDT 1,000 crore social bond accroding to ICMA principles.

Impact Through the ECHO Framework

Our social capital is operationalized through our proprietary ECHO (Empowering, Connecting, Humanizing, Outreaching) framework, which directly impacted over 172,500 lives in 2025.

Empowering the Underserved

We remain the **largest collateral-free SME financier in Bangladesh**. By providing credit to the "missing middle," we empower micro-entrepreneurs who lack traditional security but possess immense economic potential.

Connecting the Diaspora

We moved to the 4th position in the national remittance market, facilitating over $2.2 billion in inflows. This connects millions of non-resident Bangladeshis to the formal economy, ensuring their hard-earned money builds national reserves.

Humanizing Banking

Through our **TARA** women's banking segment, we provide more than just loans; we offer networking, financial literacy, and specialized advisory to over **300,000 women**, humanizing the often-intimidating world of finance.

Outreaching via Agents

Our **1,122 Agent Banking outlets** act as social hubs in remote villages, bringing 24/7 banking to areas where no brick-and-mortar branch could survive.

Stakeholder Synergies and Brand Equity

Our relationship capital extends to our role as a systemic stabilizer in the Bangladeshi financial ecosystem.

- **Regulator Trust:** By consistently maintaining a low NPL ratio (2.27%) and high capital adequacy, we enjoy a proactive and transparent relationship with the Central Bank, often serving as a pilot institution for new digital reforms.
- **Community Investment:** In 2025, we dedicated 247 million to CSR initiatives, focusing on education, healthcare, and climate resilience in the most vulnerable coastal regions.
- **Customer Loyalty**: Our Net Promoter Score (NPS) reached an all-time high in 2025, driven by our "governance-first" approach and the seamless experience of our Astha app.

Theoretical Framework: The Social License to Operate

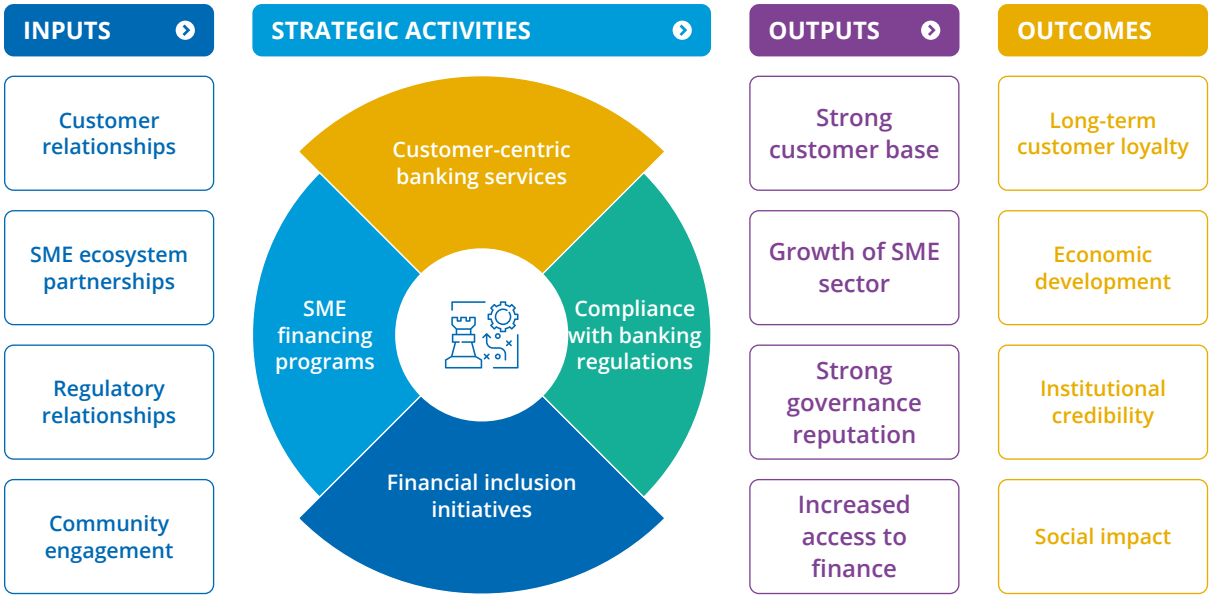
From a theoretical perspective, BRAC Bank views Social Capital as our "License to Lead":

- **Input:** Decades of ethical conduct, transparency, and adherence to the "Triple Bottom Line" (People, Planet, Prosperity).
- **Transformation:** This intangible trust is converted into Financial Capital (low-cost deposits) and Human Capital (the ability to attract top-tier talent who want to work for a purpose-driven bank).
- **Output:** Lower customer acquisition costs and higher retention. Because the community trusts the "BRAC" brand, we spend significantly less on aggressive marketing compared to our peers.
- **Interdependency:** Social Capital is the "glue" that binds our Manufactured Capital (branches/agents) to the community. Without the social bond, a branch is just a building; with it, it is a center for community growth.

Strategic Metrics: Social Value Created

Metric	2024 Baseline	2025 Achievement
Lives Impacted (ECHO)	145,000	172,500+
Remittance Market Rank	17th	4th
Women Customers (TARA)	240,000	300,000+
SME Market Share	Dominant	80% (Micro-niche)

Value Creation Model



Forward Strategy: Scaling Inclusivity

For 2026, our Social Capital strategy focuses on "Financial Literacy and Digital Citizenship":

- **Mass Literacy Campaigns:** Launching nation-wide workshops through our Agent Banking network to teach rural citizens how to use QR-based payments safely.
- **Impact Measurement:** Implementing the Global Impact Investing Network (GIIN) standards to quantify the exact social return on every Taka we lend.
- **TARA 2.0:** Expanding our women's banking services into digital entrepreneurship, providing specific loans for women running f-commerce (Facebook) businesses.

These initiatives reinforce the Bank's mission to empower entrepreneurs and support sustainable economic development in Bangladesh.

BRAC Bank also maintains strong relationships with global networks, including membership in the Global Alliance for Banking on Values (GABV), which promotes responsible and sustainable banking worldwide.

Natural Capital

Natural capital represents the environmental resources and ecosystems that support economic activity and sustainable development.

BRAC Bank integrates environmental considerations into its operations and financing activities through responsible banking practices. Guided by its "People, Planet and Prosperity (3P)" philosophy, the Bank promotes sustainable business practices that balance economic growth with environmental responsibility.

The Bank supports environmentally responsible projects, including financing green factories and sustainable infrastructure initiatives. In addition, operational initiatives such as digital banking, paperless processes, and energy efficiency improvements contribute to reducing the Bank's environmental footprint.

By incorporating environmental considerations into business decisions, BRAC Bank aims to support the transition toward a more sustainable and climate-resilient economy.

At BRAC Bank, we view Natural Capital not merely as a set of resources to be utilized, but as a critical ecosystem that sustains all forms of economic value. In 2025, we transitioned from basic "Green Banking" to Climate-Integrated Financial Stewardship, becoming the first bank in Bangladesh to fully disclose its carbon footprint under global standards.

Financed Emissions & Carbon Disclosure

Our 2024–2025 Sustainability and Impact Reports mark a milestone in transparency, tracking emissions across all three GHG Protocol scopes.

- **Total Carbon Footprint: 1,541,606.2** tCO_2e (Gross).
  - **Scope 1 (Direct Operations): 1,984.64** tCO_2e (Generators, fleet fuel, and refrigerants).
  - **Scope 2 (Indirect - Electricity): 18,986** tCO_2e.
  - **Scope 3 (Financed Emissions):** These constitute the vast majority of our footprint, with three sectors "**Petroleum, chemicals & non-metallic mineral products**", "Metal & metal products", & "**Food production, beverages & tobacco**" are reported to have the higher emission intensity. These three segments alone comprise of about 61.35 %.
- **Net Impact Mitigation:** Through clean energy investments, we avoided **26,018** tCO_2e in 2025, resulting in a net impact of **1,515,494** tCO_2e

Sustainable & Green Finance Performance

We have significantly outperformed regulatory benchmarks set by the Central Bank of Bangladesh.

Metric	BRAC Bank Achievement (2025)	Regulatory Target
Sustainable Finance Portfolio	83%	40%
Green Finance Portfolio	9%	5%

Environmental & Social Risk Management (ESRM)

Our Natural Capital strategy is governed by a rigorous risk-mitigation framework that ensures every Taka lent contributes to a healthier planet.

ESRM Integration

100% of applicable loan proposals are screened under our **ESRM framework**, which aligns with both Bangladesh Bank guidelines and **IFC Performance Standards**.

Decarbonization Roadmap

We have begun using **emissions intensity metrics** to inform credit risk, allowing for real-time monitoring and paving the way for **climate-linked lending**.

Sustainable Finance Helpdesks

Established **50 dedicated helpdesks** nationwide to provide technical and financial advisory for green projects.

Strategic Adaptation & Stewardship

Our commitment to Natural Capital extends beyond our balance sheet into the communities most vulnerable to climate change.

Climate-Resilient Agriculture

In 2024 alone, we provided climate-resilient tools and training to **2,500 farmers**, ensuring food security and sustainable land use.

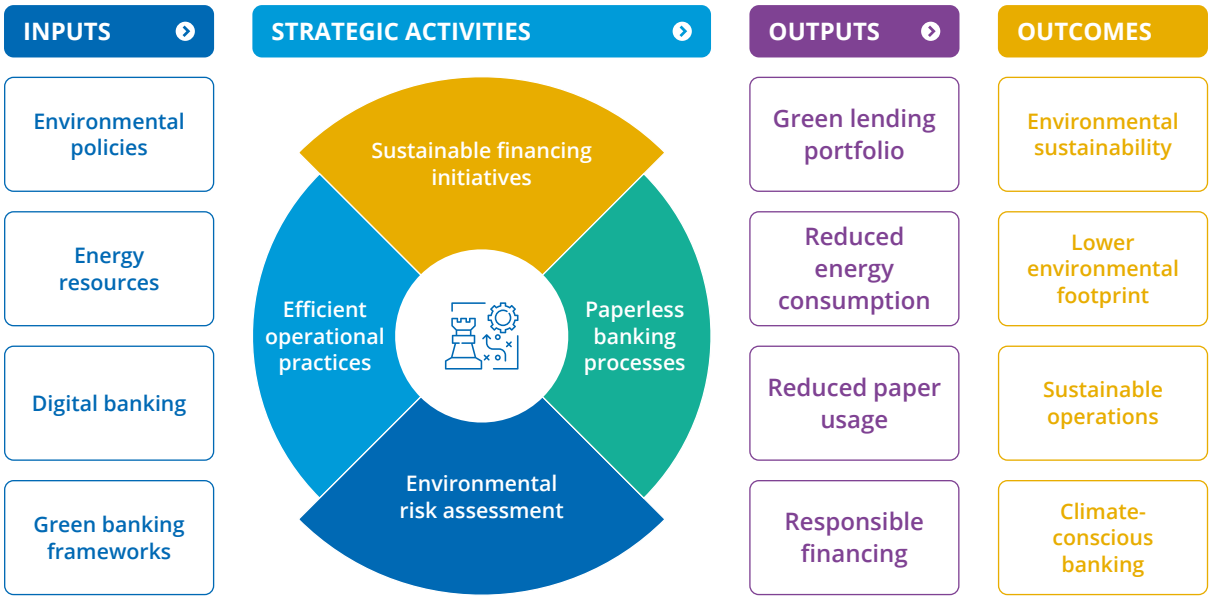
Operational Efficiency

We continue to reduce internal waste through paperless banking and energy-efficient office infrastructure.

Governance

The **Sustainable Finance Committee (SFC)**, chaired by our Managing Director & CEO, oversees all environmental activities, reporting directly to the Board Risk Management Committee (BRMC).

Value Creation Model



The Goal for 2025 and Beyond: To move from a values-based bank to a full-scale Green Bank, where every investment is evaluated for its contribution to a Net-Zero Bangladesh.

KEY RESOURCES & CAPABILITIES: DRIVING SUSTAINABLE COMPETITIVE ADVANTAGE

At BRAC Bank, strategy formulation and resource allocation are closely integrated to support sustainable growth, financial inclusion, and long-term value creation. The Bank continuously evaluates the deployment of its financial, manufactured, intellectual, human, social, and natural capitals to ensure alignment with its strategic priorities and evolving market conditions.

The Board of Directors, supported by the Executive Management Committee, oversees the strategic planning process. Through this governance structure, the Bank determines how resources are optimally allocated across business segments, technological investments, customer initiatives, and risk management frameworks. This disciplined approach ensures that capital is directed toward areas that generate sustainable returns while strengthening the Bank's resilience and competitiveness.

By strategically deploying its resources, BRAC Bank aims to enhance operational efficiency, expand access to financial services, strengthen customer relationships, and contribute to the broader economic development of Bangladesh.

Financial Inclusion

Bringing unbanked in the mainstream financial system

KEY PRIORITIES OF OUR STRATEGY

Sustainable Banking

Together we prosper

Growth Strategy

Be bigger, be impactful

Customer Centricity

Addressing evolving customers' needs

'Phygital' Strategy

To reach people of strata of society

For detail of overall strategic objectives of BRAC Bank, please refer to page 90 of this integrated annual report.

Short term goals for sustainable growth and innovation

Strategic initiatives for enhanced efficiency and growth

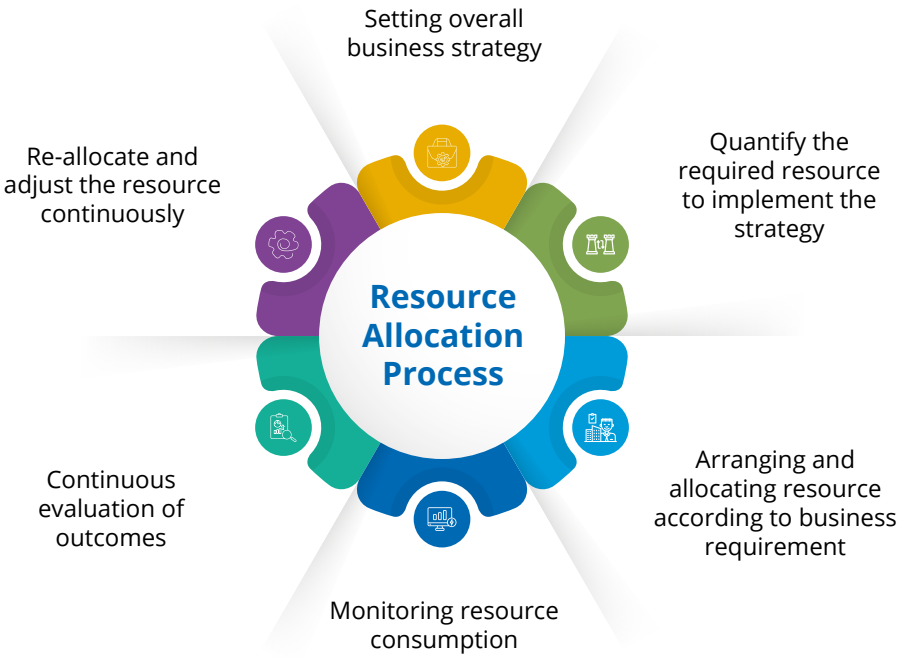
Vision for customer-centric growth and financial stability

Our goals to achieve overall strategic objectives

Here is the consolidated 2025 Strategic Goals Table for BRAC Bank, designed for a professional report or board presentation.

Horizon	Business & Growth	Digital & Technology	People & Sustainability
Short-Term (1 Year)	Innovate products to boost revenue. Achieve sustained SME sector growth. Expand footprint across the country.	Enhance competitiveness through digital innovation. Launch new channels for unbanked populations.	Become the Top Employer of Choice. Upskill and update employee capabilities.
Medium-Term (2–3 Years)	Maximize reach by optimizing distribution channels. Expand digital lending capabilities.	Deploy advanced tech for faster onboarding and service. Implement analytics for credit appraisal and forecasting.	Introduce enriched hiring tools for better person-job fit. Lower hiring costs and recruitment times.
Long-Term (5+ Years)	Address evolving needs with tailored solutions. Prioritize the "Missing Middle" for SME finance access.	Develop a comprehensive, data-driven strategy. Drive improvements in management reporting via analytics.	Maintain high portfolio quality/low NPLs. Monitor and manage the bank's environmental footprint.

Resource allocation at BRAC Bank



Current allocation of assets and bottom-line composition

Particulars	Total asset composition		Profit composition	
	2025	2024	2025	2024
BRAC Bank PLC.	87%	87%	70%	85%
bKash Limited	12%	13%	30%	22%
BRAC EPL Stock Brokerage Ltd.	0.19%	0.2%	0.26%	(0.4%)
BRAC EPL Investment Ltd.	0.22%	0.2%	0.43%	(6%)
BRAC Saajan Exchange Limited	0.09%	0.01%	-1%	(1%)
BRAC Bank Group	**100%**	**100%**	**100%**	**100%**

Portfolio composition within BRAC Bank (Standalone)

Particulars	Portfolio Amounts (BDT million)		Composition	
	2025	2024	2025	2024
SME	306,249	260,345	42%	42%
Retail	127,497	97,777	17%	16%
Corporate	296,913	265,249	41%	42%

Our forward-thinking strategy execution and agile resource allocation have positioned BRAC Bank as a market leader. By blending financial strength with our core values, we are successfully navigating 2025's economic landscape with confidence.

Our past resilience is now the foundation for aggressive growth. Through our 'Phygital' strategy, we are merging digital innovation with physical reach to stay ahead of the curve. This proactive approach ensures we don't just withstand challenges—we seize them as opportunities to drive sustainable success and financial inclusion for all.

Strategic Advantages & 2025 Performance Indicators

CORE RESOURCE	STRATEGIC CAPABILITY	KEY 2025 METRIC
Market Leadership & Inclusive Banking	Dominant 80% market share in SME. Tailored platforms ("TARA", "Uddokta101") empower women.	Consolidated NPAT up 52% YoY to BDT 1,536
Financial Mobilization & Trust	Highest market credibility driving outsized liquidity inflows ahead of industry averages.	Historic net deposit growth of BDT 15,000 crore in 11 months.
Sustainable Banking & ESG Pioneer	First bank to deploy 50 Sustainable Finance Helpdesks and align with ISSB/PCAF disclosure standards.	83% of total loan portfolio allocated to sustainable finance.
Digital Infrastructure & Technology	"Astha" app ecosystem automating processes, securing data, and expanding rural inclusion. by 41%.	Annualized revenue growth accelerated
Social Commitment & Brand Equity	Flagship programs ("Aporajeyo Ami") driving disability-inclusive growth and education.	Direct social impact extended to over 172,500 citizens.

COMPETITIVE INTENSITY - STRATEGIC OVERVIEW

The banking industry continues to evolve in response to technological innovation, regulatory developments, and changing customer expectations. The competitive environment in 2025 has been shaped by the emergence of fintech companies, increasing digital adoption, and heightened competition among financial institutions.

At BRAC Bank, we operate within a financial landscape that has reached a new peak of competitive intensity. Our mission remains steadfast: bridging the gap for nearly 50% of the population still outside the formal banking ambit.

Our tactical response is no longer just about participation; it is about dominance through trust. While competitors navigate liquidity challenges, BRAC Bank leverages its hallmark governance and "Triple Bottom Line" philosophy to turn market volatility into an opportunity for financial inclusion. We achieve this through four evolved strategic pillars:

Native Digital Ecosystems

Moving beyond apps to embed our services into the daily digital lives of SMEs and retail consumers.

Hyper-Personalization

Utilizing AI-driven insights to provide "segment-of-one" financial solutions.

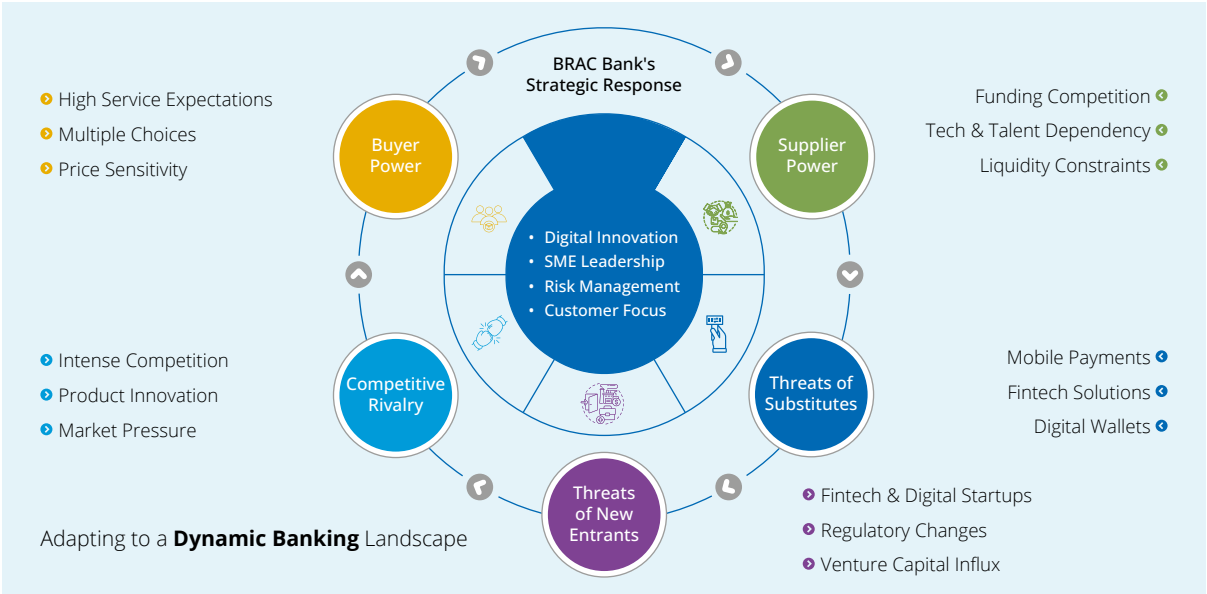
Frictionless Experiences

Redefining service by removing barriers in the credit-to-disbursement cycle.

Operational Resilience

Maintaining the industry's most robust balance sheet to ensure we remain a safe harbor for national savings.

Using Porter's Five Forces framework, BRAC Bank assesses the structural forces shaping the industry and aligns its strategic priorities to respond effectively to competitive pressures.



Buyer Power

Impact: HIGH

Key External Drivers

- Increased transparency and access to financial information
- Growing digital banking adoption and convenience expectations
- Availability of multiple financial institutions offering similar products
- Expansion of fintech and mobile financial services
- Rising expectations for faster, personalized, and seamless banking services
- Increased focus on service quality and customer experience

BRAC Bank's Tactical Response

- Enhancing customer-centric product development
- Expanding digital banking ecosystem including mobile and online platforms
- Leveraging data analytics for personalized financial solutions
- Strengthening relationship management across retail, SME, and corporate segments
- Continuous improvement of service quality and customer support
- Expanding digital onboarding and simplified banking processes

Supplier Power

Impact: MODERATE

Key External Drivers

- Increasing competition for stable deposit funding • Market liquidity conditions influencing cost of funds
- Growing dependence on technology vendors and digital platforms
- Rising demand for skilled professionals in technology, risk management, and analytics
- Regulatory requirements related to capital adequacy and liquidity management
- Global technology providers influencing digital banking infrastructure costs

BRAC Bank's Tactical Response

- Diversifying funding sources across retail, SME, and corporate deposits
- Expanding CASA deposits to optimize funding cost
- Building strategic partnerships with technology providers
- Strengthening vendor risk management frameworks
- Investing in employee training, leadership development, and digital skills
- Strengthening treasury and liquidity management capabilities

Threats of Substitutes

Impact: MODERATE

Key External Drivers

- Rapid expansion of mobile financial services and digital wallets
- Growth of fintech-based payment and lending platforms
- Increasing use of peer-to-peer payment solutions
- Alternative investment products offered by financial institutions
- Technology-driven financial solutions providing faster and lower-cost services
- Evolving digital ecosystems providing integrated financial services

BRAC Bank's Tactical Response

- Strengthening digital banking capabilities to remain competitive
- Integrating banking services with digital platforms and ecosystems
- Expanding innovative product offerings tailored to emerging customer needs
- Collaborating with fintech partners where appropriate
- Enhancing digital payment and transaction capabilities
- Leveraging the Bank's comprehensive financial service platform

Threats of New Entrants

Impact: LOW

Key External Drivers

- Regulatory framework and licensing requirements for new banks
- Expansion of fintech and digital financial service providers
- Lower infrastructure barriers due to digital platforms
- Increasing venture capital investments in financial technology
- Customer willingness to adopt digital-only financial services
- Potential regulatory initiatives encouraging financial inclusion and digital banking

BRAC Bank's Tactical Response

- Strengthening digital banking capabilities and infrastructure
- Leveraging strong brand trust and governance standards
- Maintaining leadership in SME banking and relationship-based lending
- Expanding digital channels and customer experience platforms
- Investing in innovation and advanced banking technologies
- Enhancing cybersecurity and data protection frameworks

Competitive Rivalry

Impact: HIGH

Key External Drivers

- Presence of numerous commercial banks competing for market share
- Increasing investments in digital banking technologies
- Price competition in lending and deposit products •Similar product offerings across financial institutions
- Intensifying competition in SME, retail, and corporate banking segments
- Continuous innovation in financial products and service delivery

BRAC Bank's Tactical Response

- Maintaining a diversified loan portfolio across SME, retail, and corporate segments
- Strengthening asset quality through disciplined risk management
- Expanding digital banking capabilities and customer platforms
- Enhancing operational efficiency through technology and process optimization
- Leveraging brand strength and reputation for reliability
- Focusing on long-term customer relationships and service excellence

Strategic Outlook

In response to evolving competitive dynamics, BRAC Bank continues to strengthen its market position through technology-driven innovation, disciplined risk management, and customer-centric banking solutions. By investing in digital capabilities, expanding funding diversification, and reinforcing its leadership in SME banking, the Bank aims to sustain long-term growth while maintaining resilience in an increasingly competitive financial landscape.

PERFORMANCE ANALYSIS

DIRECTORS' REPORT

TO THE SHAREHOLDERS OF BRAC BANK PLC.

Dear Shareholders,

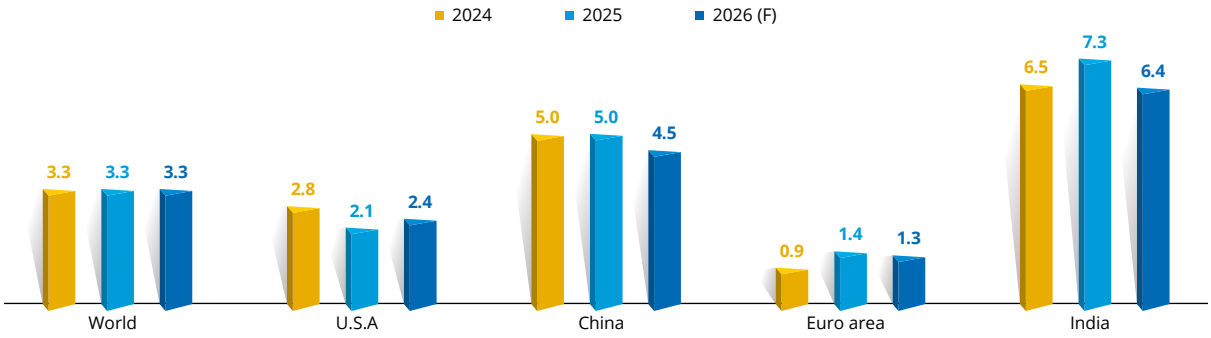
We, the Board of Directors, are delighted to present the 27th Annual Report, including the audited financial statements of BRAC Bank PLC and its subsidiaries for the year ending December 31, 2025. This report provides an overview of the bank's performance, financial position, and key insights into both the global and Bangladeshi economies during the year. It also outlines our forward-looking strategies and offers a comprehensive analysis of the bank's financial achievements and competitive position, all in full compliance with regulatory standards. Despite facing a challenging business environment, the bank has demonstrated remarkable resilience and maintained a strong growth momentum. This performance highlights the strength and sustainability of our business model, reinforcing our position as a leader in the industry.

Global economic review and outlook

In 2025, the global economy continued to expand at a moderate pace, shaped by the lingering effects of earlier monetary tightening and a gradual easing of inflation across major economies. Growth remained uneven, reflecting subdued global trade, softer investment activity, and heightened uncertainty stemming from geopolitical tensions and shifting policy priorities in several large economies. At the same time, resilient labour markets, surging investment in Artificial Intelligence and steady service sector activity, helped support overall economic conditions and avoid a sharp slowdown. Looking ahead, the global outlook remains cautious, as growth prospects continue to depend on policy adjustments, inflation dynamics, and the evolution of geopolitical and trade-related risks.

IMF GDP Growth Forecast

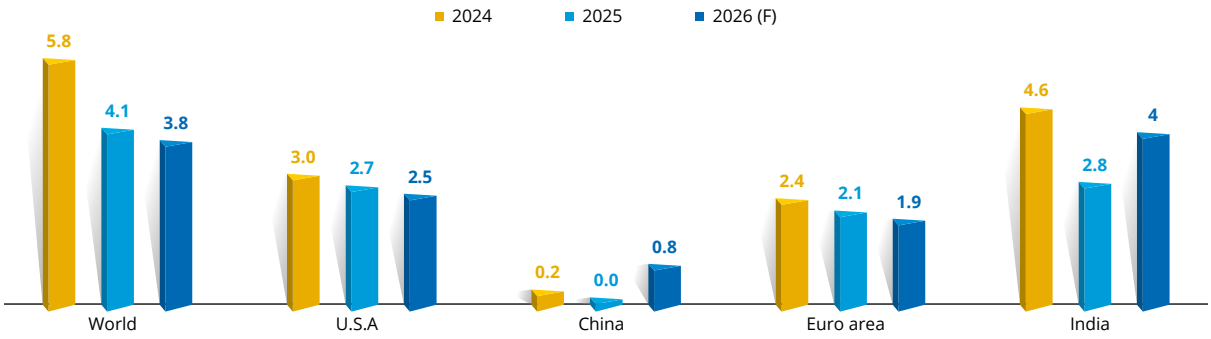
Real GDP growth rate



Based on IMF projections, global growth is expected to remain broadly stable but subdued over 2024–2026, with world output growth hovering around ~3.3%, reflecting the persistent effects of tight financial conditions, weaker trade momentum, and uneven regional recoveries. Growth in advanced economies shows signs of moderation, with the United States slowing from 2.8% in 2024 to around 2.4% in 2026, as higher interest rates continue to weigh on consumption and investment, while the Euro area records modest growth near 1.3–1.4%, constrained by weak demand and structural challenges. China's growth is projected to ease gradually, from around 5.0% in 2025 to 4.5% in 2026, reflecting property sector adjustments and softer external demand. In contrast, India remains the fastest-growing major economy, although growth is expected to moderate from 7.3% in 2025 to about 6.4% in 2026, as policy normalization and global uncertainties temper momentum. Overall, the outlook suggests a period of steady but slower global expansion, shaped by persistent geopolitical risks, cautious investment sentiment, and a gradual normalization of macroeconomic conditions.

IMF Inflation Forecast

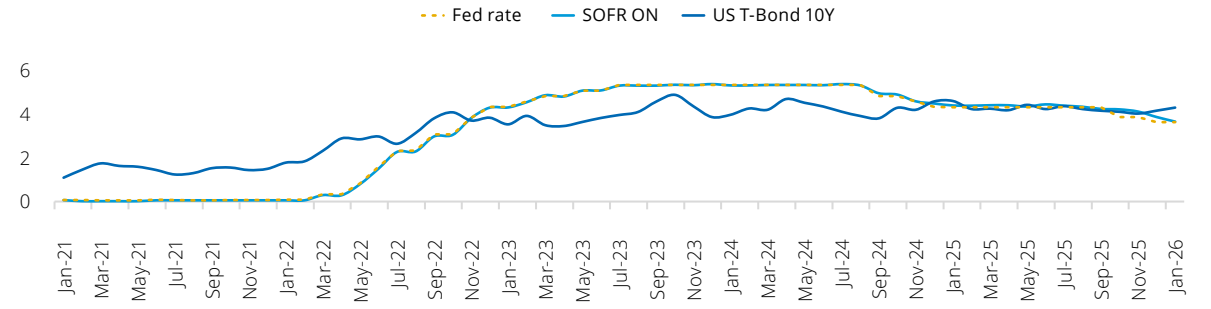
Inflation(%)



Global inflation has continued to ease steadily across major economies, reflecting the impact of earlier monetary tightening, easing supply constraints, and softer commodity prices. According to IMF projections, world inflation declined from 5.8% in 2024 to around 4.1% in 2025 and is expected to moderate further to 3.8% in 2026, moving closer to long-term averages. In advanced economies, inflation is projected to fall gradually, with the United States declining from 3.0% in 2024 to 2.5% by 2026, and the Euro area easing from 2.4% to 1.9%, supported by weaker demand and tighter financial conditions. China's inflation remains subdued, reflecting excess capacity and weak domestic demand, while India's inflation shows a mixed trend, easing in 2025 before rising modestly in 2026 due to domestic demand pressures. Overall, the inflation outlook suggests a broad-based but uneven disinflation process, allowing central banks to consider gradual policy normalization while remaining alert to risks from geopolitical tensions and supply-side shocks.

Interest Rates

Fed rate, SOFR, US 10 Y T Bond



The US Federal Reserve policy rate and SOFR rose sharply during 2022–23 and remained elevated through much of 2024, reflecting a prolonged period of tight monetary policy aimed at containing inflation, before showing signs of gradual easing expectations toward late 2025. SOFR closely tracked the Fed rate, staying near the upper end of the policy corridor, indicating continued tight liquidity conditions in US money markets despite growing market anticipation of future rate cuts. Meanwhile, the US 10-year Treasury yield remained volatile and generally below short-term rates, reflecting expectations of slower growth and eventual monetary easing, as well as investor demand for longer-term safe assets amid global uncertainty.

Global Outlook:

The IMF's January 2026 World Economic Outlook suggests that the global economy is expected to continue growing at a moderate pace, though overall expansion remains below longer-term averages. This outlook reflects the ongoing effects of earlier monetary tightening, slower global trade, and a cautious approach to investment across many economies. Inflation has continued to ease in most regions, although progress differs across countries,

leading central banks to adjust policies gradually and carefully. Economic conditions vary across regions, with growth in advanced economies remaining subdued, while many emerging economies continue to show relatively stronger momentum. At the same time, rising investments in Artificial Intelligence and digital technologies is providing selective support to productivity, capital spending and growth, particularly in technology intensive sectors. However, geopolitical tensions, policy uncertainty, and climate-related challenges continue to weigh on the global environment. Specifically, the ongoing Russia-Ukraine war remains a significant headwind, perpetuating volatility in energy and food markets, straining European fiscal budgets, and further fragmenting global trade networks. These disruptions, coupled with the long-term economic scarring in the affected regions, contribute to the restrained nature of the expansion. Overall, the outlook points to a period of steady but restrained growth, with stability depending on careful policy management and gradual economic adjustment.

Bangladesh Economic Overview

In 2025, Bangladesh's economy continued through a period of change and adjustment, shaped by ongoing policy efforts and recovery in macro-economic indicators. Overall activity moved at a steady but careful pace, as some pressures eased while others remained. The financial sector continued to adjust, with attention given to improving systems and building greater confidence. Business activity showed mixed trends, influenced by global uncertainty and domestic costs, though exports and remittance inflows offered some support. Taken together, the economy in 2025 followed a cautious path, with steady steps toward improved stability.

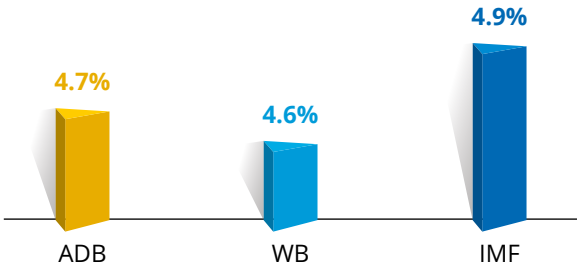
Snapshot of Key Indicators

YoY Growth (%)	FY25	FY26	Latest Trend	Outlook
GDP Growth	3.69%	5.0% (Forecast)	↓	↑
Inflation P2P	10.89% (Dec-24)	8.49% (Dec-25)	↓	↓
Private Sector Credit	9.02% (Sep-24)	6.29% (Sep-25)	↓	↑
Deposit Growth	7.26 % (Sep-24)	9.97% (Sep-25)	↑	↑

GDP Growth Projection for FY26:

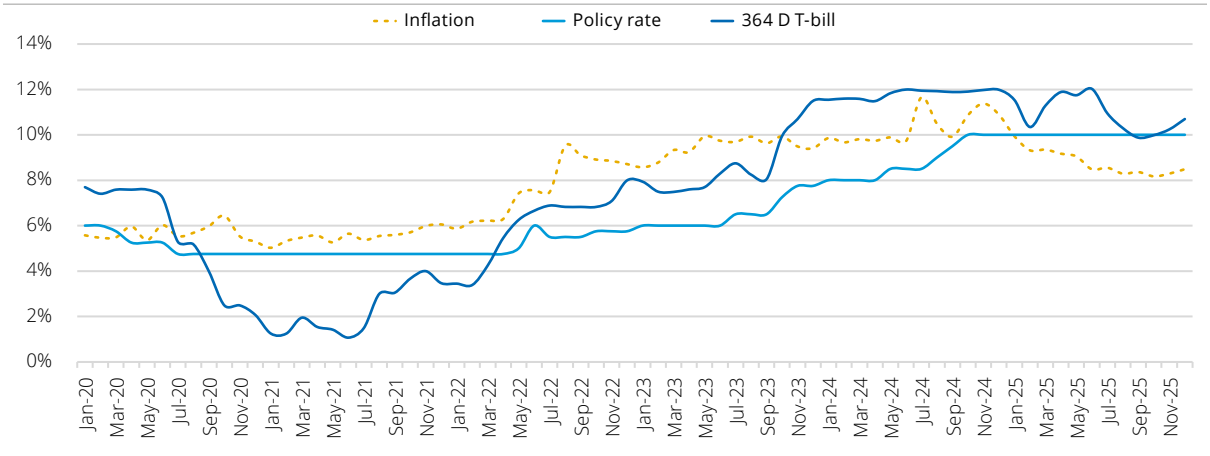
Economic growth decelerated to 3.69% in FY25 from 4.2% in FY24 (June-July), for the third consecutive year, driven by weak consumption and tight monetary policy. All the major DFIs have revised down growth projection for FY26 due to persistent inflation, tariff tensions and tighter policies. However, growth is expected to rebound to 5.7-6.1% in FY27 due to post-election boost in the economy (from higher trade and investments) and lower inflation expectations.

FY26 GDP Projection by DFIS



Inflation in Bangladesh

Inflation slowing down due to Policy rate hike



Between Jul-Dec 2025, inflation in Bangladesh remained at a relatively high level~8%, though its movement over the period was uneven, easing somewhat in the middle months before edging up again toward the end of the year, reaching around 8.5% in Dec-25. Prices remained under pressure mostly in non-food items, though some short-term easing was observed in food items, with inflation reflecting supply chain and global commodity price pressure. However, Government expects inflation to come below 7% level by the end of FY26.

External Sector Overview

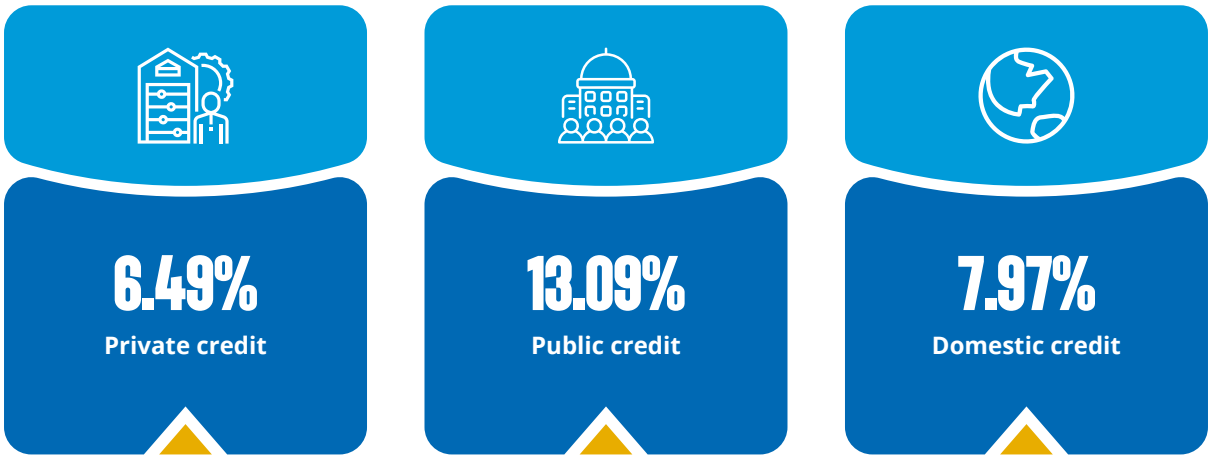
Bangladesh's external sector has seen a significant recovery in 2025 as foreign exchange reserves rose to USD28.03Bn as of January 2026 (roughly 5 months of import coverage) backed by strong remittance growth and rising exports. Exports rose gradually from USD40.81Bn in FY24 to USD43.96Bln in FY25 (7.7% Y-o-Y), supported by steady demand in key export markets. Import growth remained contained, increasing from USD63.24Bn to USD64.36Bn, reflecting cautious domestic demand and ongoing import management measures. These trends helped narrow the trade deficit over the year, although the wider gap in Q1-FY26 suggests some pickup in import demand alongside improving economic activity. Remittance inflows strengthened further, increasing from USD23.91Bn to USD30.32Bn, providing important support to the current account and overall balance of payments.

Component (in Bn USD)	FY24	FY25	Q1-FY25	Q1-FY26
Exports	40.81	43.96	10.55	11.08
Imports	63.24	64.36	15.19	16.80
Trade Balance	-22.43	-20.39	-4.63	-5.71
Remittance	23.91	30.32	6.54	7.58
Current Account Balance	-6.51	-0.13	-0.08	-0.48
Financial Account Balance	4.54	3.53	-0.03	1.59
B.O.P	-4.30	3.39	-1.45	0.85

Domestic Credit Overview:

In FY25, credit growth slowed to 7.97% from 9.8% in FY24, driven by sharp decline in private sector credit growth from 9.7% in FY24 to 6.49% in FY25. But public sector credit increased by 13.09% in the same period from 9.66% in FY24. The overall trend reflects a relatively cautious outlook for investment and growth over the near term. However, with post-election economic stability and easing policy stance investment is expected to recover from FY27.

Key Highlights FY25:



Bangladesh Economic Outlook:

The near-term growth outlook remains optimistic supported by a gradual easing of inflation as policy measures and supply conditions improve. As price pressures soften, private sector activity may gain momentum in the post-election period, helping business confidence and investment to recover. This, in turn, is likely to support higher trade activity, alongside steady export performance. Continued strength in remittance inflows is expected to play an important role in supporting the balance of payments. Together, these factors point toward improved currency stability and a more settled macroeconomic environment over time. DFIs are projecting a rebound to 5.5%+ GDP growth in FY27 as current policy stances ease. With lower inflation expectations and steady currency, Bangladesh is moving towards a long-awaited shift in interest rate policy.

RMG

RMG growth has rebounded

REMITTANCE

Strong growth momentum in inward remittance is likely to sustain

IMPORT

Import growth has peaked up to support exports which is likely to sustain

STRATEGIC INITIATIVES AND KEY TAKEAWAYS – 2025

The year under review unfolded amid a complex macroeconomic environment marked by liquidity tightening, foreign exchange volatility, inflationary pressures, and heightened regulatory supervision within Bangladesh's banking sector. Against this backdrop, the Bank maintained a disciplined approach to capital management, balance sheet optimisation, digital transformation and sustainable growth, while continuing to reinforce its core franchise in SME, retail, remittance and corporate banking. Notwithstanding external challenges, 2025 stands as one of the most transformative years in the Bank's history, distinguished by significant milestones in market capitalisation, remittance inflows, capital issuance, digital adoption and sustainability leadership.

The Board is pleased to present milestone achievement during the year

- Surpassed USD 1 billion market capitalisation
- Crossed USD 2 billion in annual remittance inflows
- Achieved BDT 20,000 crore+ total deposit growth
- Recorded 12 lakh+ Astha users
- Processed over BDT 24,000 crore in monthly digital transactions
- Strengthened Tier-II capital through dual bond issuances
- Achieved 82% sustainable finance portfolio alignment
- Maintained highest credit ratings among peers

Exceptional Deposit Mobilisation and Liquidity Strength

A defining achievement during the year was the mobilisation of BDT 20,000 crore in total deposit growth. This exceptional growth reflects deep customer confidence, effective branch-level execution, enhanced retail acquisition and digital onboarding through the Astha platform. The Bank's liability franchise remains one of its strongest competitive advantages, providing a stable funding base in a tightening liquidity environment.

Remittance Expansion – Crossing USD 2 Billion

In 2025, BRAC Bank surpassed USD 2 billion in inward remittance inflows, marking a sharp rise from USD 1.605 billion in 2024 and cementing its position as 4th nationally, up from 17th just five years ago. This achievement reflects strategic investments in digital remittance partnerships, strengthened correspondent banking networks, faster crediting systems, and expanded branch and agent outreach, all underpinned by strong compliance and transaction processing capabilities. Remittance has now become a major contributor to the Bank's non-funded income and foreign currency liquidity, reinforcing its role as a key driver of growth and resilience.

Capital Reinforcement and Innovative Funding Instruments

BDT 700 Crore Subordinated Bond

Capital reinforcement was a central theme of the year. In March 2025, the Bank successfully issued a BDT 700 crore subordinated bond, fully subscribed by 663 investors, including 567 individual investors. This issuance strengthened Tier-II capital under Basel III and enhanced long-term funding resilience.

Bangladesh's First Social Subordinated Bond – BDT 1,000 Crore

Bank secured approval to issue Bangladesh's first Social Subordinated Bond valued at BDT 1,000 crore. Structured in alignment with the International Capital Market Association (ICMA) Social Bond Principles and supported by an independent Second Party Opinion from S&P Global Ratings, the proceeds are earmarked for financing CMSMEs, women-led enterprises, agricultural value chains, healthcare, sanitation and affordable housing. This milestone reinforces the Bank's leadership in sustainable capital market innovation.

Historic Market Capitalisation Milestone

In July 2025, BRAC Bank achieved a historic milestone by surpassing USD 1 billion in market capitalisation, becoming the only bank in Bangladesh to reach this benchmark. The Bank maintains the highest foreign shareholding among local banks at 36.06%, reflecting strong international investor confidence in governance standards, financial discipline and long-term strategic direction.

This achievement:

- Positions the Bank as the highest valued local bank.
- Reinforces investor confidence in governance and earnings stability.
- Reflects strong market perception of long-term growth prospects.

The Bank maintains the highest foreign shareholding among domestic banks, reflecting international trust.

Digital Banking at Structural Scale – Astha Platform

Astha integrates over 120 financial services, including instant account opening through eKYC, interbank fund transfers, QR-based payments, term deposits, consumer loans, cardless ATM withdrawals, insurance premium payments and capital market account services. Approximately 90% of new retail accounts are now opened digitally, while 100% of retail customers receive electronic statements, significantly reducing paper usage and enhancing operational sustainability

Astha Performance Metrics:

- 12 lakh+ registered users.
- 2 lakh+ daily active users.
- BDT 24,000+ crore monthly transactions.
- 71% of total transaction volume migrated to digital channels.
- 90% of new retail accounts opened via eKYC.
- 100% retail customers receiving e-statements.

The Bank's process automation initiatives were recognised internationally, including a Gold Award at the Infosys Finacle Innovation Awards for automated transaction profiling systems that enhance compliance monitoring and risk analytics.

SME Innovation and Ecosystem Development

Launch of "Finnovision" – SME Innovation Lab

SME banking continues to be the cornerstone of BRAC Bank's business model, strengthened in 2025 by the launch of the country's first SME Innovation Lab, "Finnovision." This pioneering platform adopts a structured, ecosystem-driven approach to address critical areas such as gender financing gaps, climate-resilient financing, smart agriculture, and the integration of cottage and microenterprises. Moving

beyond traditional financing, Finnovision is designed to build a holistic ecosystem that fosters innovation, resilience, and inclusive growth across the SME sector.

BIFFL–JICA Partnership

BRAC Bank accessed a BDT 500 crore Bangladesh Bank refinance facility dedicated to start-ups and collaborated with BIFFL and JICA under the Food Value Chain Improvement Project to provide competitively priced, long-tenure financing. Key features include:

- Food Value Chain Improvement Project
- Long-tenure, competitively priced loans
- Focus on SMEs in priority sectors
- Government-backed structured financing

Shafollo e-Loan and Digital SME Financing

The Bank also launched Shafollo e-Loan, an instant digital loan product for small entrepreneurs, enabling rapid access to working capital without branch visits, enabling:

- Instant digital SME loan approval.
- Fully branchless onboarding.
- Rapid NID-based verification.

Sustainable Finance Leadership

Sustainability remains deeply embedded in the Bank's strategy. As at year-end 2025, sustainable finance portfolio stood at BDT 60,456 crore, representing approximately 83% of the total loan portfolio significantly exceeding the regulatory requirement of 40%, while green finance accounted for 9% of total portfolio against a 5% benchmark. The Bank continues to exceed regulatory expectations and maintain industry leadership in ESG integration.

Other key takeaways include:

- Recognised as **Sustainable SME Financier of the Year – Asia** at the Global SME Finance Awards 2025 for WASH financing, impacting over 1.1 million people with improved sanitation and safe water.
- Secured the **best ESG Rating from Bloomberg** among all Bangladeshi banks and named one of the **Top Sustainable Banks** by Bangladesh Bank for the fifth consecutive year.
- Expanded **Sustainable Finance Helpdesks** nationwide, ensuring accessibility to green credit solutions..

Full Scope 1–3 Carbon Disclosure

The Bank retained the highest Bloomberg ESG score among Bangladeshi banks and continued its leadership within the Global Alliance for Banking on Values.

BRAC Bank became the first in Bangladesh to:

- Fully disclose Scope 1, 2 and 3 emissions.
- Apply PCAF methodology.
- Publish IFRS S1 and S2 aligned disclosures

International Operational Excellence

BRAC Bank received four Elite Quality Recognition Awards from J.P. Morgan Chase in 2025 for exceptional Straight Through Processing (STP) rates exceeding 99% in USD and EUR clearing transactions. Such operational precision reflects robust compliance, automation and international banking standards.

Governance and Institutional Recognition

- ICMAB Best Corporate Award – Gold.
- ICSB National Award – Gold.
- Member of Global Alliance for Banking on Values.
- Highest credit-rated private commercial bank in Bangladesh.

Strong governance practices continue to underpin investor and regulator trust.

Expansion of Distribution Network

Network Growth in 2025

- **Branches:** The number of full-service branches increased from 189 at the end of 2024 to 194 by late 2025.
- **Sub-branches:** The sub-branch network saw the most aggressive expansion, growing from 74 at the end of 2024 to 116 by December 2025.

MRT Line-6 Integration

In addition to its digital expansion, BRAC Bank enhanced physical accessibility by installing ATMs along MRT Line-6 stations, integrating banking services into Dhaka's modern urban infrastructure. With new installations at Pallabi, Mirpur-10, Farmgate, Shahbagh, and Bangladesh Secretariat stations, the initiative strengthens commuter convenience and promotes seamless access to financial services, reinforcing the Bank's commitment to integrated urban banking solutions.

Women Empowerment and Inclusive Growth

Launched multiple initiatives to support women entrepreneurs and professionals:

- **UddogTARA Global Edge 2025 Masterclass** with GEN Bangladesh, equipping 65 women entrepreneurs with global insights and practical tools.
- **Amrai TARA Training Programme** in collaboration with BdOSN, empowering 30 women entrepreneurs with digital and business management skills.
- **AI Skill Development Workshop** for 100 women entrepreneurs, focusing on digital branding, marketing automation, and product innovation.

Continued support for women's sports through the Aporajeyo Alo Women's Hockey Tournament 2025, engaging 18 district-level teams to nurture grassroots talent.

Hosted 'Rise Above Fear' Breast Cancer Awareness Session with Green Delta Insurance, reinforcing commitment to women's health and wellness.

Youth and Community Development

- Conducted financial literacy programmes across all 64 districts, aligned with Bangladesh Bank's 'Youth Festival 2025', educating students on savings, investment, and responsible banking.
- Welcomed 53 new professionals under the Young Leaders' Programme (YLP) 2025, nurturing future leadership through structured learning and exposure.
- Organised Job Fair for Persons with Disabilities (PWDs) under CSR initiative 'Aporajeyo Ami', securing employment for 46 PWDs across 22 employers.

Strategic Partnerships and Capacity Building

- Partnered with Bangladesh Bank to access BDT 500 crore refinancing fund for start-ups, strengthening entrepreneurial ecosystems.
- Collaborated with UNEP, UN Women, and BASE under the 'EmPower' programme to launch climate finance schemes for women-led SMEs in coastal regions.
- Organised the National Water Supply & Sanitation Workshop with Water.org, reinforcing leadership in WASH financing.
- Hosted Entrepreneurship Development Programme with Bangladesh Bank under SICIP, providing month-long training for CMSME entrepreneurs.

Outlook for 2026

The Board's priorities for 2026 include:

- Strengthening low-cost deposit mobilisation.
- Enhancing capital efficiency and return optimisation.
- Scaling digital lending architecture.
- Concentrate on climate transition finance.
- Expanding remittance corridors for attracting more remittance.
- Integrating AI-driven compliance and risk analytics.

BRAC Bank enters 2026 with strengthened capital buffers, a robust deposit base, expanding digital ecosystem and reinforced sustainability leadership.

Exceptional Credit Ratings Highlighting Stability and Strength

CRAB has reaffirmed BRAC Bank's 'AAA' long-term and ST-1 short-term ratings with a 'Stable' outlook, valid until June 30, 2026. This is the highest issuer credit rating in Bangladesh. BRAC Bank is also the highest-rated Bangladeshi bank by S&P Global Ratings and has the highest core capital base among Bangladeshi banks rated by Moody's. The US-based S&P Global Ratings has kept confidence on BRAC Bank maintaining a solid 'B+' rating with a 'Stable' Outlook while Moody's has rated B2

Our key Human Resource Pillars

2025 was a year of purposeful growth, consolidation, and transformation for the Bank. As the bank continued its journey toward becoming the most impact-driven bank in the country, the people agenda evolved with equal focus and discipline, within a compliant and well-governed operating environment.

The Bank's people strategy remained anchored on three interconnected pillars: People, Performance, and Culture, with a deliberate emphasis on integrating people strategy with a strong performance culture. Throughout the year, focused investments were made to build a future-ready workforce while strengthening care, inclusion, and accountability across the organization.

The Bank's workforce in 2025 reflected stability with momentum, combining institutional knowledge with new capabilities that support agility, digital fluency, and innovation. Talent acquisition efforts were directed toward strengthening the future leadership pipeline, ensuring the right balance of capability, values, and cultural alignment. Recruitment initiatives continued to evolve toward a more strategic, technology-enabled talent partner model.

Capability building remained a strategic priority. A structured and future-ready learning ecosystem was strengthened through significant expansion of learning participation and training hours, (a significant 52.93% year-on-year growth) the highest in the Bank's history. Leadership and role-based development programs were implemented to deepen bench strength across critical functions, reinforcing readiness for business transformation and sustainable growth.

Diversity and inclusion continued to advance with intent. A key milestone was achieved with the attainment of the targeted female representation: 25% within the non-sales workforce. Targeted leadership development initiatives for women and unconscious bias awareness programs further reinforced the Bank's commitment to inclusive leadership and equitable career progression.

Employee well-being and experience remained integral to the people agenda. Enhanced medical, mental health, and leave support initiatives contributed to a more supportive and sustainable work environment. Alongside these, structured organizational development interventions strengthened leadership effectiveness, career conversations, employee voice, and internal mobility.

Through these collective initiatives, the Board is satisfied that the Bank's human resources strategy in 2025 delivered measurable organizational impact, strengthening leadership pipelines, reinforcing meritocracy, and embedding people practices that support long-term growth, performance, and societal impact.

Total Assets

2025 **BDT 1,179,672 Mn**

2024 BDT 930,133 Mn

Loans & advances

2025 **BDT 730,659 Mn**

2024 BDT 623,372 Mn

Deposits

2025 **BDT 889,517 Mn**

2024 BDT 689,433 Mn

Non-performing loans

2025 **2.27%**

2024 2.63%

Revenue

2025 **BDT 57,946 Mn**

2024 BDT 44,250 Mn

Cost-income ratio

2025 **45%**

2024 47%

Net profit

2025 **BDT 15,809 Mn**

2024 BDT 12,136 Mn

EPS

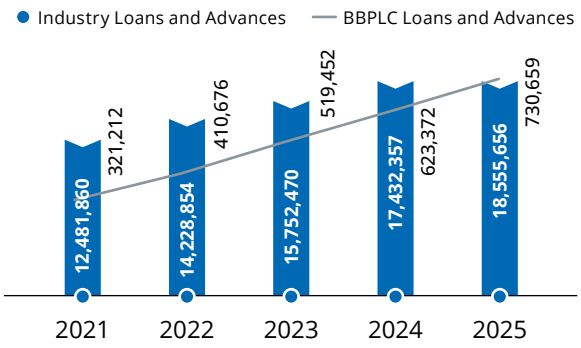
2025 **BDT 7.94**

2024 BDT 6.10

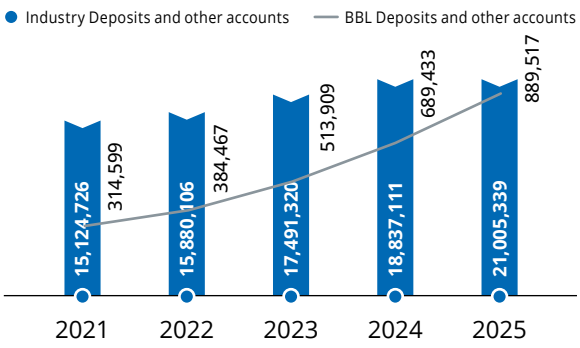
Advances and Deposits Growth Surpassing Industry Trend

Bank's total assets registered a growth of 27 percent YoY, or BDT 249,540 mn, reaching BDT 1,179,672 mn in 2025 from BDT 930,133 mn in 2024. Growth in total assets was mainly driven by an increase in loans and advances of BDT 107,287 mn (17 percent) and Investment of BDT 121,905 mn (60 percent). The growth in the asset portfolio was adequately supported by deposits growth of 29 percent YoY, or BDT 200,084 mn and growth in other banks and Financial Institution borrowings of 37 percent YoY or BDT 18,613 mn, despite adverse macro-economic conditions, which clearly demonstrates our operating strength and the trust that our customers have bestowed upon us.

Industry vs BBPLC Loans and Advances BDT mn



Industry vs BBPLC Deposit Trend BDT mn

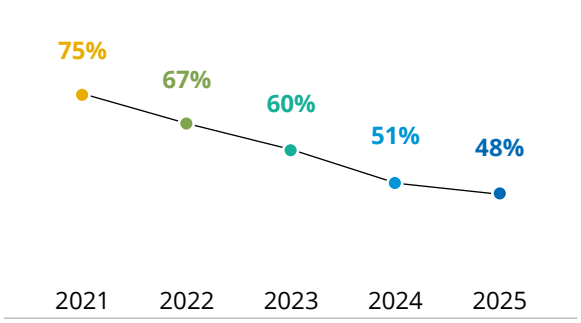


Industry vs BRAC Bank Deposit and Loan Growth

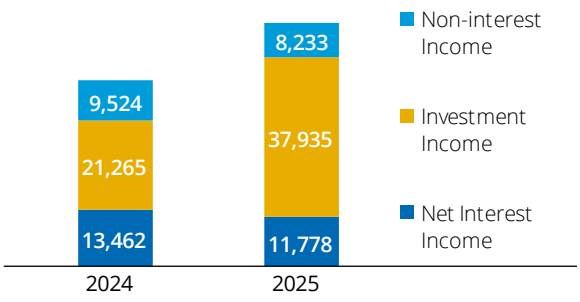
Revenue

Total Revenue (operating income) increased by 31 percent to BDT 57,946 million from BDT 44,250 million in the prior year, indicating a solid financial performance for the bank during the year ending on December 31, 2025. During 2025, Interest Income increased by BDT 18,826 million (34%) mainly for 17 percent growth in loan portfolio. Investment income registered a massive growth of 78% to BDT 37,395 million. Other operating income increased by 24% to BDT 282 million while net interest income decreased by 13% to BDT 11,778 million.

Gross Profit Margin



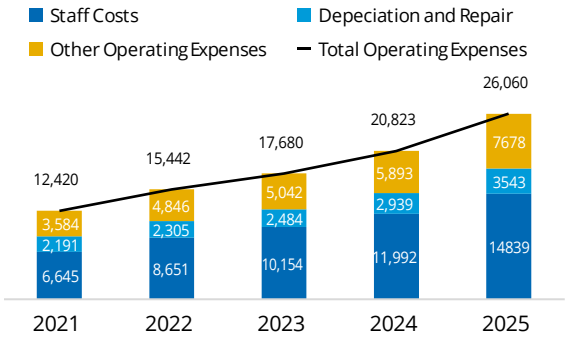
Revenue BDT mn



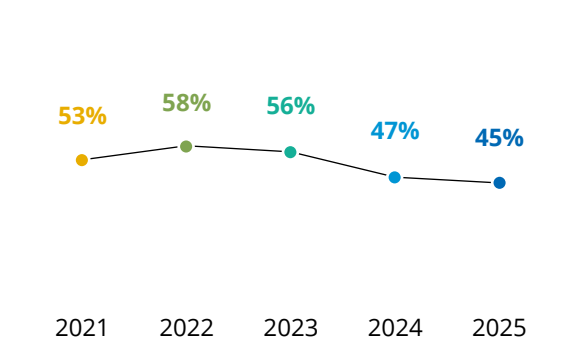
Cost

The minimum interest rate floor by Central Bank on customer deposits resulted in a significant hike in interest costs. On the other hand, total operating costs also increased by BDT 5,236 million (25%), mainly driven by higher staff costs arising from regulatory compensation, restructuring and overall hike in costs due to inflation. As a socially responsible bank, BRAC Bank has significantly increased its contribution to donation and CSR activities. It will continue its active participation in social needs for shared prosperity of the people. In addition, the bank also incurred higher costs for staff incentives to accelerate growth in balance sheet, specifically loans and deposits in alignment with the bank's long-term strategy.

Operating Expenses BDT mn



Cost to Income Ratio (CIR)

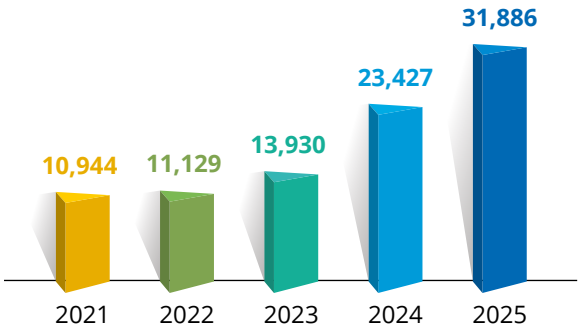


Operating Profit/ Profit before Provision

The bank's operating profit stood at BDT 31,886 million in 2025 from BDT 23,427 million in 2024, registering a massive growth of 36% from last year. Despite an increase in operating costs, increase in investment income and other operating income have been the key drivers behind the growth.

Operating Profit/ Profit before Provision

BDT mn



Being Cautious in Absorbing Future Non-Performing Loan (NPL) Shock

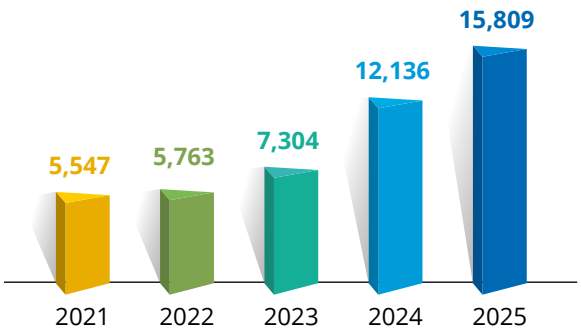
The Board and management of BRAC Bank take proactive measures to absorb any upcoming shocks arising from prospective macroeconomic distress. The bank maintained a surplus provision of BDT 568 million for loans and advances along with off-balance sheet exposure to cushion against potential future shocks, boosting the NPL coverage ratio to 133%.

Profit for the Year and EPS

Profit before tax grew by a satisfactory 28% to BDT 25,003 million in 2025, commensurate with revenue growth of 31%. After providing for income tax of BDT 9,194 million, net profit increased by 30% to BDT 15,809 million for 2025, vs. BDT 12,136 million in 2024.

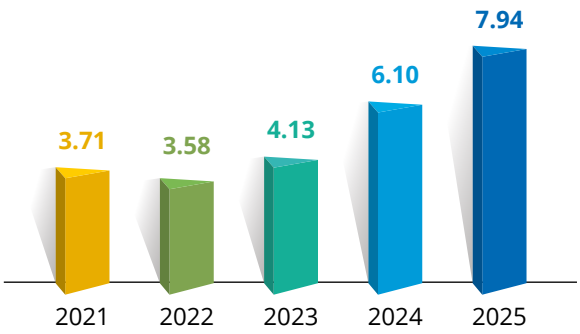
Net Profit After Tax

BDT mn



Earnings Per Share (EPS)

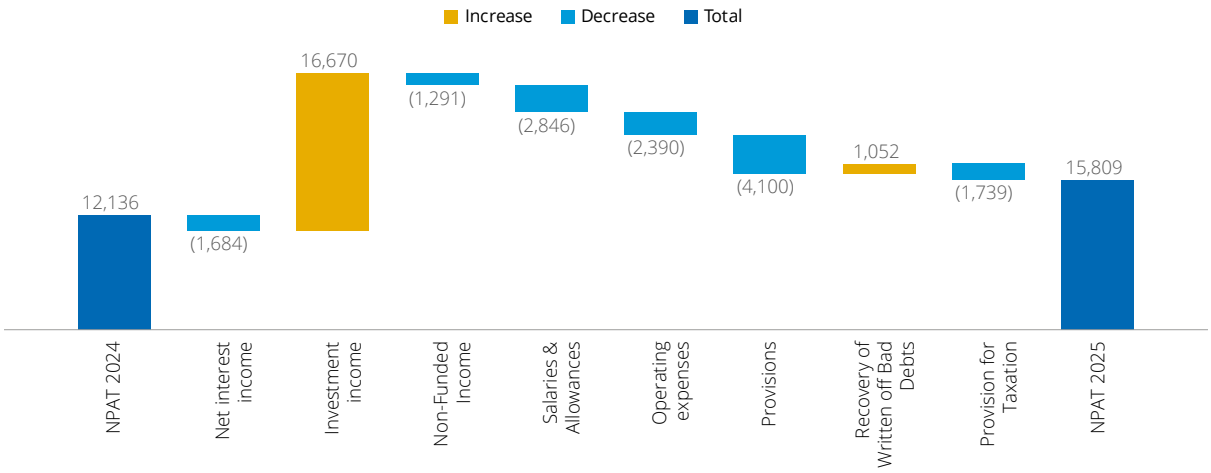
BDT



Profit Growth in 2025 and its Major Constituents

Profit growth in 2025

BDT mn

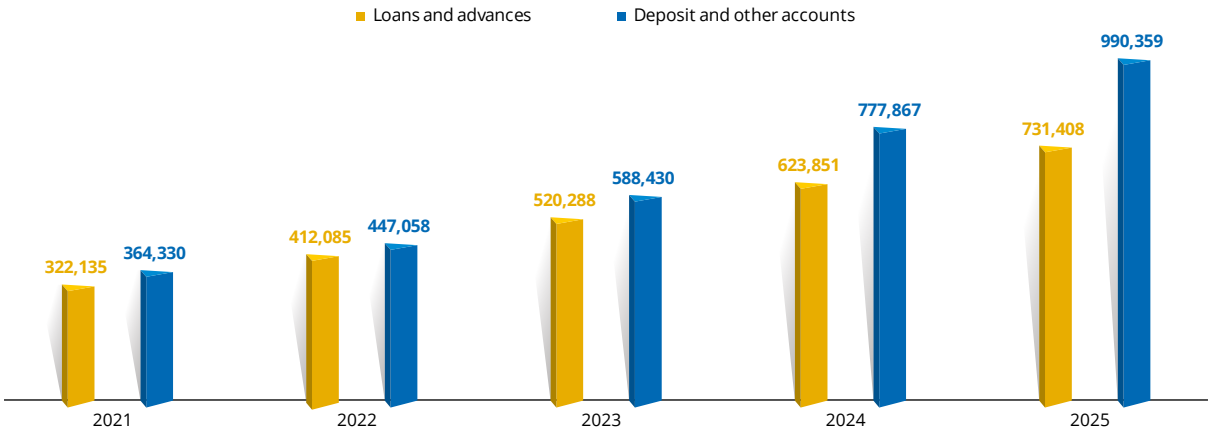


Consolidated Performance

On a consolidated basis the Bank (BRAC Bank and its subsidiaries) has earned a net profit of BDT 22,509 million in 2025, reflecting a growth of 57 percent compared to 2024. Overall performance of the Group reflects its resilient nature, efficient management and good governance practices.

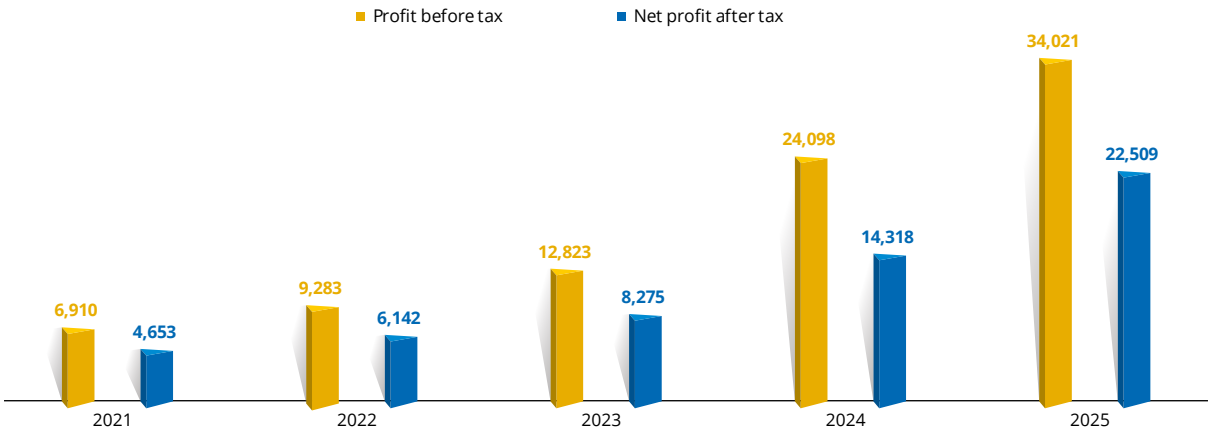
Financial Position

BDT mn



Financial Performance

BDT mn



BRAC Bank has four subsidiary companies in related but diverse operations. They are BRAC EPL Investment Limited, BRAC EPL Stock Brokerage Limited, bKash Limited and BRAC Saajan Exchange Limited.

Snapshot of Subsidiaries

Amount in millions

Name of Subsidiaries	Business Location	Nature of business	Total assets	Net Profit
BRAC EPL Investment Limited	Bangladesh	Merchant banking	BDT 1,693	BDT 18
BRAC EPL Stock Brokerage Ltd.	Bangladesh	Stock brokerage	BDT 2,649	BDT 67
bKash Limited	Bangladesh	Mobile financial services	BDT 162,210	BDT 6,612
BRAC Saajan Exchange Ltd.	United Kingdom	Remittance & exchange services	GBP 0.92	GBP (0.91)

Amid the challenging capital market of 2025, the management of BRAC EPL Investment Limited took steps very cautiously and has been building its capacity to improve its performance in the coming days. The company incurred a profit of BDT 18 million in the year 2025.

BRAC EPL Stock Brokerage Limited has remained a consistent performer over the years. The profit has increased significantly during the year 2025, the company has built sound reputation as a stock market intermediary of repute in Bangladesh.

The performance of bKash Limited has been very satisfactory in the year 2025. Net profit after tax of bKash soared by 109% to BDT 6,612 million in 2025 from BDT 3,158 million in 2024. The company further strengthened its superior position and acceptability in the market through its diverse services and technology-based capacity.

The BRAC Saajan Exchange Limited is operating under challenging circumstances, striving to enhance its financial metrics based on the UK. There was additional capital injection to the company for rebuilding its operating capacity.

Key Financials in a Nutshell 2025

Amount in million unless otherwise specified

Particulars	Standalone		Consolidated	
	BDT	Equivalent USD	BDT	Equivalent USD
Total assets	1,179,672	9,646	1,328,115	10,859
Loans and advances	730,659	5,974	731,408	5,980
Deposits and other accounts	889,517	7,273	990,359	8,098
Total shareholders' equity	99,702	815	102,658	839
Total revenue	57,946	474	85,360	698
Total operating expenses	26,060	213	44,438	363
Operating profit	31,886	261	40,922	335
Net profit	15,809	129	22,509	184
Earnings per share (EPS) (in BDT)	7.94	0.065	9.12	0.075

In 2025, we sustained our profitability despite the various challenges in the global and local economy. We adhered to our long-term growth strategy, and kept our focus on cost optimization, technological investments, ESG targets adoption, and operating efficiency management, thus representing a holistic approach to respond to an evolving operating environment and stakeholder needs and expectations.

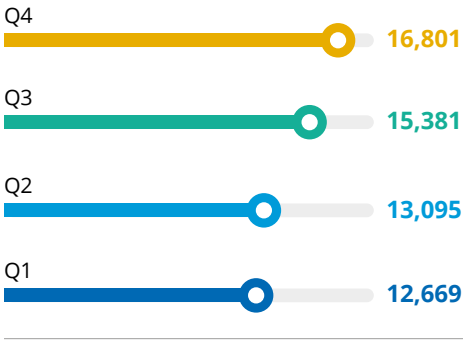
Quarterly Financial Performance 2025

The Board and Board's Audit Committee (BAC) monitor the financial and non-financial performance of the bank and the Group (including subsidiaries). During 2025, BAC reviewed the quarterly financial statements, and the Board of Directors approved the same before disclosing it to shareholders and stakeholders.

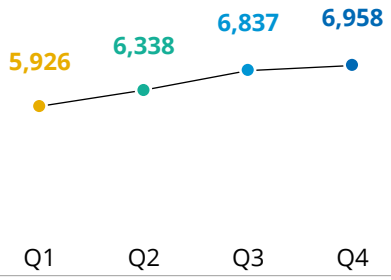
There is no significant variance between Quarterly Financial performances and Annual Financial Statements. Key metrics under quarterly financial performance for 2025 are presented below.

Standalone Quarterly Financial Performance 2025 (In BDT million)

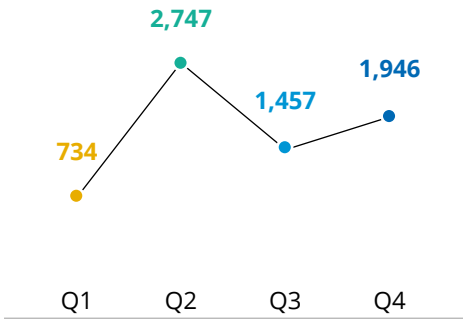
Total revenue BDT mn



Total operating expenses BDT mn



Total provisions BDT mn



PAT BDT mn

FY-2025

57,946
Revenue

26,060
Operating Expenses

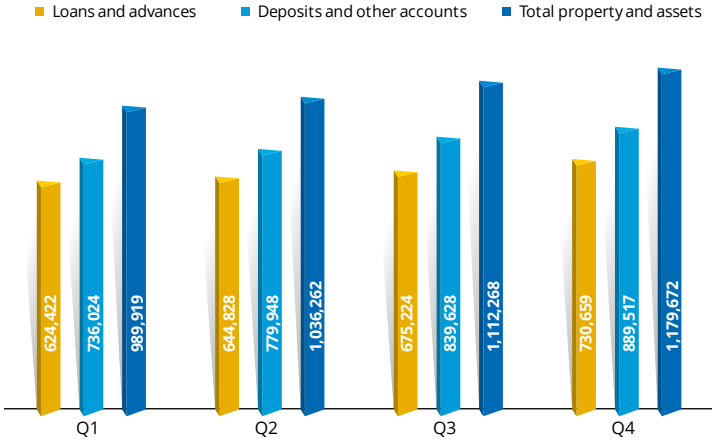
6,884
Provisions

15,809
PAT

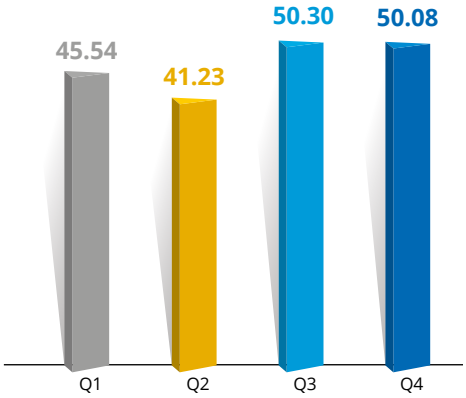
BDT 7.94
EPS

Standalone Quarterly Financial Position 2025 (In million BDT)

Financial Position BDT mn



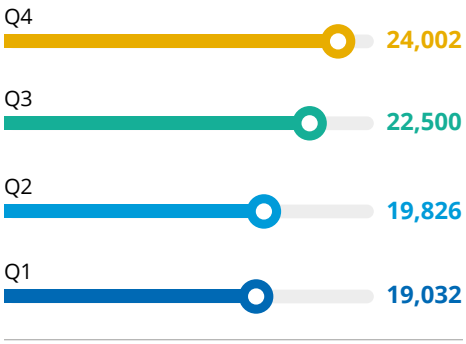
NAV Per Share



Consolidated Quarterly Financial Performance 2025 (In BDT million)

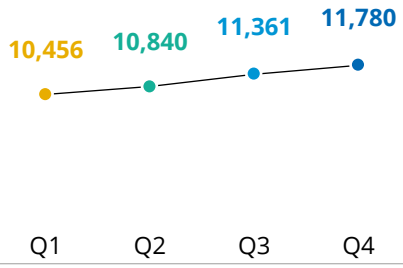
Total revenue

BDT mn



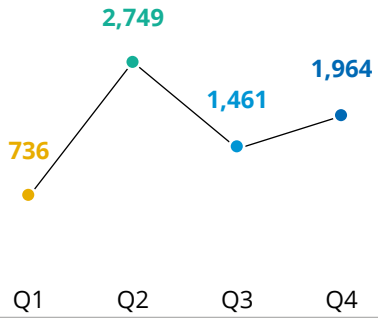
Total operating expenses

BDT mn



Total provisions

BDT mn



PAT

BDT mn

FY-2025

85,360
Revenue

44,438
Operating Expenses

6,908
Provisions

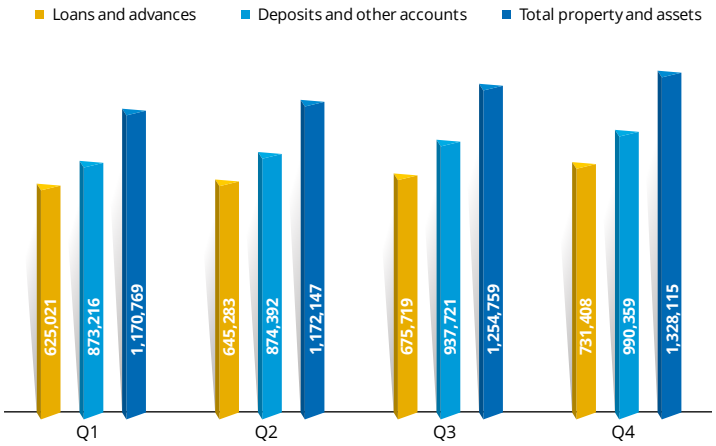
22,509
PAT

BDT 9.12
EPS

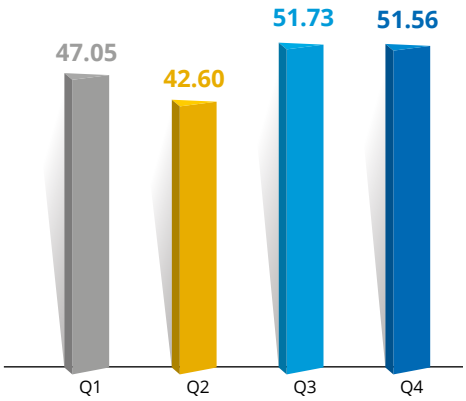
Consolidated Quarterly Financial Position 2025 (In BDT million)

Financial Position

BDT mn



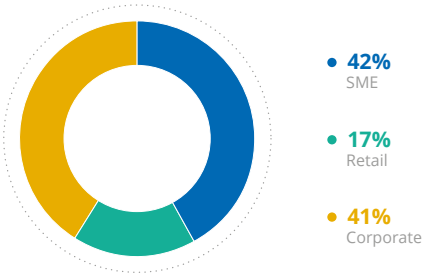
NAV Per Share



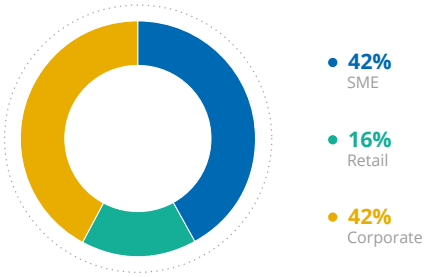
Segment and Product-wise Performance

BRAC Bank has three core business segments i.e. SME Banking, Retail Banking & Corporate Banking to facilitate the customer's needs through its diverse offerings and tailor-made products and services. In addition, the bank has an industry leading Treasury division to manage balance between asset and liability position, maintain sufficient liquidity and ensure profitable investment of surplus funds. All major business segments of the bank contributed towards considerable balance sheet growth in 2025 defining the adversities. Among the operating segments, SME banking has highest loan portfolio of BDT 306,249 million.

2025



2024

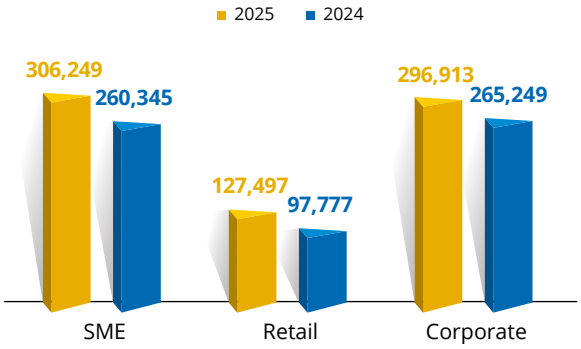


Segmental Loan Portfolio and Quality

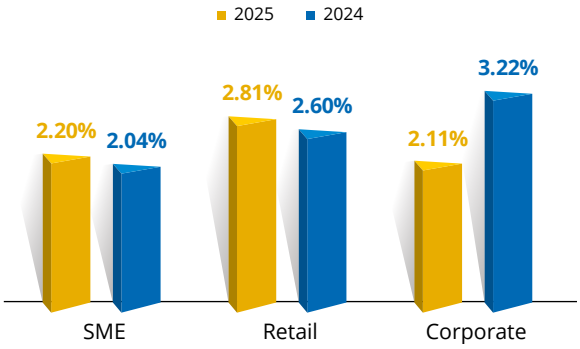
All three business segments of the bank witnessed considerable growth in the loan portfolio. Specifically, SME division achieved a staggering 18% (BDT 45,903 million) growth in portfolio. BRAC Bank, through its conscious & supportive approach, helped customers continue their business momentum and put their trust in us as the most preferred corporate banking partner during this challenging period, making a staggering growth of 12% of BDT 31,663 million. On the other hand, Retail portfolio has also grown by BDT 29,720 million which is 30% increase compared to previous year, contributing to the 17% overall growth in loans and advances during the year.

Segment Wise Loans & Advances

BDT mn



Segment Wise NPL (%)



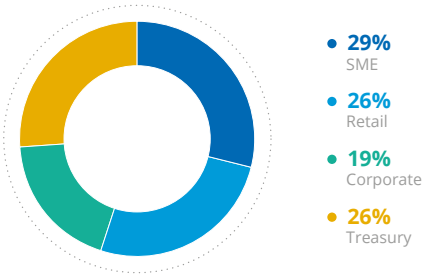
The bank's NPL reduced to 2.27% in 2025 from 2.63% in 2024, is both comprehensive and well managed and has shown a decreasing trend. The Board and management have been highly cautious in selecting quality portfolio in this disruptive market. To absorb credit risk of current NPL and fight unforeseen shocks, bank maintained a 133% NPL coverage ratio.

Segmental Revenue and Operating Profit

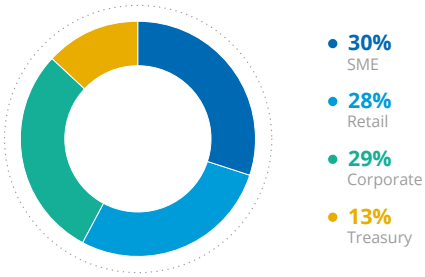
Total revenue grew by 31% compared to 2024 - despite a 35% drop in the Net Interest Margin (NIM) on account of higher deposit costs. Revenue growth was primarily driven by New to Bank Customer Acquisition and Balance Sheet growth. Treasury division has shown tremendous support amid the challenges posted by war and rising inflation. SME Banking division earned BDT 16,953 million as revenue and contributed BDT 5,255 million towards operating profit, whereas Retail, Corporate & Treasury division contributed BDT 4,085 million, BDT 8,405 million and BDT 14,142 million to operating profit respectively.

Segment-wise Revenue:

2025

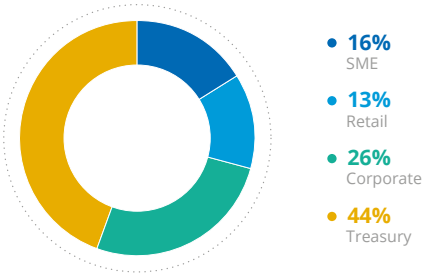


2024

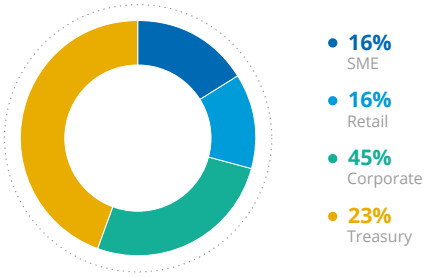


Reportable segment operating profit/(loss):

2025



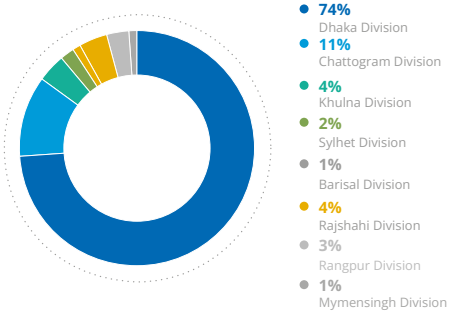
2024



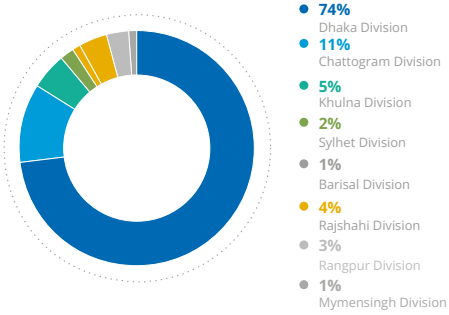
Geographic Location-wise Portfolio

Geographical Location Wise Loan Portfolio	2025	2025	2024	2024
Dhaka Division	538,242	74%	459,067	74%
Chattogram Division	80,163	11%	67,120	11%
Khulna Division	32,747	4%	28,215	5%
Sylhet Division	12,997	2%	10,357	2%
Barisal Division	9,357	1%	8,722	1%
Rajshahi Division	29,935	4%	25,953	4%
Rangpur Division	20,167	3%	17,518	3%
Mymensingh Division	7,050	1%	6,420	1%
Total	730,659	100%	623,372	100%

Geographic location-wise portfolio 2025



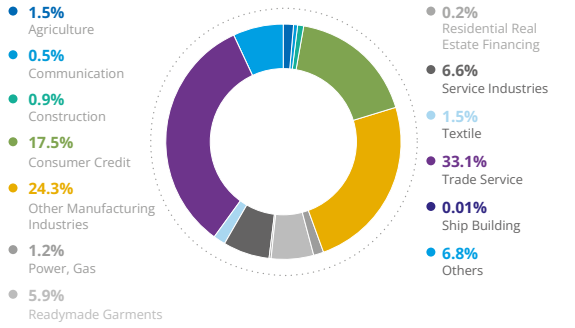
Geographic location-wise portfolio 2024



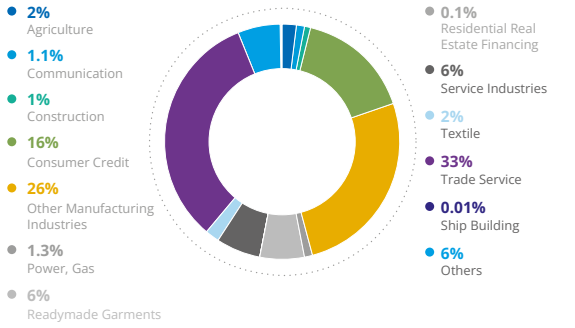
Industry sector-wise loan portfolio

As an SME-focused bank, we continuously strive to judiciously expand our SME portfolio. At 2025-year end, loans and advances to small and medium enterprises comprised 42% of the overall loan portfolio. Though SME mix has been constant since 2024, a massive growth of BDT 45,903 million in SME loans was noted in 2025.

Industry sector-wise loan portfolio 2025



Industry sector-wise loan portfolio 2024

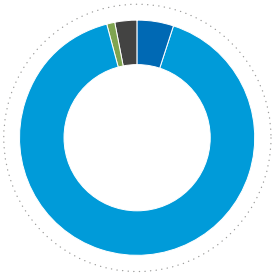


Sector	2025	2024	Change over 2024	
	BDT in Mn	BDT in Mn	BDT in Mn	Percentage
Agriculture	11,217	10,511	706	7%
Communication	3,441	3,230	212	7%
Construction	6,826	7,002	(176)	-3%
Consumer Credit	127,505	97,771	29,734	30%
Other Manufacturing Industries	177,548	162,557	14,991	9%
Power, Gas	8,520	8,226	294	4%
Readymade Garments	43,312	39,023	4,289	11%
Residential Real Estate Financing	1,466	633	833	132%
Service Industries	47,919	39,563	8,356	21%
Textile	11,235	9,561	1,674	18%
Trade Service	241,740	206,932	34,808	17%
Ship Building	81	85	(4)	-5%
Others	49,848	38,276	11,572	30%
Grand Total	**730,659**	**623,372**	**107,287**	**17%**

Investment mix

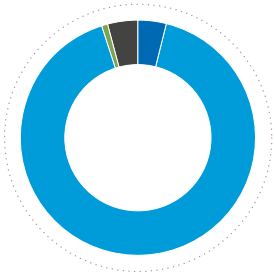
The overall investment of the bank increased to BDT 326,256 million in 2025. The bank's investment in treasury bonds excelled to BDT 297,809 million (91% of total investment in 2025), which remained the lion's share of the bank's investment portfolio. Investments were kept mostly to maintain SLR, as per Bangladesh Bank guidelines.

Investment mix 2025



- 5% Treasury bills
- 91% Treasury bonds
- 0% Prize bonds
- 1% Corporate bonds
- 0% Ordinary shares and MFs unquoted and quoted
- 3% Preference Share

Investment mix 2024

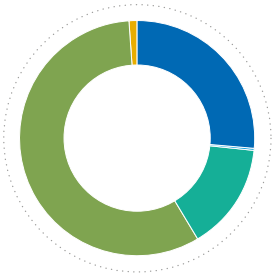


- 4% Treasury bills
- 91% Treasury bonds
- 0% Prize bonds
- 1% Corporate bonds
- 0% Ordinary shares and MFs unquoted and quoted
- 4% Preference Share

Deposit Portfolio

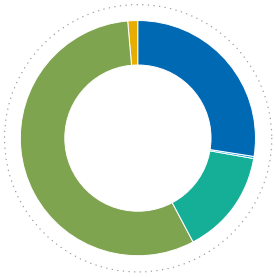
The bank continuously strives to enhance its deposit base, especially low-cost CASA, through ensuring superior customer service and offering high security of deposits. With a view to further building on our low-cost deposit base, we continued to give thrust to CASA that stands at 41% (2024: 42%) of the overall portfolio. Our deposit portfolio remains well-diversified.

Deposit portfolio 2025



- 26.6% Current accounts a other accounts
- 0.3% Bills payable
- 14.6% Savings deposits
- 57.4% Term deposits
- 1.1% Other deposits

Deposit portfolio 2024



- 27.5% Current accounts a other accounts
- 0.5% Bills payable
- 14.4% Savings deposits
- 56.2% Term deposits
- 1.3% Other deposits

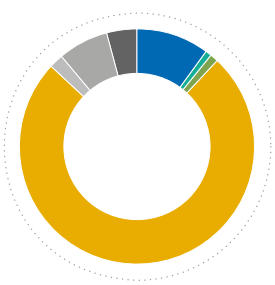
Sources and Utilization of Funds

Total liabilities as on 31 December 2025 stood at BDT 1,079,971 million, representing a YoY increase of 26%. The increase can be attributed to the 29% growth in deposits amounting to BDT 200,084 million. Borrowing from other banks and FIs increased by BDT 18,613 million in offshore banking units to support offshore business growth. In 2025, Brac Bank issued its social sub bond of BDT 6,537 million to strengthen its Tier II capital base and serve as a source of funding.

The major chunk of BRAC Bank's funds is derived from customer deposit accounts, bulk of which is utilized to loans and advances growth and make investments. A slice of this pie is retained in the form of cash/equivalents to maintain adequate CRR and SLR ratios, as per Bangladesh Bank's guidelines.

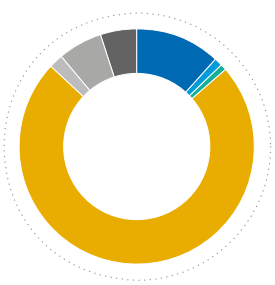
Sources of funds:

Sources of funds 2025



- 10% Borrowings
- 0% Affordable housing bond
- 1% BBPLC 2nd subordinated bond
- 1% BRAC Bank Social Sub-bond
- 0% Money at call on short notice
- 75% Deposits
- 2% Paid up Capital
- 7% Reserve & Surplus
- 4% Other Liabilities

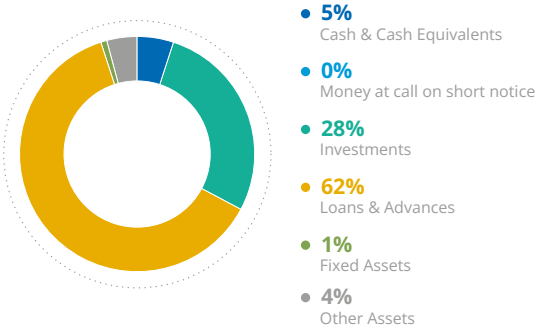
Sources of funds 2024



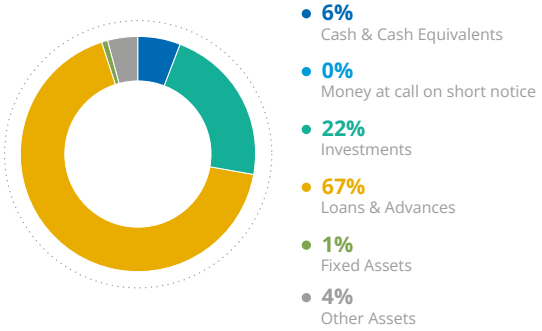
- 12% Borrowings
- 1% Affordable housing bond
- 1% BBPLC 2nd subordinated bond
- 0% BRAC Bank Social Sub-bond
- 0% Money at call on short notice
- 74% Deposits
- 2% Paid up Capital
- 6% Reserve & Surplus
- 5% Other Liabilities

Utilization of funds:

Utilization of funds 2025



Utilization of funds 2024



Projection of Company's Operation, Performance and Financial Position

Despite lingering global economic uncertainties and geopolitical challenges, Bangladesh's economy is expected to stabilize with inflation declining further in 2026. Growth momentum is anticipated to strengthen in the latter half of the year, supporting a more sustained recovery. BRAC Bank remains committed to maintaining strong capital and liquidity positions to navigate this transition effectively.

As part of its strategic growth objectives, the bank will continue to prioritize expanding its low-cost deposit base to support loan growth and enhance market share. Customized financing solutions will be offered to meet diverse client needs, while our robust underwriting standards will ensure the maintenance of a low level of non-performing loans (NPL). Strengthening risk governance and proactive borrower engagement will remain central to safeguarding asset quality.

We anticipate sustainable profitability in 2026, supported by consolidated performance improvements across subsidiaries. The bank will uphold its organizational values, emphasizing ethical and legal practices, with zero tolerance for corruption, bribery, harassment, or discrimination. Our governance mechanisms remain firmly in place to address and prevent such incidents.

Risk Management – Managing Business and Operational Risks

BRAC Bank has reinforced its comprehensive risk management framework to align business activities with its defined risk appetite, ensuring a balance between risk and return. Advanced data analytics and structured methodologies continue to enhance risk identification, assessment, and mitigation.

The Board regularly reviews the bank's risk profile, ensuring alignment with strategic objectives. The three-line defence system remains a cornerstone of our risk control, supported by continuous monitoring of management procedures, control measures, and emerging threats. Stress testing under diverse scenarios ensures resilience against potential shocks.

Key focus areas include:

Credit Risk

Maintaining prudent lending practices and borrower engagement.

Cybersecurity & Information Security

Addressing escalating risks from digital transformation through the advanced Security Operations Center (SOC).

Market Competition

Strategic emphasis on digitization and transformation into a fully integrated digital platform.

In 2025, the Risk Management Division (RMD) has further expanded its scope to align with evolving regulatory requirements and industry best practices. A dedicated pool of specialized resources, supported by structured delegation and escalation matrices, ensures efficient risk handling.

Forums such as the Operational Risk Management Committee (ORMC), Executive Risk Management Committee (ERMC), and Board Risk Management Committee (BRMC) continue to provide oversight and resolution of critical risk issues.

Details on the risk management framework and mitigation methodology are available on page 402-419.

Extraordinary Gain/Loss

During the year, there were no material extraordinary or non-recurring gains or losses requiring special attention from stakeholders.

Basis for Related Party Transactions

The bank conducts related party transactions in the normal course of business, primarily involving loans, advances, and deposits. All transactions are executed at arm's length or fair market value. Further details are disclosed in "Annexure – I" on page 574.

Preparation of Financial Statements and Annual Report 2025

Integrity and transparency remain the foundation of our financial reporting. The financial statements have been prepared with a true and fair view, adhering to the following principles:

True and Fair View

- Prepared in accordance with IFRSs adopted by FRC, Bangladesh Bank regulations, and applicable laws.
- Presented on a going concern basis.

Maintenance of Proper Books of Account

- Proper books of accounts have been maintained in compliance with governing regulations.

Accounting Policies and Estimates

- Appropriate policies applied consistently.
- Judgments and estimates made prudently and reasonably.
- Compliance ensured with applicable IASs and IFRSs.

The Board Audit Committee has reviewed the financial statements of 2025 and referred them to the Board of Directors for approval. External auditor A Qasem & Co., Chartered Accountants, appointed by shareholders, has certified the fairness of the financial statements for the year ended 31 December 2025.

Details on disclosures are available in Notes to Financial Statements (section 2.1 to 2.9.1).

Internal Control and Compliance

Financial Services including Banking is inherently risky, dynamic, and subject to extensive regulatory scrutiny. It involves managing a broad spectrum of financial as well as non-financial i.e. operational, compliance, and reputational risks. Accordingly, a strong internal control and compliance framework, supported by sound governance, ethical conduct, transparency, and accountability, is essential to ensure the safety, stability, and sustainable growth of the Bank.

BRAC Bank has developed a robust internal control environment through its Board of Directors, ensuring operational integrity, compliance, and organizational effectiveness. The Board of Directors plays a central role in overseeing BRAC Bank's internal control environment. This governance structure helps to align management actions with organizational objectives and ethical standards.

Ensuring adherence to banking regulations is a key function of the Board. BRAC Bank implements compliance mechanisms to meet regulatory requirements set by Bangladesh Bank and other authorities. These mechanisms include regular risk assessment, internal audits, and reporting processes that identify and mitigate potential compliance breaches.

Internal control systems at BRAC Bank promote operational integrity by establishing check and balance throughout the organization. These controls cover financial reporting, transaction processing, and operational workflows, reducing the risk of errors and fraud. By defining the roles that establishes accountability through which the bank maintains reliable banking operation and builds stakeholder trust.

A proactive risk management approach supports the internal control environment. The Board oversees the identification, assessment, measurement, and mitigation of operational, financial, and strategic risks. This supervisory oversight ensures the bank can respond quickly to changes in the economic and regulatory landscape while safeguarding assets and maintaining customer confidence.

In summary, BRAC Bank's Board of Directors strengthens the bank's internal control environment through effective governance, regulatory compliance, maintaining operational integrity, and prudent risk management, collectively contributing to sustainable growth and organizational stability. The bank reviews the Overall Effectiveness of Internal Control on an annual basis, which is reviewed by Audit committee and feedback is provided to the Board of Directors.

Please refer to page 236 for details of disclosure on ICCD.

Going Concern Basis

The bank's financial statements have been prepared on a going-concern basis, as the Board has no intention to discontinue operations and does not foresee any challenges that would hinder the continuation of business in the foreseeable future. In assessing the going concern status, the Board considered the current financial position, profit and loss performance, business portfolio, operational strengths, long-term strategy, regulatory capital and liquidity plans, and future capital mobilization strategies. Please refer to page 497 for details of disclosure on going concern (Note 2.4).

Significant Changess from Last Year's Operating Results

Net profit in 2025 witnessed a substantial increase compared to 2024, driven by:

- **Loan and Advances Growth:** Customer loans and advances grew by 17%, outpacing industry averages.
- **Deposit Growth:** Deposits expanded by 29%, strengthening liquidity.
- **Investment Income:** Continued strong performance in treasury and investment operations, contributing significantly to profitability.
- **Subsidiary Contributions:** Improved consolidated performance with subsidiaries adding to overall earnings.

As a result, consolidated Net Profit After Tax (NPAT) rose to Tk 2,251 crore in 2025, a 57% year-on-year increase compared to Tk 1,432 crore in 2024.

Change in Business

During the year 2025, there has not been any change in the nature of business. The bank continues to operate as a full-service commercial bank, with strategic emphasis on digital transformation, SME financing, and retail banking along with corporate business.

Key Operating and Financial Data of Last 5 Years

Throughout this Director's Report, we have highlighted key figures and facts related to the operating and financial state of the bank for the past five years. Please refer to page 146-159 for detailed indicators on disclosure of five-year financial summary, graphical presentation, stock price, DuPont analysis, and horizontal and vertical analysis of the bank.

Corporate Governance

The foundation of BRAC Bank's governance structure remains robust risk management, effective internal control, capable leadership, and stakeholder responsibility. The active Board establishes governance guidelines ensuring independence, accountability, and balanced control.

The bank has adopted best practices in disclosure, transparency, and business ethics, embedding corporate governance principles into its culture. The Board remains dedicated to maintaining governance standards and frameworks to support long-term growth.

Please refer to page 262-329 for details of disclosure on corporate governance.

Dividend

The Board of Directors continues to safeguard shareholder rights while ensuring sustainable growth. At its 393rd Board meeting held on April 26, 2026, the Board recommended a total dividend of 30% for the year ending December 31, 2025, comprising 15% cash dividend and 15% stock dividend.

This recommendation is aligned with the bank's capital management strategy, ensuring a strong Capital-to-Risk-Weighted Asset Ratio (CRAR) while rewarding shareholders. The dividend payout policy is detailed on page 316, 512 in the Annual Report's "Dividend Distribution Policy" section.

Board Meeting Attendance:

The number of Board meetings held during the year and attendance by each director is presented below:

Name of the Director	Designation	Presence of the Director in the meeting during their tenure		
		No. of meetings	Present	Absent
Mr. Meheriar M. Hasan	Chairperson	16	14	2
Mr. Faruq M. Ahmed	Vice-Chairperson & Independent Director	16	14	2
Mr. Asif Saleh	Director	8	6	2
Ms. Farzana Ahmed	Independent Director	16	9	7
Dr. Zahid Hussain	Independent Director	16	16	-
Mr. Salek Ahmed Abul Masrur	Independent Director	16	12	4
Ms. Anita Ghazi Rahman	Independent Director	16	13	3
Mr. Chowdhury MAQ Sarwar	Independent Director	16	16	-
Ms. Lila Rashid	Independent Director	16	16	-

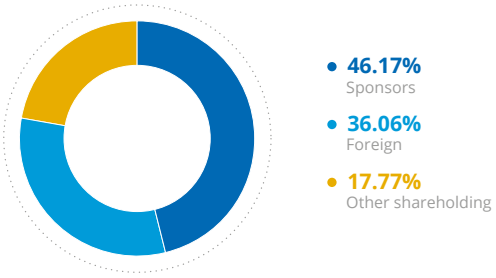
NB: Mr. Asif Saleh retired from the Board on June 19, 2025

Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

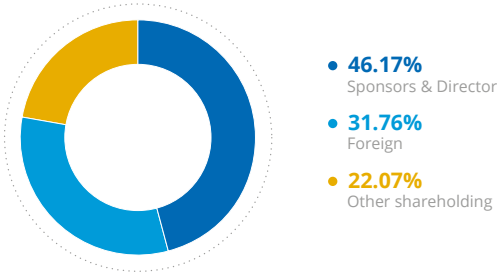
Please refer to page 262-329 for details on disclosure on corporate governance.

Shareholding Pattern

Shareholding Pattern 2025



Shareholding Pattern 2024



For shareholder-wise detail of holding, please refer to distribution of shareholding presets at page 57 of this annual report.

Share Price and Market Capitalization

In 2025, the stock market showed modest recovery compared to the previous year, with the benchmark index stabilizing and turnover improving slightly. BRAC Bank's market capitalization on 31 December 2025 stood at BDT 125,627 million and the closing price was BDT 63.1 per share.

Please refer to page 188 for details on disclosure of the bank's stock price statistics.

Shareholder Value Creation

Shareholders' equity at BRAC Bank increased by BDT 23,905 million in 2025 compared to the previous year. Sponsors hold 46.17% shareholding, while institutions, foreign investors, and the general public collectively hold 53.83%.

Protection of Minority Shareholder Interests and Effective Routes for Redress

The Bank continues to operate in accordance with its Articles of Association and all relevant national

laws and regulations to safeguard the interests of all shareholders, including minority shareholders. Grievances raised at the AGM or elsewhere are promptly and legally addressed, reinforcing stakeholder confidence through governance practices rooted in honesty, openness, equity, professionalism, and responsibility.

Regulatory Capital

The bank's capital base remained well above the regulatory limit with a Total Capital to Risk-weighted Asset Ratio (CRAR) of 15.63% and a Common Equity Tier 1 (CET1) ratio of 12.16% at the end of 2025. Please refer to page 548-549 (note: 18.8) for details on disclosure on financials.

Contribution to the National Exchequer

BRAC Bank continues to be one of the strongest and best-run financial institutions in Bangladesh, contributing significantly to the national economy. The bank collects and deposits government revenues, deducts tax, VAT, and excise duty on payments for goods and services, and pays corporate income tax. Please refer to page 180 for details of disclosure on contribution to the nation in the performance analysis.

Corporate Social Responsibility (CSR)

CSR remains an integral part of BRAC Bank's values and culture. In 2025, the bank prioritized long-term programmes aligned with the UN Sustainable Development Goals (SDGs), reaffirming its commitment to supporting Bangladesh's journey toward middle-income nation status.

Appointment of External Auditors of Bank

The existing Auditor, A. Qasem & Co. - Chartered Accountants, successfully completed their second audit session for the year 2025. They remain eligible for re-appointment for the year 2026 and have expressed willingness to continue. The Board of Directors has recommended their re-appointment, with the fees of BDT 60,00,000 (sixty lacs only) plus applicable VAT subject to shareholder approval at the 27th Annual General Meeting.

Unqualified Audit Opinion

We are pleased to report that the external auditor has issued an unqualified opinion on BRAC Bank's financial statements for the year ended December 31, 2025. This opinion confirms that the financial statements present a true and fair view of the Bank's financial position and performance of the Bank in accordance with the applicable financial reporting framework.

In line with the regulatory requirements, the auditor has included an 'Emphasis of Matter' paragraph in their report, drawing attention to Note 2 of the Financial Statements. These notes outline the basis of preparation, specifically highlighting compliance with the rules and regulations issued by Bangladesh Bank regarding the classification of loans and advances and the related impairment provisions, instead of the International Financial Reporting Standards (IFRSs). The auditor included this paragraph following a directive from the Institute of Chartered Accountants of Bangladesh (ICAB), which applies uniformly across the banking industry.

It is important to note that the auditor's report explicitly states that their opinion is unmodified in respect of this matter, reaffirming the integrity and transparency of our financial reporting during this regulatory transition.

Appointment of Auditor for Certification on Corporate Governance

In compliance with the Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code, the Board has recommended the appointment of Mohammad Sanaullah & Associates, Chartered Secretaries and Management Consultants, as compliance auditor with the fees of BDT 1,29,000 (one lac twenty nine thousand only) plus applicable VAT for the year 2026. This will be confirmed at the 27th AGM.

Rotation and Retirement of Directors

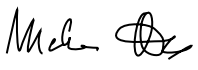
Pursuant to the Articles of Association, Companies Act, 1994 and the Bank Company Act, 1991 (amended 2023) Mr. Meheriar M. Hasan, Nominated Director (Nominated by BRAC) will retire at the 27th Annual General Meeting. Subsequently he is eligible for re-election for re-appointment to the Board.

Acknowledgements and Gratitude

The Board of BRAC Bank expresses heartfelt gratitude to the Government and regulatory authorities for their guidance and support. We acknowledge the dedication of our employees, whose efforts have built BRAC Bank into a globally recognized brand.

To our shareholders and customers, thank you for your trust and confidence. To our business partners and regulators, thank you for your unwavering support. Finally, we extend our appreciation to the communities we serve for embracing our presence and allowing us to be part of their journey.

For and on behalf of the Board of Directors,



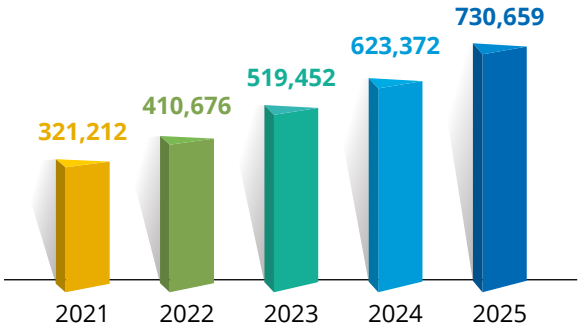
Mr. Meheriar M. Hasan
Chairperson, BRAC Bank PLC

FIVE YEARS' FINANCIAL SUMMARY: GRAPHICAL PRESENTATION

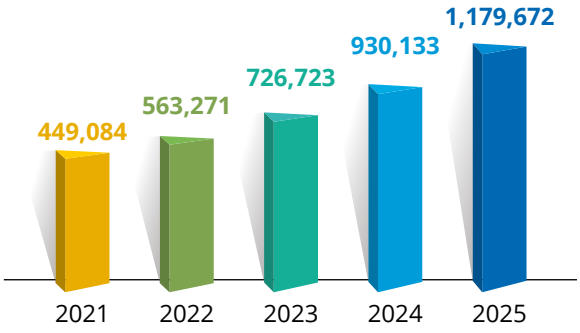
Standalone Information

BDT in Million unless otherwise specified

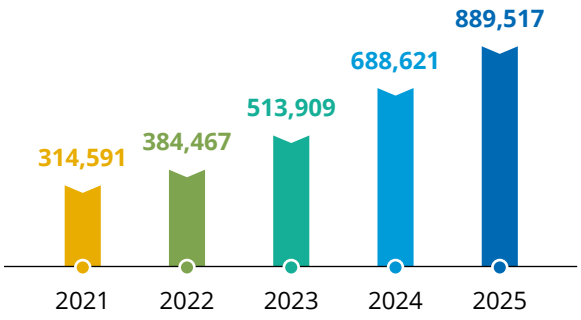
Loans and advances



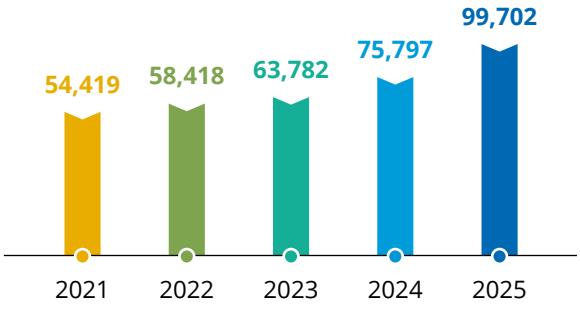
Total assets



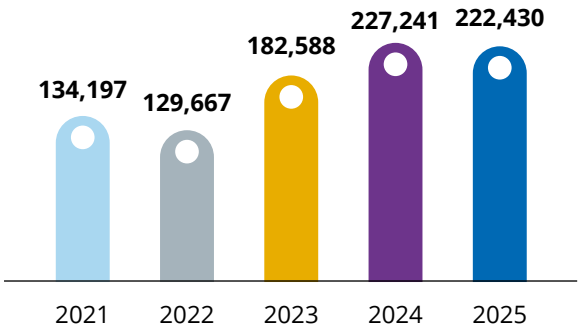
Deposit and other accounts



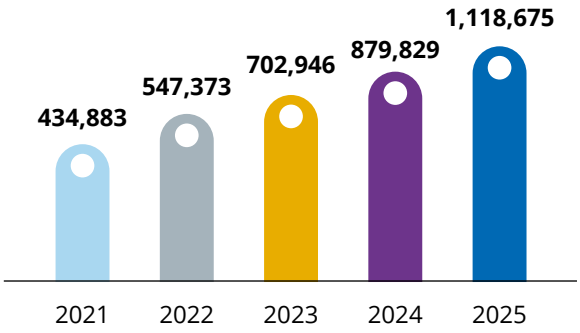
Total shareholders' equity



Off balance sheet items



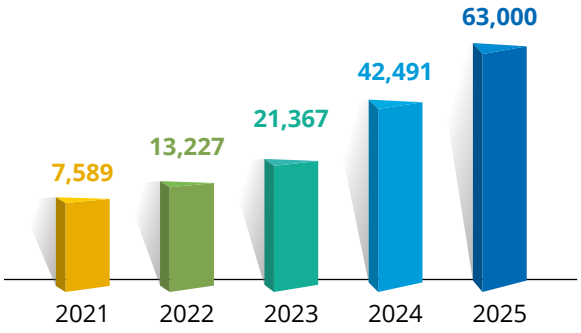
Interest earning assets



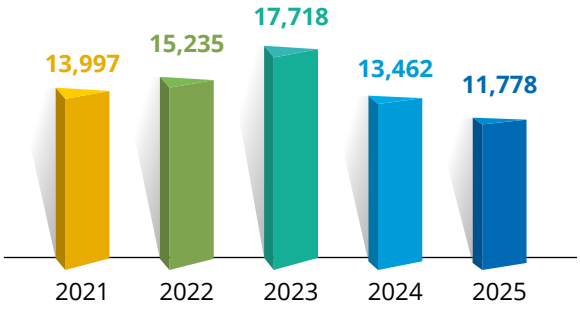
Non-interest earning assets

Interest income

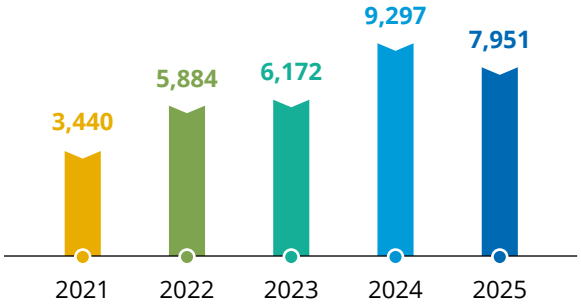
Interest expense



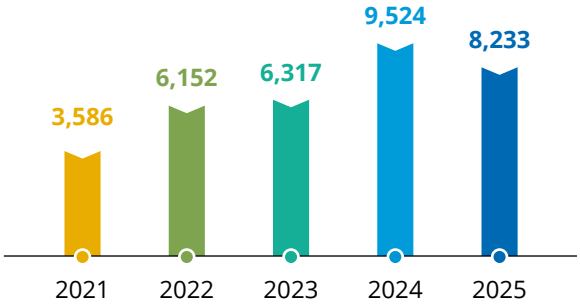
Net interest income



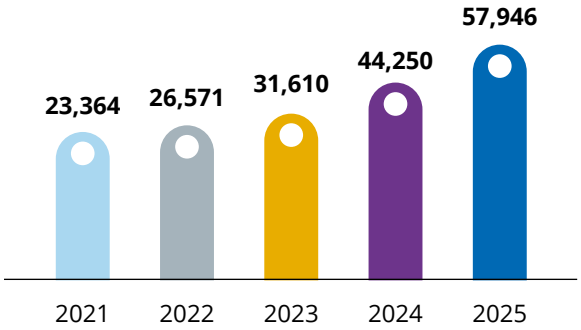
Commission exchange & brokerage



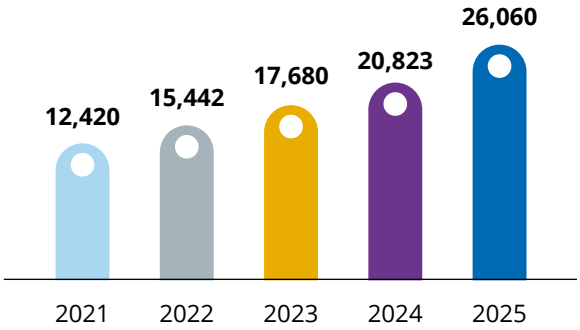
Non-interest income



Total revenue



Total operating expenses



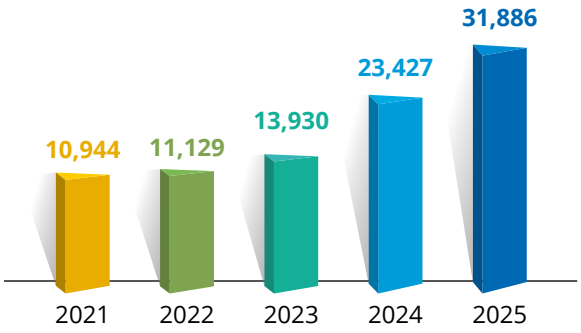
Total income

2021	30,953
2022	39,798
2023	52,978
2024	86,741
2025	120,946

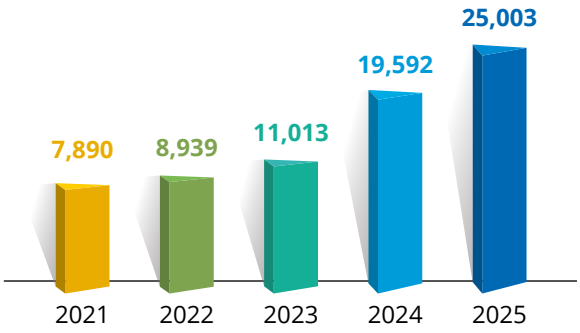
Total expenditure

2021	20,009
2022	28,669
2023	39,048
2024	63,314
2025	89,060

Operating profit/profit before provisions



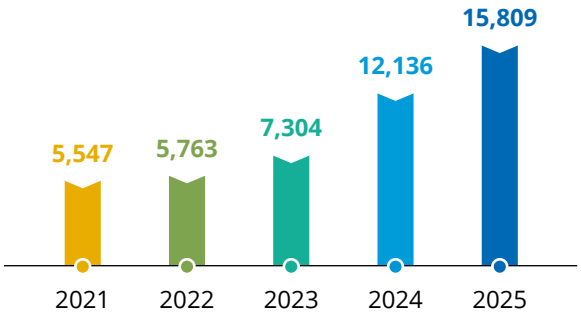
Profit before tax



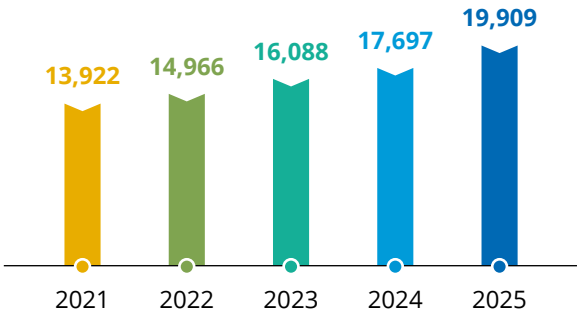
Classified loans

Provision for unclassified loans (GP)

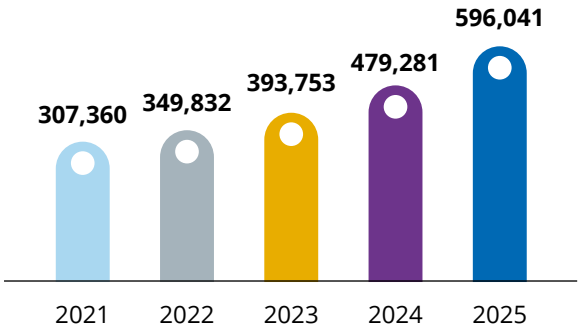
Net profit after tax



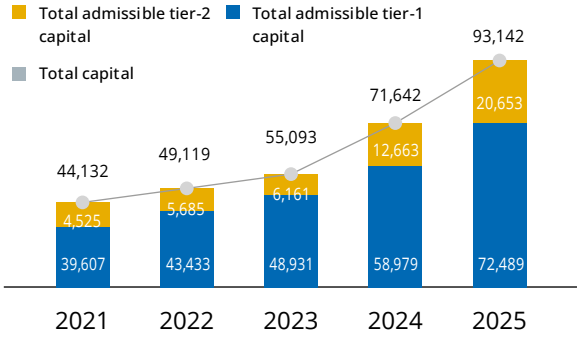
Paid up share capital



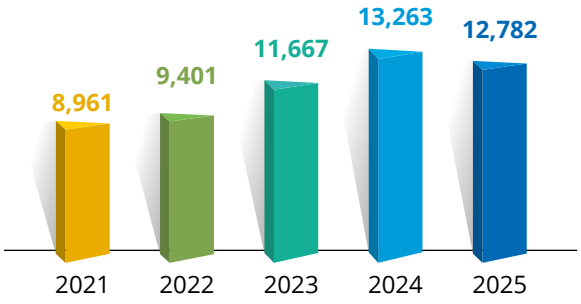
Risk weighted assets



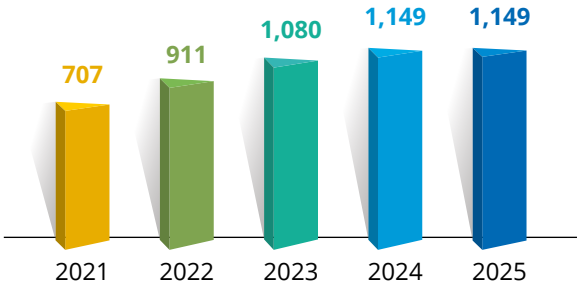
Regulatory Capital



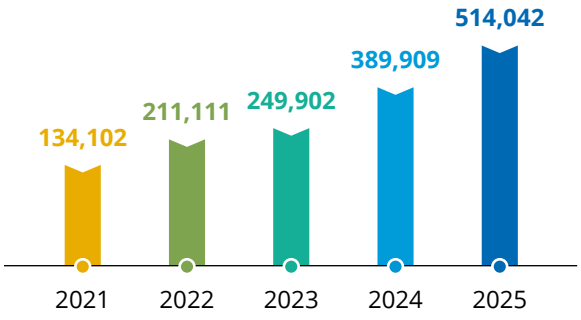
Provision for classified loans (SP)



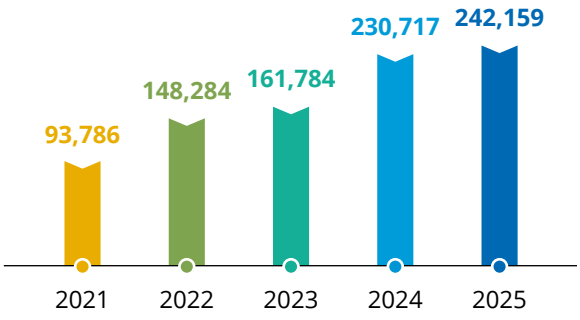
Provision for off balance sheet items



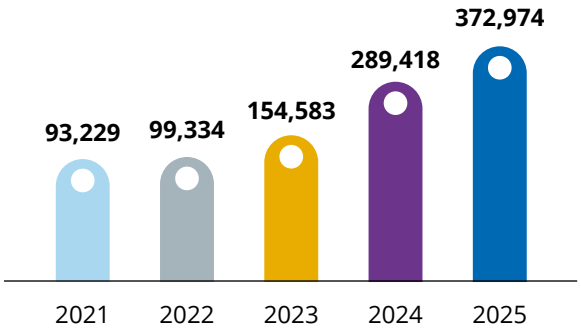
Import



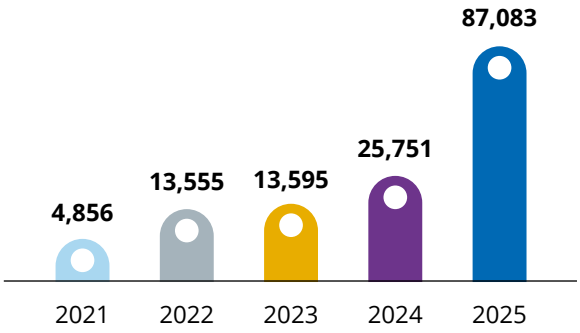
Export



Remittance (inward)



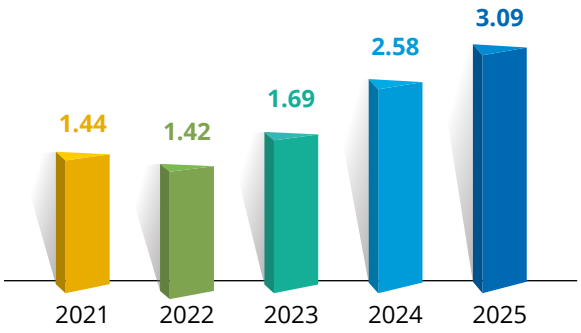
Guarantee



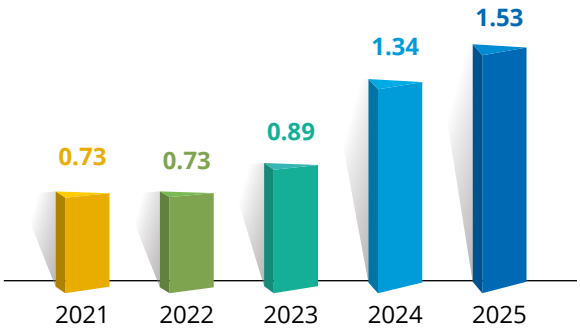
Operating income per employee

Operating cost per employee

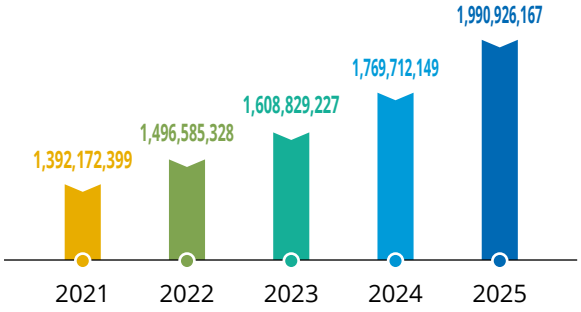
Operating profit per employee



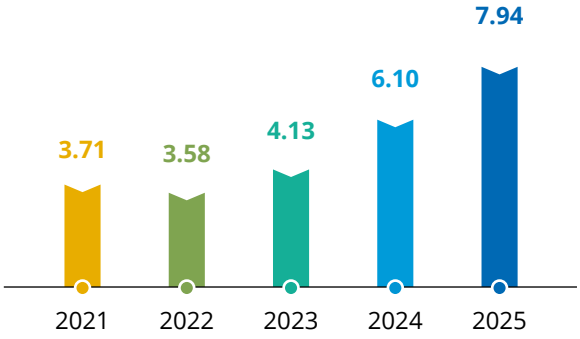
PAT per employee



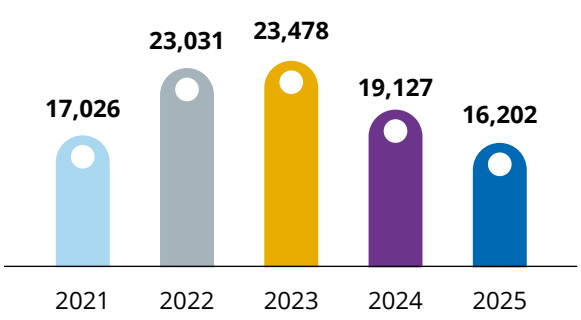
No. of shares



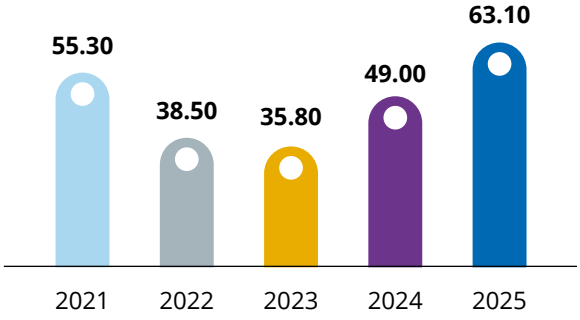
Earnings per share (BDT)



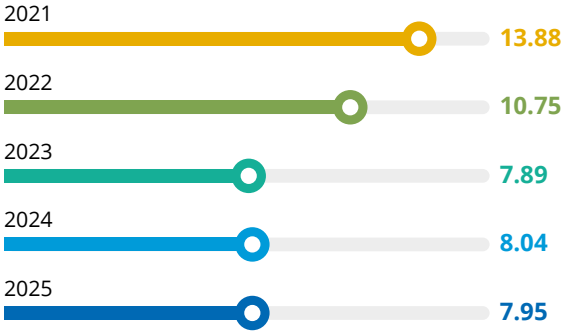
Number of shareholders



Market value per share (stock performance) BDT

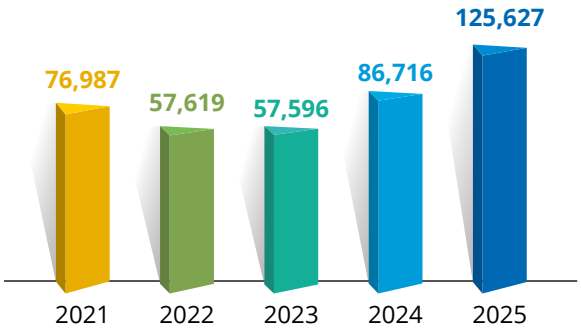


Price earnings ratio

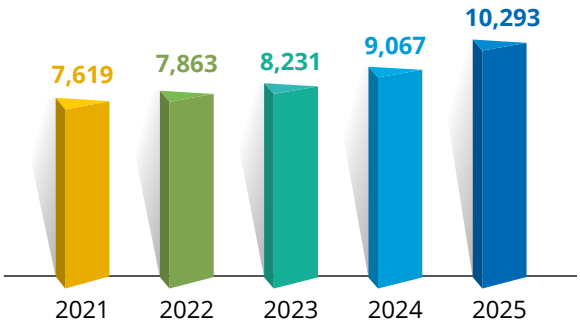


Net asset value per share in taka

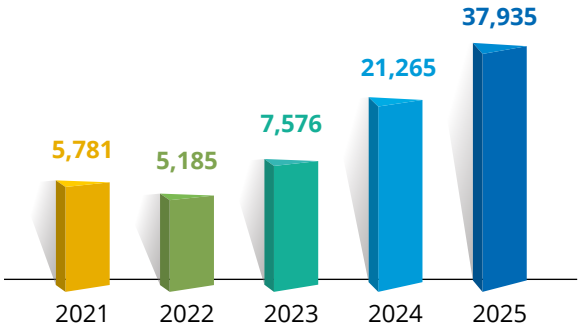
Market capitalization at the year end



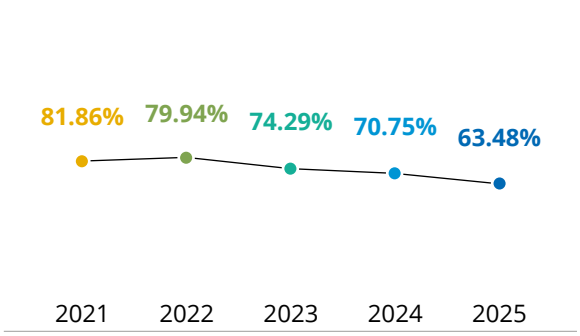
Number of employees



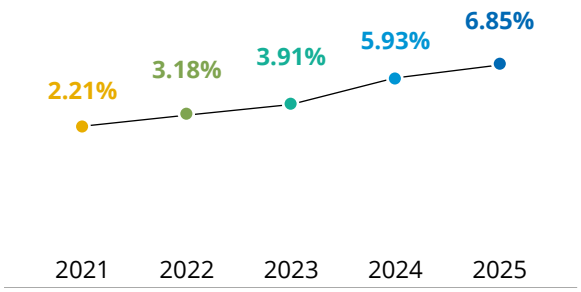
Investment income



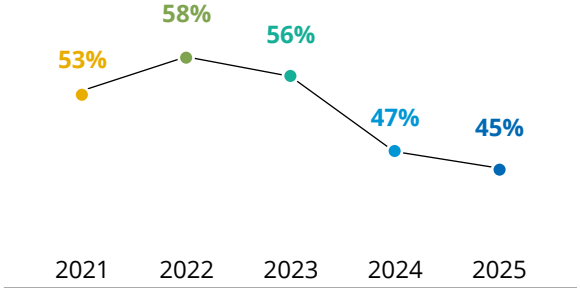
AD ratio



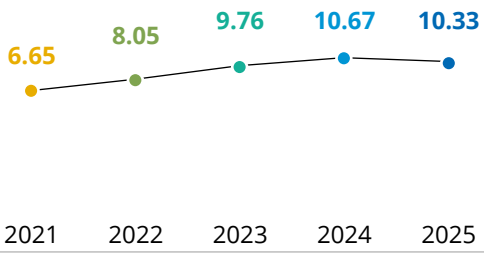
Cost of fund



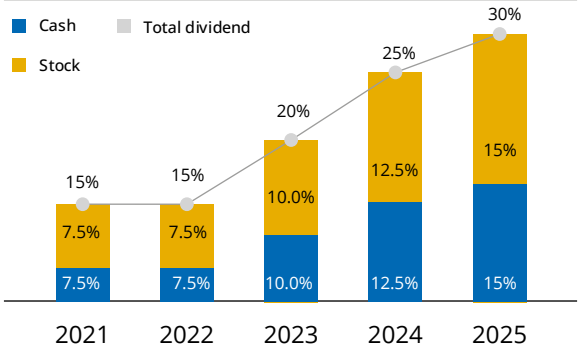
Cost to income ratio



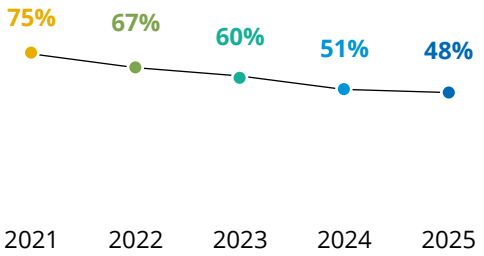
Debt equity ratio (times)



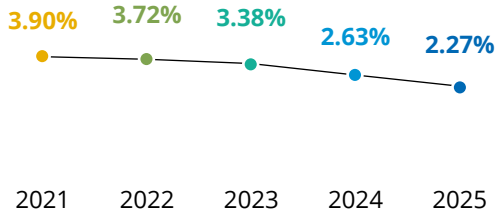
Dividend payment



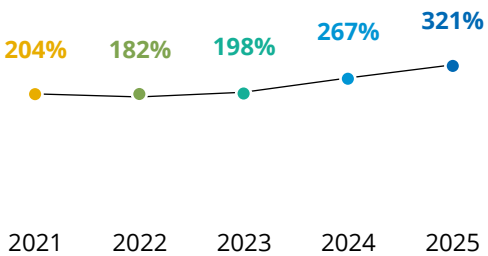
GP margin



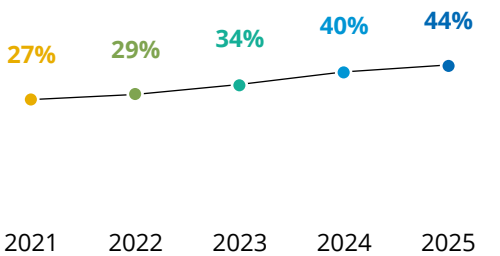
Percentage of NPLs to total loans and advances



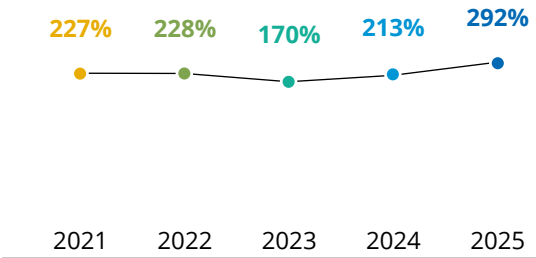
Liquid asset to short term liabilities



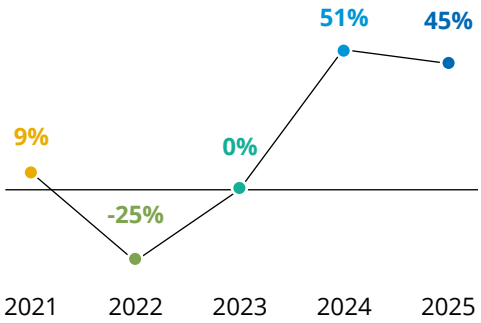
Liquid asset to total deposit ratio



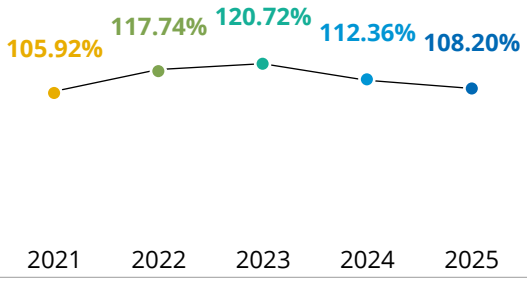
Liquidity coverage ratio (LCR)



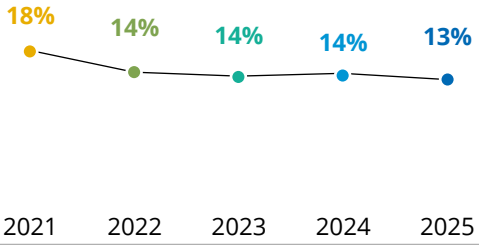
Market capitalization at the year end growth rate



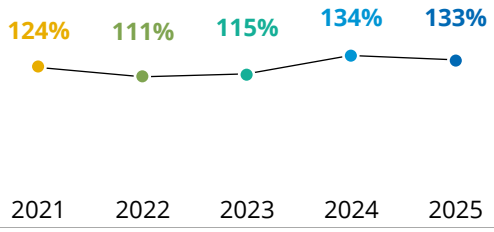
Net stable funding ratio (NSFR)



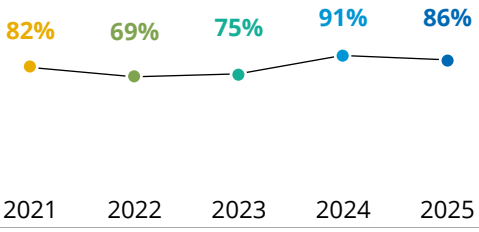
NP margin



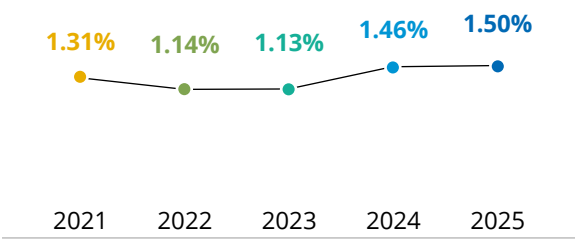
NPL coverage ratio (incl. GP)



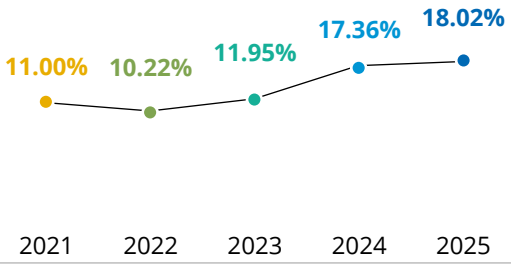
NPL coverage ratio(excl.GP)



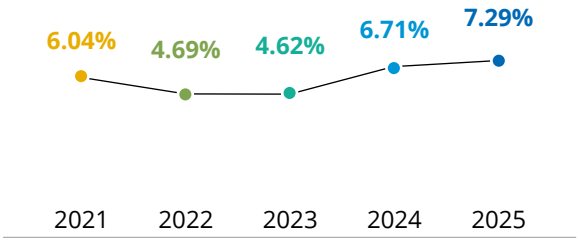
Return on assets



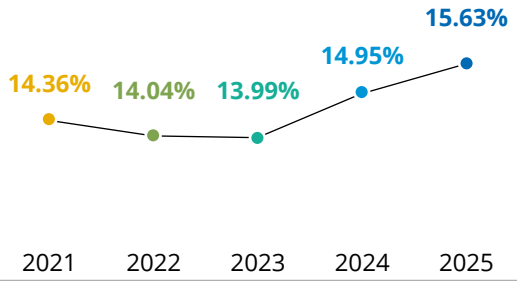
Return on equity



Return on investment



Total capital to risk-weighted asset ratio (CRAR)



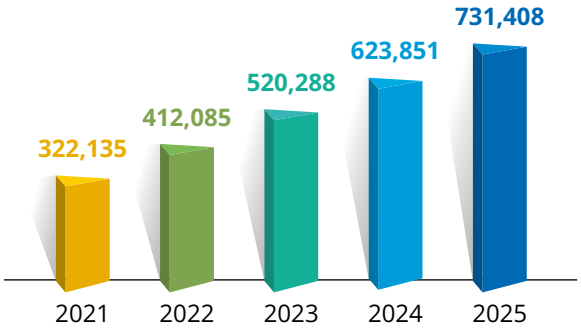
FIVE YEARS' FINANCIAL SUMMARY: GRAPHICAL PRESENTATION

Consolidated Information

BDT in Million unless otherwise specified

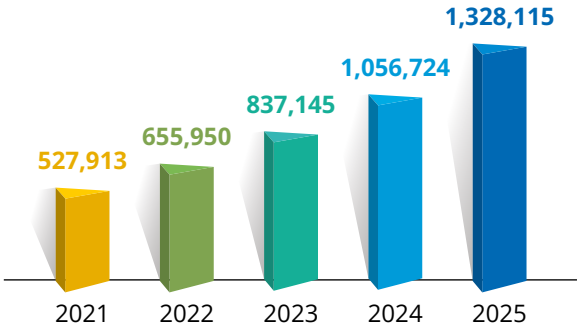
Loans and advances

BDT mn



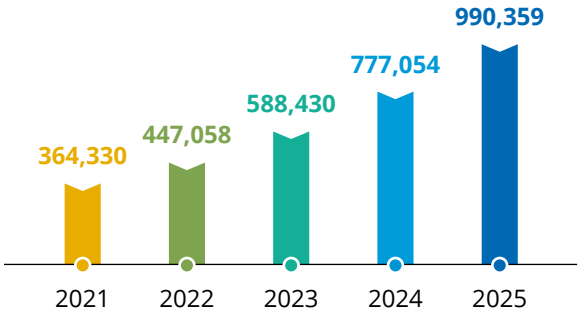
Total assets

BDT mn



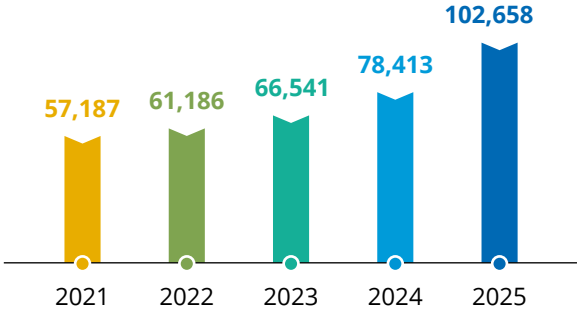
Deposit and other accounts

BDT mn



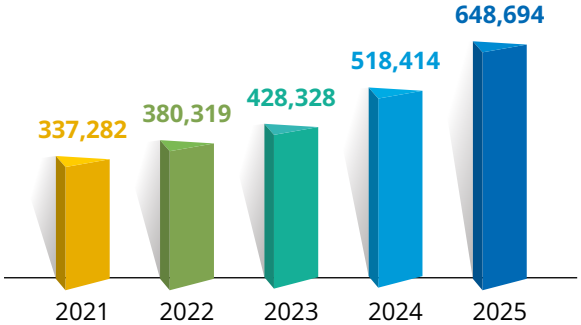
Total shareholders' equity

BDT mn



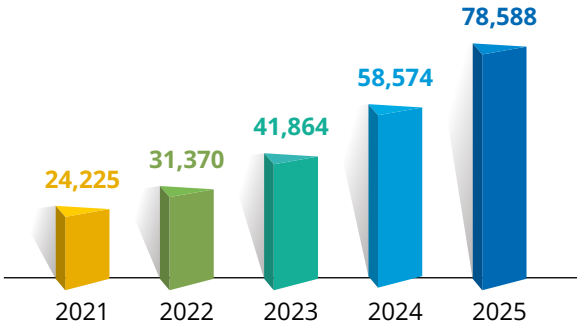
Risk weighted assets

BDT mn

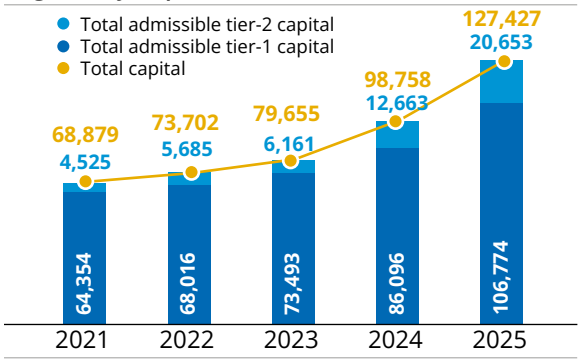


Interest income

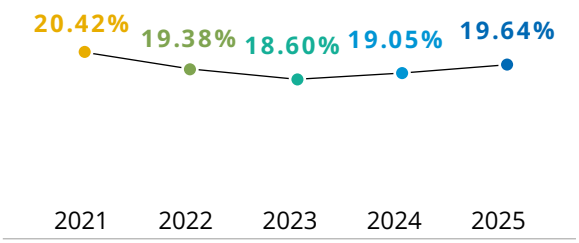
BDT mn



Regulatory Capital

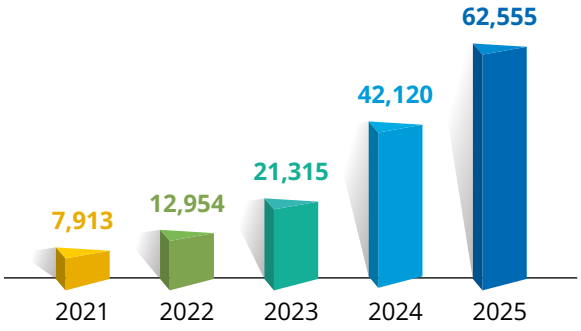


Total capital to risk-weighted asset ratio (CRAR)



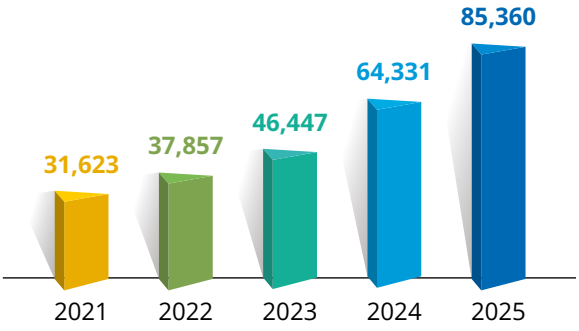
Interest expense

BDT mn



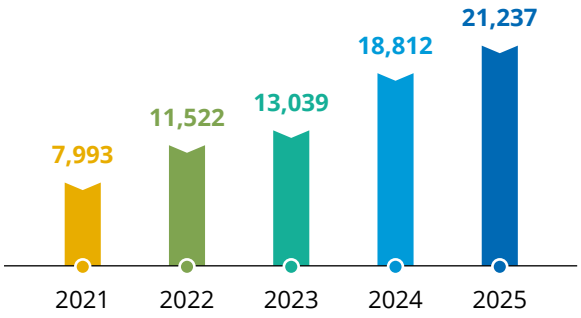
Total revenue

BDT mn



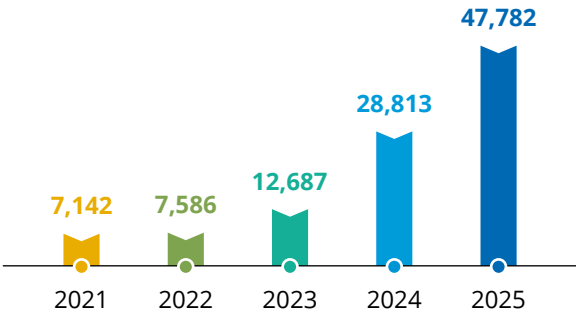
Commission exchange & brokerage

BDT mn



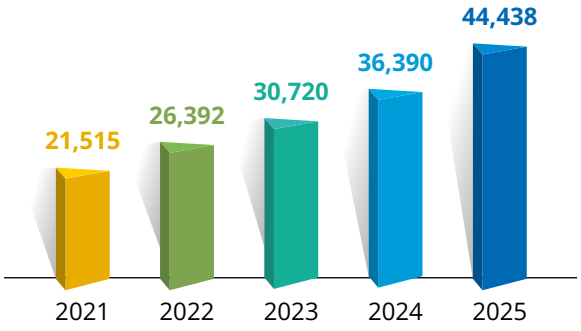
Investment income

BDT mn



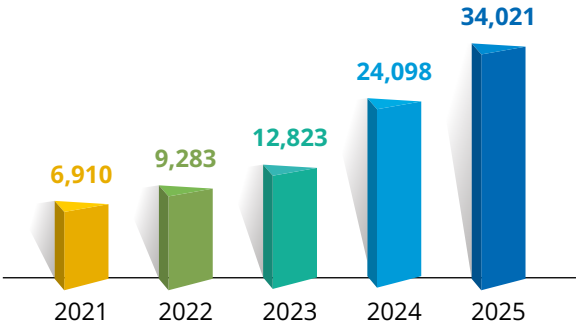
Total operating expenses

BDT mn



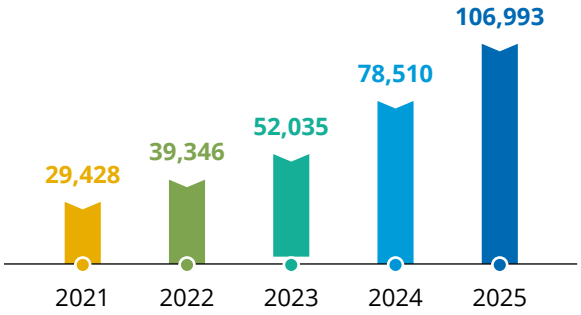
Profit before tax

BDT mn



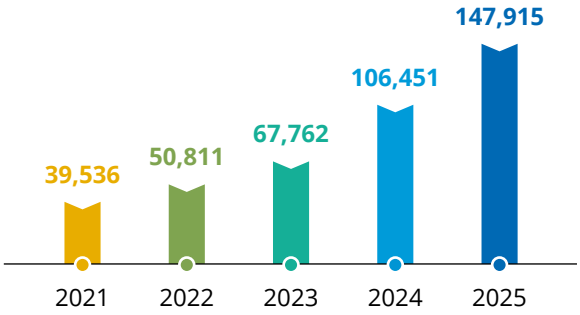
Total expenditure

BDT mn



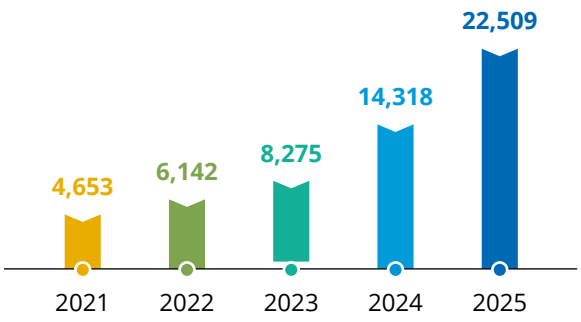
Total income

BDT mn



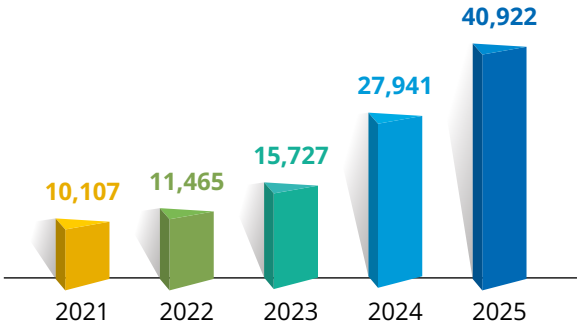
Net profit after tax

BDT mn

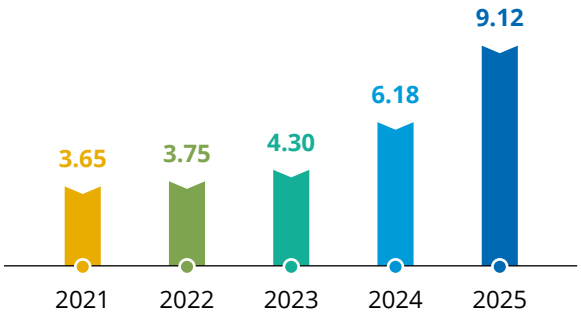


Operating profit

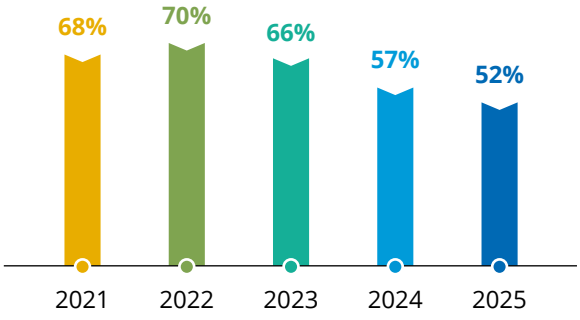
BDT mn



Earnings per share (BDT)



CIR- CONSO



FIVE YEARS' FINANCIAL HIGHLIGHTS

Standalone Information

BDT in Million unless otherwise specified

Particulars	2025	2024	2023	2022	2021
FINANCIAL POSITION					
Cash and bank balances	61,106	51,517	46,304	48,032	42,558
Money at call and short notice	-	750	3,000	6,826	3,500
Investments	326,256	204,352	115,657	64,288	51,591
Loans and advances	730,659	623,372	519,452	410,676	321,212
Fixed asset	11,001	8,518	7,627	7,779	7,455
Other assets	50,639	41,613	34,672	25,658	22,764
Non-banking assets	11	11	10	11	5
Total assets	**1,179,672**	**930,133**	**726,723**	**563,271**	**449,084**
Borrowing	120,903	108,235	103,147	80,870	47,310
Affordable housing bond	4,751	4,751	4,751	4,751	-
BBPLC 2nd subordinated bond	7,000	6,287	-	-	-
BRAC Bank Social Sub-bond	6,537	-	-	-	-
Money at call and on short notice	1,162	840	550	-	-
Deposit and other accounts	889,517	689,433	513,909	384,467	314,591
Other liabilities	50,100	44,790	40,584	34,766	32,763
Total shareholders' equity/ Net Asset	99,702	75,797	63,782	58,418	54,419
Total liability and shareholders equity	**1,179,672**	**930,133**	**726,723**	**563,271**	**449,084**
AD ratio/Credit-deposit ratio	63.48%	70.75%	74.29%	79.94%	81.86%
Off balance sheet items	222,430	227,241	182,588	129,667	134,197
Interest earning assets	1,118,675	879,829	702,946	547,373	434,883
Non-interest earning assets	60,998	50,303	23,778	15,899	14,201
Liquid asset to total deposit ratio	43.72%	39.56%	34.29%	29.28%	27.40%
Liquid asset to short term liabilities	321.05%	267.05%	197.70%	182.10%	204.39%
Liquidity coverage ratio (LCR)	291.95%	212.93%	170.38%	227.96%	226.61%
Net stable funding ratio (NSFR)	108.20%	112.36%	120.72%	117.74%	105.92%
Statutory Liquidity Reserve (SLR)	34.45%	26.84%	23.56%	17.54%	18.19%
Cash reserve ratio (CRR)	3.61%	3.97%	4.28%	4.41%	4.05%
INCOME STATEMENT- PERFORMANCE AND PROFITABILITY					
Total revenue	57,946	44,250	31,610	26,571	23,364
Interest income	74,778	55,952	39,086	28,462	21,586
Interest expense	63,000	42,491	21,367	13,227	7,589
Investment income	37,935	21,265	7,576	5,185	5,781
Commission exchange & brokerage	7,951	9,297	6,172	5,884	3,440

Particulars	2025	2024	2023	2022	2021
Non-interest income	8,233	9,524	6,317	6,152	3,586
Other operating income	282	227	145	267	146
Total operating expenses	26,060	20,823	17,680	15,442	12,420
Total income	120,946	86,741	52,978	39,798	30,953
Total expenditure	89,060	63,314	39,048	28,669	20,009
Operating profit	31,886	23,427	13,930	11,129	10,944
Depreciation and Amortization	2,386	2,052	1,906	1,792	1,732
EBITDA (Operating Profit + Depreciation & Amortization)	34,272	25,479	15,836	12,921	12,676
Profit before tax	25,003	19,592	11,013	8,939	7,890
Net profit after tax	15,809	12,136	7,304	5,763	5,547
CAPITAL MEASURES					
Authorized capital	50,000	50,000	50,000	20,000	20,000
Paid up share capital	19,909	17,697	16,088	14,966	13,922
Risk weighted assets	596,041	479,281	393,753	349,832	307,360
Total admissible tier-1 capital	72,489	58,979	48,931	43,433	39,607
Total admissible tier-2 capital	20,653	12,663	6,161	5,685	4,525
Total capital	93,142	71,642	55,093	49,119	44,132
Capital surplus/(deficit)	18,637	11,731	5,874	5,390	5,712
Common equity tier-I (CET1) capital ratio	12.16%	12.31%	12.43%	12.42%	12.89%
Total capital to risk-weighted asset ratio (CRAR)	15.63%	14.95%	13.99%	14.04%	14.36%
ASSETS QUALITY					
Total loans and advance	730,659	623,372	519,452	410,676	321,212
Classified loans	16,569	16,403	17,534	15,269	12,523
Provision for unclassified loans (GP)	5,968	5,227	5,082	4,774	3,818
Provision for classified loans (SP)	12,782	13,263	11,667	9,401	8,961
Provision for off balance sheet items	1,149	1,149	1,080	911	707
Percentage of NPLs to total loans and advances	2.27%	2.63%	3.38%	3.72%	3.90%
NPL coverage ratio (incl. GP)	133%	134%	115%	111%	124%
NPL coverage ratio	86%	91%	75%	69%	82%
Provision Coverage Ratio	120%	120%	102%	99%	108%
Net loans and advances	710,303	603,828	496,051	389,541	305,128
Gross Non-performing loan	16,569	16,403	17,534	15,269	12,523
Net Non-performing loan	3,787	3,141	5,867	5,867	3,562
Net Non-performing loan ratio	0.53%	0.52%	1.18%	1.51%	1.17%
SME loan and advances	306,249	260,345	232,339	187,247	150,749
SME credit portfolio to total loan	42%	42%	45%	46%	47%
FOREIGN EXCHANGE BUSINESS					
Import	514,042	389,909	249,902	211,111	134,102
Export	242,159	230,717	161,784	148,284	93,786
Remittance (inward)	372,974	289,418	154,583	99,334	93,229
Commercial Remittance	90,722	82,237	53,738	56,950	55,121
Wage Earners (Probashi & Inward Wage)	266,288	194,074	90,722	35,048	33,883

Particulars	2025	2024	2023	2022	2021
Trade ops	7,681	6,165	4,052	3,512	2,106
Card ops	7,908	6,550	5,701	3,752	2,119
Treasury	375	392	371	72	-
Guarantee	87,083	25,751	13,595	13,555	4,856
OPERATING PROFIT RATIOS					
Cost of fund	6.85%	5.93%	3.91%	3.18%	2.21%
Return on assets	1.50%	1.46%	1.13%	1.14%	1.31%
Return on equity	18.02%	17.36%	11.95%	10.22%	11.00%
Return on investment	7.29%	6.71%	4.62%	4.69%	6.04%
Return on Capital Employed	6.13%	5.90%	4.40%	4.49%	5.00%
Debt equity ratio (times)	10.33	10.67	9.76	8.05	6.65
Debt ratio (times)	0.87	0.87	0.86	0.83	0.81
Interest coverage ratio (times)	1.40	1.46	1.52	1.68	2.04
Gross Profit Margin	48%	51%	60%	67%	75%
EBITDA Margin	28%	29%	30%	32%	41%
Net Profit Margin	13%	14%	14%	14%	18%
Net Interest Income ratio	20%	30%	56%	57%	60%
MANAGEMENT EFFICIENCY RATIOS					
Operating income per employee	5.62	4.88	3.84	3.38	3.07
Operating cost per employee	2.53	2.30	2.15	1.96	1.63
Operating profit per employee	3.09	2.58	1.69	1.42	1.44
PAT per employee	1.53	1.34	0.89	0.73	0.73
Number of employees (a)	10,293	9,068	8,231	7,863	7,619
Number of working days in the year (b)	242	240	245	244	246
Number of working hours in a day (c)	7	7	7	8	8
Total Hours worked (a*b*c)	17,436,342	15,232,560	14,116,165	15,096,960	14,994,192
Employee productivity ratio (income per hour in BDT)	6,936	5,694	3,753	2,636	2,064
Training expense per employee (BDT)	10,518	7,547	6,124	4,706	1,128
Customer retention ratio	85%	76%	68%	75%	90%
Cost to income ratio	45%	47%	56%	58%	53%
Current Assets	602,199	513,281	485,490	341,576	255,681
Current Liabilities	659,643	533,267	410,098	315,308	230,123
Current ratio	91%	96%	118%	108%	111%
Quick ratio	87%	93%	115%	106%	109%
Net interest income as a percentage of Operating cost	45%	65%	100%	99%	113%
Non-interest income as a percentage of Operating cost	32%	46%	36%	40%	29%
Turnover rate for highest performers	9%	3%	2%	8%	5%
Internal promotion rate	20%	22%	19%	16%	25%
Annual customer satisfaction index	80%	81%	80%	-	-

Particulars	2025	2024	2023	2022	2021
Customer support tickets (services & complaints catered centrally) in No.	1,280,237	909,028	754,925	715,777	429,325
Plant availability (%) *	-	-	-	-	-
Overdue project (%) **	-	-	-	-	-
DIVIDEND PAYMENT					
Cash ***	15%	12.5%	10.0%	7.5%	7.5%
Stock ***	15%	12.5%	10.0%	7.5%	7.5%
Total dividend ***	30%	25%	20%	15%	15%
Dividend coverage ratio	3.18	2.74	2.27	2.57	2.66
Dividend yield	5%	5%	6%	4%	3%
Dividend payout ratio	38%	36%	48%	42%	40%
SHARES INFORMATION					
No. of shares	1,990,926,167	1,769,712,149	1,608,829,227	1,496,585,328	1,392,172,399
Earnings per share (BDT)	7.94	6.10	4.13	3.58	3.71
Number of shareholders	16,202	19,127	23,478	23,031	17,026
Market value per share (year end) in taka	63.1	49.00	35.80	38.50	55.30
Price earnings ratio	7.95	8.04	7.89	10.75	13.88
Net asset value per share in taka	50.08	38.07	36.04	36.31	36.36
Market capitalization at the year end	125,627	86,716	57,596	57,619	76,987
Market capitalization at the year end growth rate	45%	51%	-0.04%	-25%	31%
DISTRIBUTION NETWORK					
Number of customer (mn)	2.3	2.0	1.8	1.4	1.3
Number of branches	194	189	187	187	187
Number of sub-branches	116	74	40	11	-
Number of SME unit office	446	446	446	457	456
Number of ATMs	329	329	329	324	373
Number of RCDMs	68	68	68	39	-
Number of CRMs	103	55	10	9	-
Number of employees	10,308	9,067	8,231	7,863	7,619
Number of foreign correspondents	424	395	400	399	391

***** Being in the banking business, the bank does not have plants. However, bank has 194 branches and 329 ATMs as on 31 December 2025.

****** Considering the business model, overdue project calculation is not applicable for bank.

******* The Board of Directors has proposed total dividend 30% (cash: 15% and stock: 15%) subject to the approval in AGM.

FIVE YEARS' FINANCIAL HIGHLIGHTS

Consolidated Information

BDT in Million unless otherwise specified

Particulars	2025	2024	2023	2022	2021
FINANCIAL POSITION					
Cash and bank balances	109,752	78,117	74,496	84,822	101,721
Money at call and short notice	-	750	3,000	6,826	3,500
Investments	419,378	297,960	191,144	116,552	70,069
Loans and advances	731,408	623,851	520,288	412,085	322,135
Fixed asset	17,556	14,401	13,019	13,463	12,834
Other assets	48,882	40,508	33,816	20,819	16,222
Goodwill	1,126	1,126	1,373	1,373	1,427
Non-banking assets	11	11	10	11	5
Total assets	**1,328,115**	**1,056,724**	**837,145**	**655,950**	**527,913**
Borrowing	121,057	108,251	103,354	81,094	47,327
Affordable housing bond	4,751	4,751	4,751	4,751	-
BRAC Bank subordinated bond	13,537	6,287	-	-	-
Money at call and on short notice	1,162	840	550	-	-
Deposit and other accounts	990,359	777,867	588,430	447,058	364,330
Other liabilities	67,826	57,805	53,040	41,983	39,308
Total shareholders' equity/ Net Assets	102,658	78,413	66,541	61,186	57,187
Non controlling interest	26,764	22,510	20,479	19,878	19,761
Total liability and shareholders' equity	**1,328,115**	**1,056,724**	**837,145**	**655,950**	**527,913**
CAPITAL MEASURES					
Risk weighted assets	648,694	518,414	428,328	380,319	337,282
Total admissible Tier-1 capital	106,774	86,096	73,493	68,016	64,354
Total admissible Tier-2 capital	20,653	12,663	6,161	5,685	4,525
Total capital	127,427	98758	79655	73702	68879
Capital surplus/(Deficit)	46,341	33,957	26,114	26,162	26,718
Common equity Tier-I (CET1) capital ratio	16.46%	16.61%	17.16%	17.88%	19.08%
Total capital to risk-weighted asset ratio (CRAR)	19.64%	19.05%	18.60%	19.38%	20.42%

Particulars	2025	2024	2023	2022	2021
INCOME STATEMENT- PERFORMANCE AND PROFITABILITY					
Total revenue	85,360	64,331	46,447	37,857	31,623
Interest income	78,588	58,574	41,864	31,370	24,225
Interest expense	62,555	42,120	21,315	12,954	7,913
Investment income	47,782	28,813	12,687	7,586	7,142
Commission exchange & brokerage	21,237	18,812	13,039	11,522	7,993
Other operating income	308	252	172	332	175
Total operating expenses	44,438	36,390	30,720	26,392	21,515
Total income	147,915	106,451	67,762	50,811	39,536
Total expenditure	106,993	78,510	52,035	39,346	29,428
Operating profit	40,922	27,941	15,727	11,465	10,107
Profit before tax	34,021	24,098	12,823	9,283	6,910
Net profit after tax	22,509	14,318	8,275	6,142	4,653
Earnings per share (BDT)	9.12	6.18	4.30	3.75	3.65
Cost-to-income ratio	52%	57%	66%	70%	68%

HORIZONTAL ANALYSIS (SOLO)

STATEMENT OF FINANCIAL POSITION

PROPERTY AND ASSETS	2025		2024		2023		2022		2021	
	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %
Cash	51,090	12%	45,551	16%	39,349	24%	31,776	40%	22,677	18%
Balance with other banks and financial institutions	10,015	68%	5,965	-14%	6,955	-57%	16,256	-18%	19,881	38%
Money at call on short notice	-	-100%	750	-75%	3,000	-56%	6,826	95%	3,500	100%
Investments	326,256	60%	204,352	77%	115,657	80%	64,288	25%	51,591	-25%
Loans and advances	730,659	17%	623,372	20%	519,452	26%	410,676	28%	321,212	18%
Fixed assets including premises, furniture and fixtures	11,001	29%	8,518	12%	7,627	-2%	7,779	4%	7,455	9%
Other assets	50,639	22%	41,613	20%	34,672	35%	25,658	13%	22,764	57%
Non-banking assets	11	3%	11	8%	10	-11%	11	150%	5	-93%
Total property and assets	**1,179,672**	**27%**	**930,133**	**28%**	**726,723**	**29%**	**563,271**	**25%**	**449,084**	**13%**
LIABILITIES AND CAPITAL										
Liabilities										
Borrowings from other banks, financial institutions & agents	68,944	37%	50,331	21%	41,717	8%	38,685	60%	24,135	103%
Borrowings from Bangladesh Bank	51,959	-10%	57,903	-6%	61,430	46%	42,185	82%	23,176	-1%
Affordable housing bond	4,751	0%	4,751	0%	4,751	0%	4,751	100%	-	-
Money at call on short notice	1,162	38%	840	53%	550	100%	-	-	-	-100%
BBPLC 2nd subordinated bond	7,000	11%	6,287	100%	-	-	-	-	-	-
BRAC Bank Social Sub-bond	6,537	100%	-	-	-	-	-	-	-	-
Deposits and other accounts	889,517	29%	689,433	34%	513,909	34%	384,467	22%	314,591	9%
Other liabilities	50,100	12%	44,790	10%	40,584	17%	34,766	6%	32,763	26%
Total Liabilities	**1,079,971**	**26%**	**854,336**	**29%**	**662,941**	**31%**	**504,853**	**28%**	**394,665**	**13%**
Capital and shareholders' equity										
Total shareholders' equity	**99,702**	**32%**	**75,797**	**19%**	**63,782**	**9%**	**58,418**	**7%**	**54,419**	**17%**
Total liabilities and shareholders' equity	**1,179,672**	**27%**	**930,133**	**28%**	**726,723**	**29%**	**563,271**	**25%**	**449,084**	**13%**

HORIZONTAL ANALYSIS (SOLO)

PROFIT & LOSS ACCOUNT

PROPERTY AND ASSETS	2025		2024		2023		2022		2021	
	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %
Interest income	74,778	34%	55,952	43%	39,086	37%	28,462	32%	21,586	-13%
Interest paid on deposits and borrowing etc.	63,000	48%	42,491	99%	21,367	62%	13,227	74%	7,589	-44%
Net interest income	**11,778**	**-13%**	**13,462**	**-24%**	**17,718**	**16%**	**15,235**	**9%**	**13,997**	**25%**
Investment income	37,935	78%	21,265	181%	7,576	46%	5,185	-10%	5,781	-10%
Commission, exchange and brokerage	7,951	-14%	9,297	51%	6,172	5%	5,884	71%	3,440	34%
Other operating income	282	24%	227	57%	145	-46%	267	83%	146	31%
Total operating income	**57,946**	**31%**	**44,250**	**40%**	**31,610**	**19%**	**26,571**	**14%**	**23,364**	**15%**
Salaries and allowances	14,814	24%	11,967	18%	10,130	17%	8,627	30%	6,626	6%
Rent, taxes, insurance, electricity etc.	681	6%	643	12%	576	14%	507	7%	474	-4%
Legal expenses	61	234%	18	-5%	19	-37%	30	-9%	33	2%
Postage, stamps, telecommunication etc.	512	43%	357	20%	298	-4%	309	39%	223	9%
Stationery, printing, advertisement etc.	917	43%	641	6%	603	52%	397	79%	222	0%
Chief Executive's salary and fees	26	4%	24	0%	24	0%	24	26%	19	3%
Directors' fees	7	0%	7	244%	2	-16%	3	5%	2	53%
Auditors' fees	7	203%	2	10%	2	13%	2	0%	2	0%
Depreciation and repair of the bank's assets	3,543	21%	2,939	18%	2,484	8%	2,305	5%	2,191	5%
Other expenses	5,493	30%	4,223	19%	3,542	9%	3,239	23%	2,628	7%
Total operating expenses	**26,060**	**25%**	**20,823**	**18%**	**17,680**	**14%**	**15,442**	**24%**	**12,420**	**6%**
Profit before provisions	**31,886**	**36%**	**23,427**	**68%**	**13,930**	**25%**	**11,129**	**2%**	**10,944**	**27%**
Provision for loans/Investments:										
Loans and advances	7,328	60%	4,593	29%	3,559	29%	2,755	-22%	3,518	17%
Recovery from Write-Off	(1,052)	14%	(925)	9%	(844)	4%	(810)	14%	(708)	12%
Diminution in value of investments	494	-8372%	(6)	-127%	22	6%	21	-128%	(74)	-87%
Off balance sheet items	-	-100%	69	-59%	168	-18%	205	-19%	252	299%
Other provisions	114	9%	104	702%	13	-34%	20	-70%	66	4064%
Total provision	**6,884**	**79%**	**3,836**	**31%**	**2,918**	**33%**	**2,190**	**-28%**	**3,054**	**64%**
Total Profit/(loss) before taxes	**25,002**	**28%**	**19,592**	**78%**	**11,013**	**23%**	**8,939**	**13%**	**7,890**	**17%**
Provision for taxation:										
Current tax expense	8,366	32%	6,350	37%	4,641	23%	3,766	9%	3,467	37%
Deferred tax expense / (income)	828	-25%	1,106	-219%	(932)	58%	(590)	-48%	(1,125)	228%
Total provision for taxation	**9,194**	**23%**	**7,455**	**101%**	**3,709**	**17%**	**3,176**	**36%**	**2,343**	**7%**
Net profit after taxation	**15,809**	**30%**	**12,136**	**66%**	**7,304**	**27%**	**5,763**	**4%**	**5,547**	**22%**

VERTICAL ANALYSIS (SOLO)

STATEMENT OF FINANCIAL POSITION

PROPERTY AND ASSETS	2025		2024		2023		2022		2021	
	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %
Cash	51,090	4%	45,551	5%	39,349	5%	31,776	6%	22,677	5%
Balance with other banks and financial institutions	10,015	1%	5,965	0.6%	6,955	1%	16,256	3%	19,881	4%
Money at call on short notice	-	0%	750	0.1%	3,000	0.4%	6,826	1%	3,500	1%
Investments	326,256	28%	204,352	22%	115,657	16%	64,288	11%	51,591	11%
Loans and advances	730,659	62%	623,372	67%	519,452	71%	410,676	73%	321,212	72%
Fixed assets including premises, furniture and fixtures	11,001	1%	8,518	0.9%	7,627	1%	7,779	1%	7,455	2%
Other assets	50,639	4%	41,613	4%	34,672	5%	25,658	5%	22,764	5%
Non-banking assets	11	0%	11	0.001%	10	0.0014%	11	0.0020%	5	0.0010%
Total property and assets	**1,179,672**	**100%**	**930,133**	**100%**	**726,723**	**100%**	**563,271**	**100%**	**449,084**	**100%**
LIABILITIES AND CAPITAL										
Liabilities										
Borrowings from other banks, financial institutions & agents	68,944	6%	50,331	5%	41,717	6%	38,685	7%	24,135	5%
Borrowings from Bangladesh Bank	51,959	4%	57,903	6%	61,430	8%	42,185	7%	23,176	5%
Affordable housing bond	4,751	0%	4,751	1%	4,751	1%	4,751	1%	-	0%
Money at call on short notice	1,162	0%	840	0.1%	550	0.1%	-	0.0%	-	0%
BBPLC 2nd subordinated bond	7,000	1%	6,287	1%	-	0%	-	0%	-	0%
BRAC Bank Social Sub-bond	6,537	1%	-	0%	-	0%	-	0%	-	0%
Deposits and other accounts	889,517	75%	689,433	74%	513,909	71%	384,467	68%	314,591	70%
Other liabilities	50,100	4%	44,790	5%	40,584	6%	34,766	6%	32,763	7%
Total Liabilities	**1,079,971**	**92%**	**854,336**	**92%**	**662,941**	**91%**	**504,853**	**90%**	**394,665**	**88%**
Capital and shareholders' equity										
Total shareholders' equity	**99,702**	**8%**	**75,797**	**8%**	**63,782**	**9%**	**58,418**	**10%**	**54,419**	**12%**
Total liabilities and shareholders' equity	**1,179,672**	**100%**	**930,133**	**100%**	**726,723**	**100%**	**563,271**	**100%**	**449,084**	**100%**

VERTICAL ANALYSIS (SOLO)

PROFIT & LOSS ACCOUNT

PROPERTY AND ASSETS	2025		2024		2023		2022		2021	
	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %	BDT'M	Δ %
Interest income	74,778	62%	55,952	65%	39,086	74%	28,462	72%	21,586	70%
Interest paid on deposits and borrowing etc.	63,000	52%	42,491	49%	21,367	40%	13,227	33%	7,589	25%
Net interest income	**11,778**	**10%**	**13,462**	**16%**	**17,718**	**33%**	**15,235**	**38%**	**13,997**	**45%**
Investment income	37,935	31%	21,265	25%	7,576	14%	5,185	13%	5,781	19%
Commission, exchange and brokerage	7,951	7%	9,297	11%	6,172	12%	5,884	15%	3,440	11%
Other operating income	282	0.2%	227	0.3%	145	0.3%	267	1%	146	0.5%
Total operating income	**57,946**	**48%**	**44,250**	**51%**	**31,610**	**60%**	**26,571**	**67%**	**23,364**	**75%**
Salaries and allowances	14,814	12%	11,967	14%	10,130	19%	8,627	22%	6,626	21%
Rent, taxes, insurance, electricity etc.	681	1%	643	1%	576	1%	507	1%	474	2%
Legal expenses	61	0.05%	18	0.02%	19	0.04%	30	0.1%	33	0.1%
Postage, stamps, telecommunication etc.	512	0.4%	357	0.4%	298	1%	309	1%	223	1%
Stationery, printing, advertisement etc.	917	1%	641	1%	603	1%	397	1%	222	1%
Chief Executive's salary and fees	26	0.02%	24	0.03%	24	0.05%	24	0.1%	19	0.1%
Directors' fees	7	0.01%	7	0.01%	2	0.004%	3	0.01%	2	0.01%
Auditors' fees	7	0.006%	2	0.003%	2	0.004%	2	0.005%	2	0.01%
Depreciation and repair of the bank's assets	3,543	3%	2,939	3%	2,484	5%	2,305	6%	2,191	7%
Other expenses	5,493	5%	4,223	5%	3,542	7%	3,239	8%	2,628	8%
Total operating expenses	**26,060**	**22%**	**20,823**	**24%**	**17,680**	**33%**	**15,442**	**39%**	**12,420**	**40%**
Profit before provisions	**31,886**	**26%**	**23,427**	**27%**	**13,930**	**26%**	**11,129**	**28%**	**10,944**	**35%**
Provision for loans/Investments:										
Loans and advances	7,328	6%	4,593	5%	3,559	7%	2,755	7%	3,518	11%
Recovery from Write-Off	(1,052)	-1%	(925)	-1%	(844)	-2%	(810)	-2%	(708)	-2%
Diminution in value of investments	494	0.41%	(6)	-0.01%	22	0.04%	21	0.1%	(74)	-0.2%
Off balance sheet items	-	0.0%	69	0.1%	168	0.3%	205	1%	252	1%
Other provisions	114	0.1%	104	0.1%	13	0.02%	20	0.05%	66	0.2%
Total provision	**6,884**	**6%**	**3,835**	**4%**	**2,918**	**6%**	**2,190**	**6%**	**3,054**	**10%**
Total Profit/(loss) before taxes	**25,002**	**21%**	**19,592**	**23%**	**11,013**	**21%**	**8,939**	**22%**	**7,890**	**25%**
Provision for taxation:										
Current tax expense	8,366	7%	6,350	7%	4,641	9%	3,766	9%	3,467	11%
Deferred tax expense / (income)	828	1%	1,106	1%	(932)	-2%	(590)	-1%	(1,125)	-4%
Total provision for taxation	**9,194**	**8%**	**7,455**	**9%**	**3,709**	**7%**	**3,176**	**8%**	**2,343**	**8%**
Net profit after taxation	**15,809**	**13%**	**12,137**	**14%**	**7,304**	**14%**	**5,763**	**14%**	**5,547**	**18%**

SEGMENT INFORMATION AND ANALYSIS

Segment Analysis

BRAC Bank's segment analysis underscores its strategic diversification across core banking operations and its extended network of subsidiaries. The Bank operates through a diversified model focused on three core areas: the Domestic Banking Unit (DBU), which drives primary revenue through SME, Retail and Corporate services; the Offshore Banking Unit (OBU), which handles international trade and foreign currency; and four subsidiaries that provide specialized services like investment banking and fintech. By integrating these segments, the bank leverages digital innovation and balanced risk management to maintain its leadership in financial inclusion and sustainable growth.

Non-segmental Analysis

As part of the non-segmental disclosures, the Bank confirms that there are no segmental item that remain unallocated to the segment reporting disclosures in accordance with the requirements of IFRS 8 – Operating Segments.

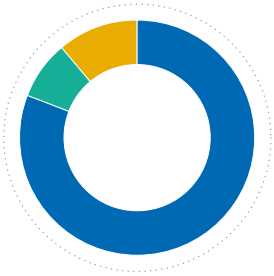
Amount in Million BDT

Particulars	2025	
	Standalone	Consolidated
Total Segmental Revenue	57,946	69,328
Profit Before Tax	25,003	34,021
Total Assets	1,179,672	1,328,115
Total Liabilities	1,079,971	1,198,693
Total Shareholders' equity	99,702	102,658

Consolidated

Total Assets

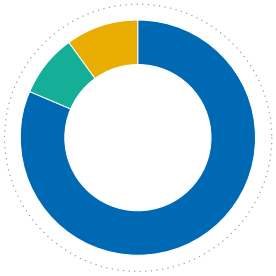
BDT mn



- 1,072,390 DBU
- 107,282 OBU
- 146,100 Subsidiary

Total Liabilities

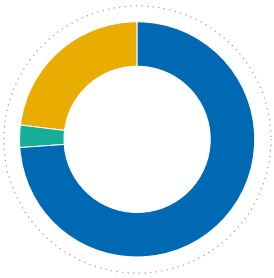
BDT mn



- 978,862 DBU
- 101,109 OBU
- 118,722 Subsidiary

Total Shareholders' equity

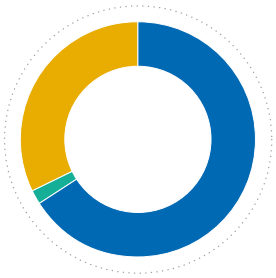
BDT mn



- 95,870 DBU
- 3,831 OBU
- 29,720 Subsidiary

Total Segmental Revenue

BDT mn

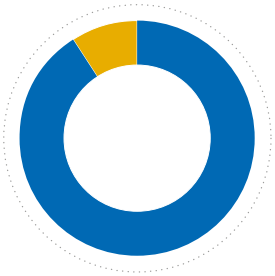


- 56,363 DBU
- 1583 OBU
- 27,414 Subsidiary

Standalone

Total Assets

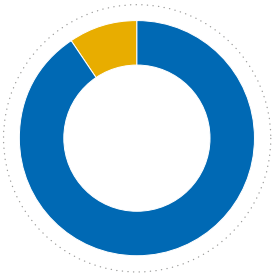
BDT mn



- 1,072,390 DBU
- 107,282 OBU

Total Liabilities

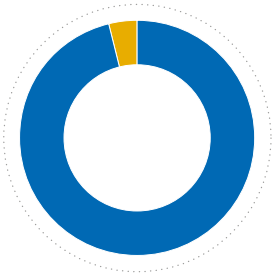
BDT mn



- 978,862 DBU
- 101,109 OBU

Total Shareholders' equity

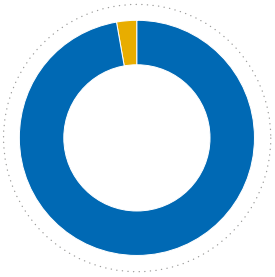
BDT mn



- 95,870 DBU
- 3,831 OBU

Total Segmental Revenue

BDT mn



- 56,363 DBU
- 1,583 OBU

VALUE-ADDED STATEMENT

BRAC Bank's value-added represents the value created through its diverse financing and operational activities, encompassing its core lending business, treasury and investment operations, foreign exchange dealings, and other related activities.

In 2025, despite significant macroeconomic volatility and political transformation, the bank demonstrated exceptional resilience, generating BDT 42,227 million in value for its stakeholders. This represents a 26% year-on-year increase from the BDT 33,635 million recorded in the previous year. Such growth underscores the bank's robust operational capabilities and strategic foresight in navigating adverse market conditions. By successfully enhancing its value-added performance, BRAC Bank has reinforced its position as a leading financial institution dedicated to sustainable value creation and stakeholder satisfaction.

Value-added Statement (BDT in mn)

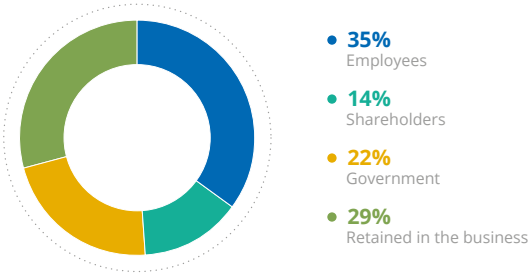
Value-added	2025		2024	
	Amount	%	Amount	%
Interest income	74,778		55,952	
Interest expenses***	63,000		42,491	
Net Interest Income	11,778		13,462	
Investment income	37,935		21,265	
Commission, exchange and brokerage	7,951		9,297	
Other operating income	282		227	
Operating expenses excluding staff costs and depreciation	(8,835)		(6,780)	
Provisions made during the current year	(6,884)		(3,836)	
Total Value Added by the Company	**42,227**	**100%**	**33,635**	**100%**

Distribution of Value-added (BDT in mn)

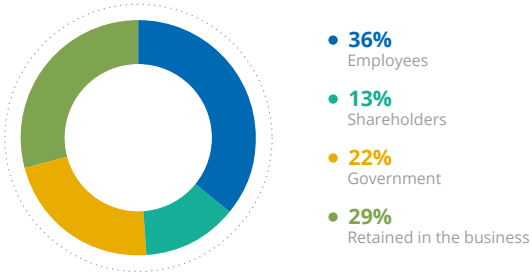
Value-added	2025		2024	
	Amount	%	Amount	%
To employees				
as salary and allowance	14,839	35%	11,992	36%
To providers of capital				
dividend to shareholders (cash and stock)	5,973	14%	4,424	13%
To government				
as corporate tax	9,194	22%	7,455	22%
For expansion and growth	12,222	29%	9,764	29%
as retained income	9,836	23%	7,712	23%
as depreciation	2,386	6%	2.052	6%
Providers of debts				
as interest expenses***			-	-
Total value distribution	**42,227**	**100%**	**33,635**	**100%**
Number of employees	10,293		9067	
Value added per employee	4.10		3.71	

**** Considering the business model, interest expenses have been adjusted within the net interest income calculation.*

2025



2024



ECONOMIC VALUE-ADDED (EVA)

At BRAC Bank, Economic Value-Added (EVA), also known as economic profit, serves as a crucial performance indicator. EVA measures the surplus generated by the bank over the cost of the total invested equity, providing a clear picture of the bank's financial efficiency and value creation capabilities.

This metric reflects the true economic profit of the bank, as it accounts for the cost of all capital used in the business, including both equity and debt. By doing so, EVA highlights the bank's ability to generate returns that exceed the overall cost of capital, thereby creating value for its shareholders.

In summary, EVA is an essential measure for BRAC Bank, providing valuable insights into its economic profitability and overall financial health. It underscores the bank's commitment to sustainable value creation and its ability to deliver consistent returns to its shareholders. This performance metric reinforces BRAC Bank's position as a leading financial institution dedicated to maximizing shareholder value.

In 2025, despite significant macroeconomic challenges and economic reforms that led to instability and higher inflation, BRAC Bank demonstrated remarkable resilience by posting a net operating profit growth of BDT 8,459 million. This impressive growth is a testament to the bank's robust governance, diverse Board, and efficient management, which have collectively steered the bank through challenging times.

BRAC Bank' s EVA increased to BDT 15,452 million in 2025 from BDT 10,431 million in 2024, indicating a robust improvement in economic profitability. This strong performance underscores the bank's strategic focus on value creation and affirms its commitments to delivering long term returns to shareholders.

In summary, the significant growth in net operating profit and the increase in EVA highlight BRAC Bank's resilient nature and its ability to navigate through economic and political challenges while continuing to deliver consistent returns to its shareholders.

Economic Value-added (BDT in mn)

Particulars	2025	2024
Net operating profit	31,886	23,427
Provision for taxes	9,194	7,455
Net operating profit after tax (NOPAT)	**22,693**	**15,972**
Capital employed	106,369	87,409
Cost of equity (%) *	6.81%	6.34%
Capital charge/ Cost of capital	**7,240**	**5,541**
Economic value added (EVA)	**15,452**	**10,431**
EVA/Average Shareholders' Equity (%)	**17.61%**	**14.95%**
Dividend for the year	5,973	4,424
Capital employed as at December 31		
Average Shareholders' Equity**	87,749	69,789
Average accumulated provision for loans and advances	18,620	17,619
Total capital employed	**106,369**	**87,409**

* *Cost of equity has been calculated using the dividend capitalization model. Cost of equity = {(Dividend per share / Current market value of stock) + Expected growth rate of Dividend}.*

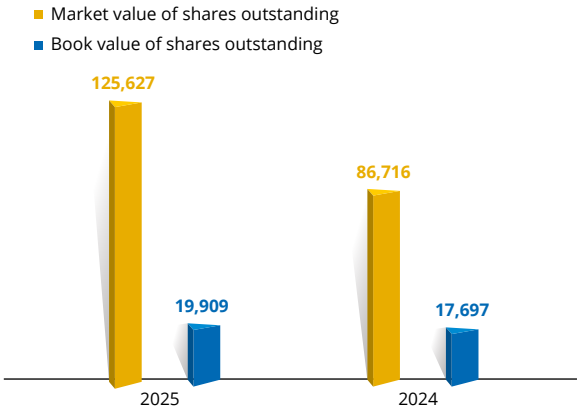
** *Average shareholders' equity and provision has been derived from average of current year and previous year*

MARKET VALUE-ADDED

Market Value-Added (MVA) is a critical financial metric that reflects a company's performance as evaluated by the market, specifically through its equity. MVA serves as an external endorsement of an entity's performance, providing valuable insights into how well the company is perceived by the market in terms of value creation. It is a crucial indicator for stakeholders to understand the effectiveness of the company's management and its ability to generate returns on invested capital.

In 2025, BRAC Bank reported a remarkable positive Market Value-Added (MVA) of BDT 105,718 million, a significant increase from BDT 69,019 million in 2024. This substantial growth in MVA underscores the bank's sound performance and its success in creating sustainable shareholder value. This impressive performance is a testament to BRAC Bank's effective management and its commitment to delivering value to its stakeholders. The increase in MVA highlights the bank's robust financial health and its capability to navigate market challenges while capitalizing on growth opportunities.

Market value-added BDT mn



Market value-added (BDT in mn)

Particulars	2025	2024
Market value of shares outstanding	125,627	86,716
Book value of shares outstanding	19,909	17,697
Market value-added	**105,718**	**69,019**

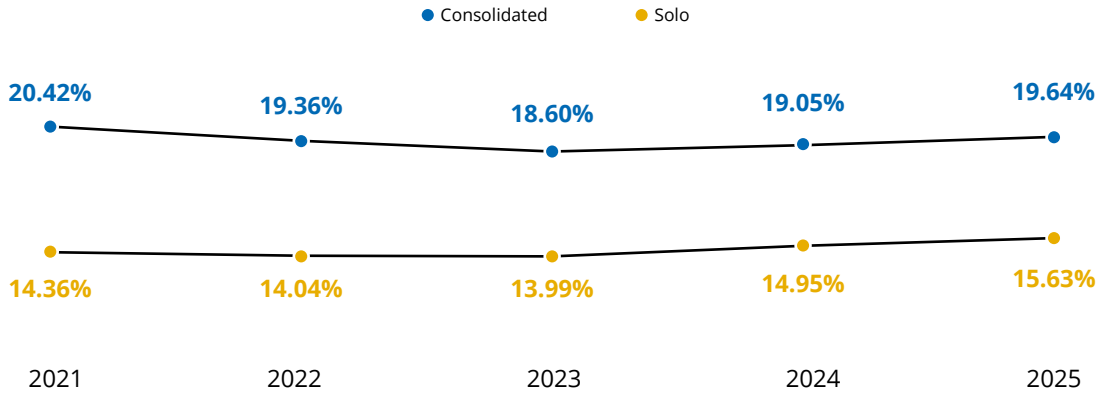
CAPITAL ADEQUACY

As per RBCA guideline, all scheduled banks are required to calculate capital-to-risk weighted asset ratio (CRAR). The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy", issued by Bangladesh Bank vide BRPD Circular no. 18 dated December 21, 2014, and subsequent circulars of Bangladesh Bank.

BDT in million

Particulars	2025		2024	
	Consolidate	Standalone	Consolidate	Standalone
Tier I: Core Capital				
Paid-up Capital	19,909	19,909	17,697	17,697
Share Premium	3,854	3,854	3,854	3,854
Statutory Reserve	16,257	16,055	14,038	13,843
Retained Earnings	51,953	38,965	40,595	29,950
Dividend equalization fund	355	355	355	355
Non-controlling interest	26,764	-	22,510	-
Regulatory Adjustments				
Goodwill and all other Intangible Assets	4,788	907	5,056	781
Deferred Tax Assets (DTA)	7,529	5,743	7,898	5,939
Total Admissible Tier-I Capital	**106,774**	**72,489**	**86,096**	**58,979**
Tier II: Supplementary Capital				
General Provision	7,116	7,116	6,376	6,376
Subordinated debt	13,537	13,537	6,287	6,287
Total Admissible Tier-II Capital	**20,653**	**20,653**	**12,663**	**12,663**
Total eligible regulatory Capital	**127,427**	**93,142**	**98,758**	**71,642**
Total Risk Weighted Assets	**648,694**	**596,041**	**518,414**	**479,281**
Capital Adequacy Ratio	**19.64%**	**15.63%**	**19.05%**	**14.95%**

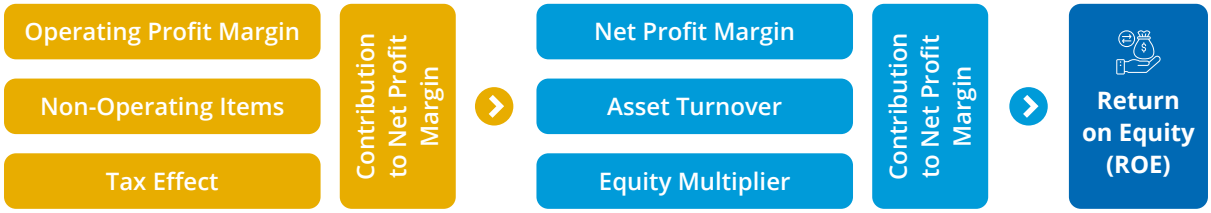
Total Capital to Risk-weighted Asset Ratio (CRAR)



DUPONT ANALYSIS

DuPont analysis is an index that reveals how much profit a company has earned in comparision with the total amount of shareholders' equity on the balance sheet. Fundamentally, the Dupont equation provides a broader picture of the return the bank is earning on its equity. It informs where the strengths of the bank lie and where there is scope for further improvement. Thus, it facilitates critical examination and is a journey of achieving improvement every day.

BRAC Bank's Dupont analysis summarises that BBPLC posted a net profit after tax of BDT 15,809 mn (2024: 12,136 mn), delivering a return on assets of 1.50% (2024: 1.46%) and return on equity of 18.02% (2024: 17.36%). While the net profit margin remained 13% in 2025, the Bank's operating income increased by 31% during the year, compared to a 40% increase in the previous year. On the other hand, financial leverage remained the same compared to the previous year.



DuPont	Description	2025	2024	2023	2022	2021
Net Interest Income	% of Avg Assets	1.12%	1.62%	2.75%	3.01%	3.31%
Non Interest Income	% of Avg Assets	0.78%	1.15%	0.98%	1.22%	0.85%
Operating income	**% of Avg Assets**	**5.49%**	**5.34%**	**4.90%**	**5.25%**	**5.52%**
Operating expenses	% of Avg Assets	2.47%	2.51%	2.74%	3.05%	2.94%
Cost/Income	% of Operating Income	44.97%	47.06%	55.93%	58.11%	53.16%
Profit before provisons	**% of Avg Assets**	**3.02%**	**2.83%**	**2.16%**	**2.20%**	**2.59%**
Provisions	% of Avg Assets	0.65%	0.46%	0.45%	0.43%	0.72%
Profit before tax	% of Avg Assets	2.37%	2.36%	1.71%	1.77%	1.86%
Effective Tax rate	% of PBT	36.77%	38.05%	33.68%	35.53%	29.69%
NCI	% of Avg Assets	2.54%	2.72%	3.18%	3.93%	4.67%
Net Profit After Tax	**PAT(BDT in million)**	**15,809**	**12,136**	**7,304**	**5,763**	**5,547**
RoA	**Return on Avg. Assets**	**1.50%**	**1.46%**	**1.13%**	**1.14%**	**1.31%**
Assets/Equity	Avg. Assets/Avg. Equity	12.02	11.87	10.56	8.97	8.39
RoE	**Return on Avg. Equity**	**18.02%**	**11.39%**	**11.95%**	**10.22%**	**11.00%**

HUMAN RESOURCE ACCOUNTING (HRA)

Strategic Framework

Human Resource Accounting (HRA) represents a strategic framework for quantifying the value of human capital in monetary terms within BRAC Bank. This systematic approach involves measuring and analysing the investments made in employees' skills, knowledge, and experience while evaluating their contribution to organizational success. HRA provides crucial insights that enable leadership to make data-driven decisions about human capital investments and digital transformation.

BRAC Bank has emerged as the employer of choice thanks to its people-care initiatives, ethics, transparency, and good corporate governance. By implementing diverse HRA practices, the bank enhances its operational efficiency and fosters a culture of continuous improvement.

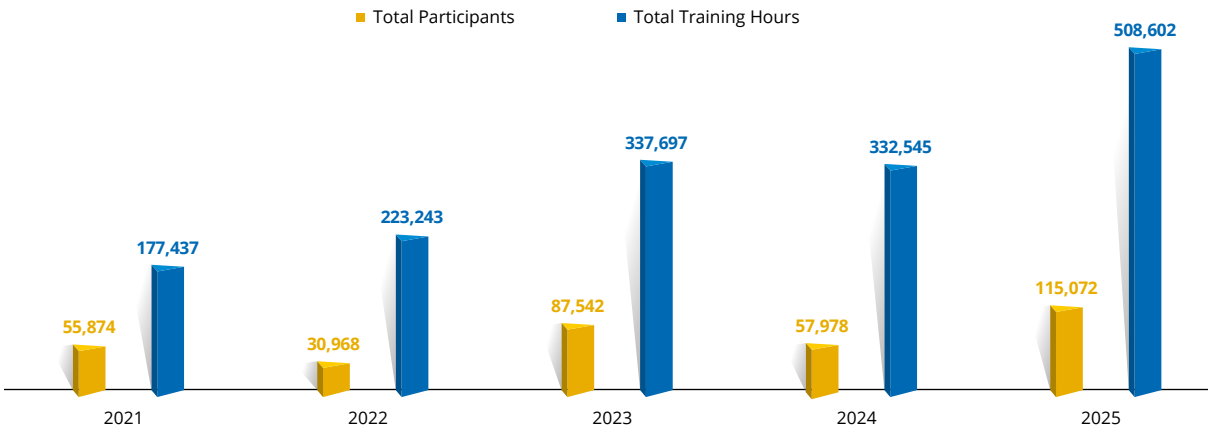
1. Investment in Human Capital: Learning & Development

In 2025, BRAC Bank reached a milestone in human capital appreciation, treating training costs as a strategic capital investment rather than an operational expense.

Cumulative Learning Impact (2021–2025):

Year	Total Participants	Total Training Hours
2021	55,874	177,437
2022	30,968	223,243
2023	87,542	337,697
2024	57,978	332,545
2025	**115,072**	**508,602**

Cumulative Learning Impact



2025 Training Footprint:

Our L&D ecosystem empowered 16,110 unique participants across 1,356 batches and 430 distinct programs, including 10,747 full-time employees and 5,363 personnel and agents. This 53% year-on-year increase in training hours underscores our commitment to future-proofing our workforce.

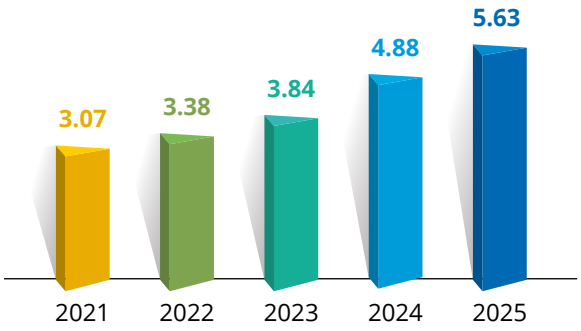
2. Value Creation & Financial Returns

The aggressive investment in intellectual capital has directly correlated with record-breaking productivity and bank-wide profitability.

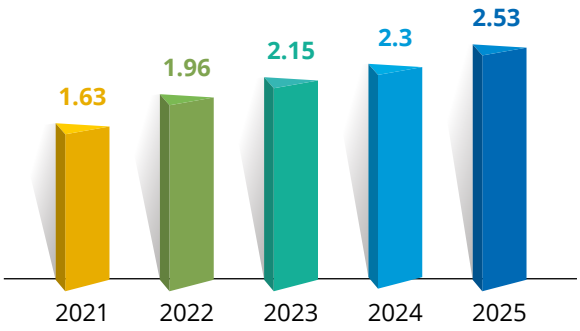
Five-Year Human Capital Performance Trends:

Particulars (Amounts in Million)	2025	2024	2023	2022	2021
Operating income per employee	5.63	4.88	3.84	3.38	3.07
Operating cost per employee	2.53	2.30	2.15	1.96	1.63
Operating profit per employee	**3.10**	**2.58**	**1.69**	**1.42**	**1.44**
PBT per employee	**2.43**	**2.16**	**1.34**	**1.14**	**1.04**

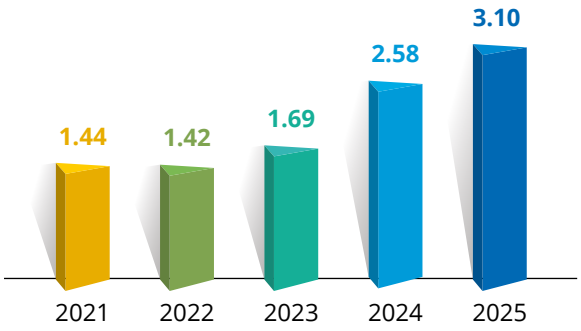
Operating income per employee



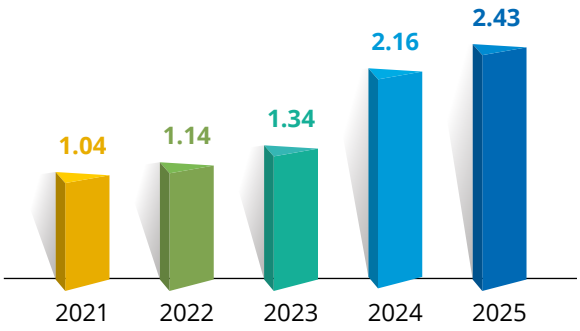
Operating income per employee



Operating profit per employee



PBT per employee



Strategic Correlation: The 20.2% growth in operating profit per employee (reaching 3.10M) demonstrates a high yield on our training investments. This "Knowledge-to-Profit" conversion confirms that our skilled workforce is driving significant value in an increasingly digital landscape.

3. Human Capital Composition & Diversity

Our human capital value is anchored by a diverse team of 10,293 professionals. We monitor this composition to ensure leadership density and gender equity.

Workforce Distribution by Tier (2025):

Management Tier	Female	Male	Total	% of Workforce
Top Management	1	22	23	0.22%
Upper-Mid Management	12	182	194	1.88%
Mid Management	107	818	925	8.99%
Operational/General Management	1,537	7,614	9,151	88.91%
Total Workforce	1,657 (16%)	8,636 (84%)	10,293	100.00%

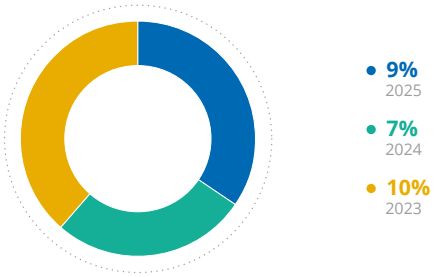
4. Stability & Retention

Retention is critical to preserving the bank's intellectual assets. In 2025, BRAC Bank maintained a healthy turnover profile, ensuring that specialized knowledge remains within the organization.

Metric	2025	2024	2023
Employee Turnover Rate	9%	7%	10%

By keeping turnover in the single digits, we effectively manage "replacement costs" and allow our human capital value to compound over time.

Employee turnover



Conclusion: The Future of Our Human Capital

BRAC Bank's 2025 HRA results provide empirical evidence that human capital investment is the primary engine of our sustainable growth. We will continue to invest in our human resources to transform our operational landscape through improved productivity, enhanced capacity, and innovation.

CONTRIBUTION TO THE NATION

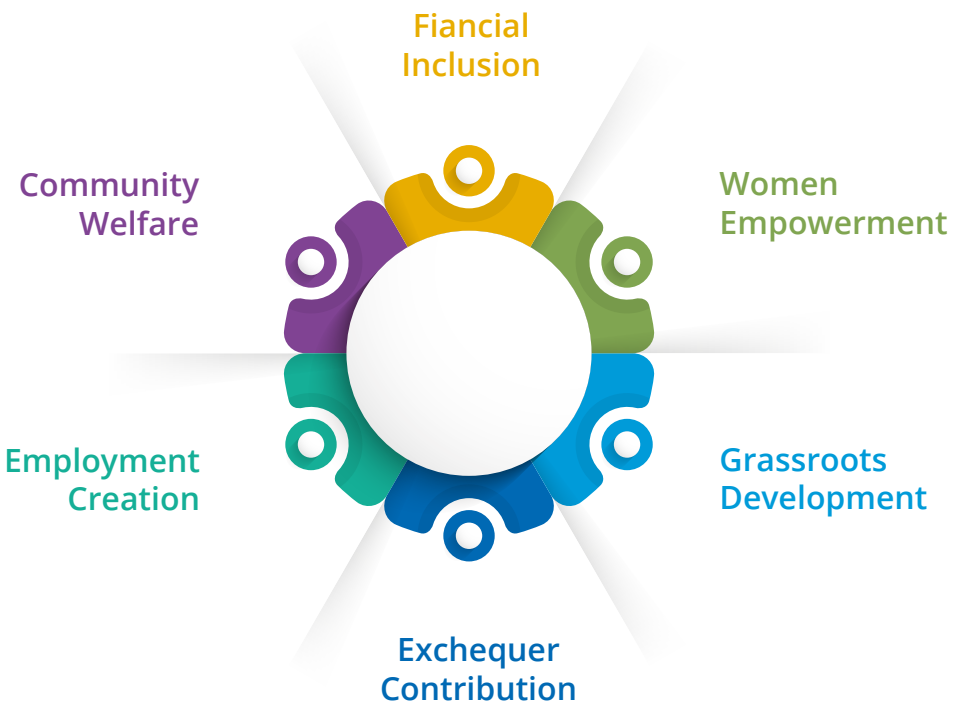
BRAC Bank Limited continues to demonstrate its role as a catalyst for inclusive and sustainable economic growth in Bangladesh, delivering long-term value for its stakeholders while upholding a strong values-based culture. Aligned with the Government's vision of attaining upper middle-income status within this decade and achieving developed nation status by 2041, the Bank contributes meaningfully to the country's socio-economic advancement through both its direct operations and broader ecosystem impact.

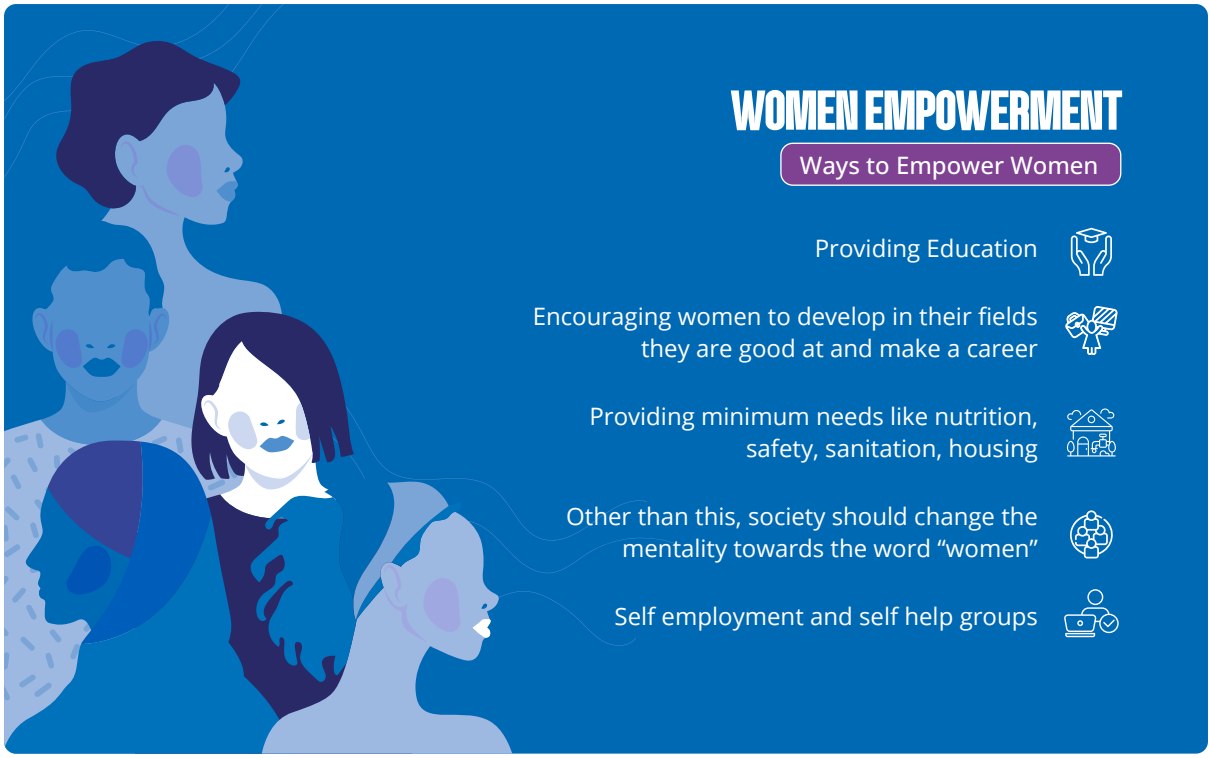
23,943 mn
Exchequer contribution
2024: 17,779 mn

FTE- 2,071
Outsourced- 1,906
New jobs created by the bank
2024: FTE- 1,428
Outsourced- 1,980

82.2 mn
bKash Customers
2024: 79.4 mn

247 mn
CSR investments
2024: 229 mn





Supporting the State Exchequer

The Bank remains a significant contributor to national revenue mobilization. Through the payment of corporate taxes and VAT on its earnings, alongside the deduction and timely remittance of income tax, VAT, and excise duty at source from customers and vendors, BRAC Bank upholds its fiscal responsibilities with diligence. In 2025, the Bank contributed BDT 23,943 million to the national treasury, reinforcing its commitment to supporting the Government's development agenda.

BRAC Bank's National Exchequer Contribution Over the Past Five Years

Year	Direct Tax		Indirect Tax		Total
	Withholding Tax	Corporate Tax	VAT	Excise Duty	
2021	2,317	2,558	929	853	6,657
2022	3,457	4,643	1,046	1,101	10,247
2023	5,332	4,122	1,416	1,396	12,266
2024	8,282	6,012	1,877	1,608	17,749
2025	**11,900**	**7,113**	**2,512**	**2,418**	**23,943**

Employment Generation and Human Capital Development

BRAC Bank continues to be a major employer, directly and indirectly supporting livelihoods across the country. During 2025, the Bank onboarded 2,071 full-time employees and 1,906 outsourced personnel, bringing its total workforce to 10,293 full-time employees and 2,341 outsourced staff. Total employee-related expenditure stood at BDT 16,788 million, including BDT 14,839 million for full-time employees and BDT 1,841 million for outsourced staff. The Bank also invested BDT 108 million in training and development initiatives, reflecting its focus on enhancing workforce capability, leadership development, and future readiness. Beyond direct employment, BRAC Bank's operations sustain a wide network of suppliers, vendors, and business partners, contributing to broader economic participation.

Corporate Social Responsibility and Community Engagement

Corporate Social Responsibility (CSR) is deeply embedded in BRAC Bank's institutional DNA, serving as a core pillar of our mission to drive sustainable social impact. Our CSR strategy is intentionally designed to strengthen the foundations of society by addressing critical gaps in health, climate resilience, and economic inclusion. By prioritizing initiatives that empower marginalized communities and foster long-term self-reliance, we ensure that our social investments create lasting value. Key highlights of our diverse CSR portfolio include:

- In partnership with WaterAid Bangladesh, BRAC Bank's "Aporajeyo WE" initiative is providing safe water and sanitation to over 10,000 people in climate-vulnerable Satkhira. The project features five new reverse osmosis plants and upgraded clinic facilities to combat waterborne diseases. By training local women to operate these plants as entrepreneurs, the program fosters long-term community resilience and economic empowerment.
- Since 2024, BRAC Bank and VisionSpring have improved the vision and productivity of over 63,000 people. In 2025, the partnership provided free screenings and eyeglasses to more than 47,500 factory workers, SME clients, and staff, significantly enhancing the quality of life and economic efficiency for underprivileged workers.
- Has demonstrated its commitment to healthcare accessibility by contributing BDT 16 million toward specialized kidney care. This funding included BDT 8 million to complete an oxygen plant at the Kidney Foundation Hospital's new facility and an additional BDT 8 million to the Sir Abed Kidney Dialysis Fund, facilitating free dialysis treatments for financially disadvantaged patients.
- Has contributed BDT 5 million to the BRAC Limb and Brace Centre (BLBC), providing artificial limbs and braces to 810 underprivileged individuals. This partnership successfully restored mobility and self-reliance for beneficiaries, enabling them to pursue financial independence and improved quality of life.
- Has provided free treatment support for 27 students affected by the plane crash at the Milestone School and College, Diabari Campus, in 2025. The bank partnered with BLBC for their treatment, which will continue until they are fully recovered and ready to return to school.
- Has facilitated sewing training for 78 persons with hearing impairments at the Bangladesh National Federation of the Deaf (BNFD), contributing BDT 1.34 million to the BRAC Bank-renovated training room at its head office in Bijoynagar.

Leadership in SME Banking

For 25 years, SME Banking has been the cornerstone of BRAC Bank PLC's identity, pioneering financial inclusion for the "Missing Middle." Since its inception in 2001, the bank has evolved into Bangladesh's leading provider of collateral-free loans, disbursing over USD 14 billion to CMSMEs and driving nationwide industrialization. In 2025, the SME Division achieved landmark growth, with its asset portfolio surpassing BDT 349,110 million and deposits increasing by 33% to BDT 189,876 million. By integrating digital innovation with a strategic focus on rural and women-led enterprises, BRAC Bank continues to serve as a vital catalyst for inclusive economic growth and shared prosperity across Bangladesh.

Through continuous investment in digital innovation and data-driven capabilities, BRAC Bank is enhancing accessibility to finance for underserved and emerging business segments, thereby accelerating entrepreneurial development nationwide. As part of its strategic focus on modernizing SME banking, the Bank has introduced "BizPay," a dedicated transaction banking solution designed to deliver a faster, more efficient, and intelligent way of managing business finances. This comprehensive platform addresses the evolving needs of SMEs by enabling seamless, high-volume transactions and offering a superior alternative to traditional banking processes.

Advancing Women's Financial Inclusion

BRAC Bank Limited continues to lead the advancement of women's financial inclusion through its flagship women banking proposition, "TARA." As the first dedicated banking suite for women in Bangladesh, TARA offers a comprehensive range of tailored

financial solutions- predominantly collateral-free- enabling women entrepreneurs to access capital, scale their businesses, and strengthen their economic participation. Designed to empower, inspire, and connect women across the country, TARA addresses both the financial and lifestyle needs of individual customers and women-led enterprises through personalized banking services.

The impact of TARA has received significant global recognition, including prestigious accolades at the FT/IFC Transformational Business Awards. Furthermore, the Bank's inclusion in the Women Enterprise Recovery Fund by United Nations Economic and Social Commission for Asia and the Pacific and United Nations Capital Development Fund underscores its leadership in addressing the financial and digital barriers faced by women-led MSMEs. International organizations such as International Finance Corporation, FMO, and Financial Alliance for Women have recognized TARA as a benchmark for inclusive banking. Strategic partnerships with the Gates Foundation, DEG Impulse, Aspire to Innovate, United States Agency for International Development, and Babson College have further supported the program's expansion, enabling the integration of global best practices into local operations.

Through these integrated initiatives, BRAC Bank Limited continues to foster an enabling ecosystem for women entrepreneurs, contributing meaningfully to inclusive growth and sustainable socio-economic development in Bangladesh.

Driving Financial Inclusion through Digital Ecosystems

As a key stakeholder of bKash Limited, BRAC Bank has played a transformative role in advancing digital financial services in Bangladesh. bKash has evolved from offering basic services such as money transfer and cash transactions to a comprehensive digital financial platform, including payments, remittances, microfinance disbursement, utility bill payments, and savings solutions. Its widespread adoption has significantly accelerated financial inclusion, bringing millions of unbanked individuals into the formal financial system and contributing to the country's digital economy.

Through its multifaceted contributions—ranging from fiscal support and employment generation to SME financing, women empowerment, and digital financial inclusion—BRAC Bank continues to play a pivotal role in strengthening Bangladesh's economic resilience and social progress. The Bank remains committed to sustainable growth, innovation, and responsible banking practices, aligning its strategic priorities with national development goals and global sustainability standards.

BRAC BANK'S PESTEL ANALYSIS FRAMEWORK

BRAC Bank employs a rigorous PESTEL analysis to meticulously evaluate and monitor the macro-environmental factors that shape its strategic landscape. In 2025, this framework became a critical tool for navigating unprecedented industry shifts, allowing the bank to transform external challenges into long-term growth drivers. By examining the Political, Economic, Social, Technological, Environmental, and Legal dimensions, BRAC Bank identifies key catalysts affecting its internal operations and external competitive standing. This proactive analysis reinforces the bank's "Flight to Quality" status, ensuring it remains the nation's preferred financial partner in an increasingly digital and ESG-focused era.

The PESTEL analysis for BRAC Bank in 2025 highlights a strategic navigation of macro-environmental forces, where Economic and Political factors currently present the highest impact.

P

ENVIRONMENTAL

Strategic Points

- Regulator-driven consolidation of weak banks.
- Policy shifts for 2026 LDC graduation.
- "Cashless Bangladesh" government mandate.
- Enhanced geopolitical risk monitoring for trade.

Degree of Impact

High

Response Strategy

- **Market Positioning:**

  Capitalizing on the "Flight to Quality" to absorb high-value deposits from shifting market segments while preparing RMG clients for post-LDC trade shifts.

E

ECONOMIC

Strategic Points

- High central bank policy rates (10%).
- Persistent 9%+ inflation impacting retail savings.
- Record remittance inflows (>USD 2 billion).
- Taka-Dollar exchange rate volatility.

Degree of Impact

Very High

Response Strategy

- **Balance Sheet Optimization:**

  Prioritizing high-yield treasury investments and optimizing the Net Interest Margin (NIM) through a market-based pricing regime.

S

SOCIAL

Strategic Points

- Trust-based migration to Tier-1 institutions.
- Gen-Z demand for "instant" digital banking.
- Financial literacy drives in rural segments.
- Rising preference for ethical/ sustainable banking.

Degree of Impact

Moderate

Response Strategy

- **Hyper-Personalization:**

  Leveraging the "Astha" app to offer tailored retail products and expanding Agent Banking to deepen rural financial inclusion.

Strategic Outcome

By integrating these macro-environmental insights into its core strategy, BRAC Bank successfully achieved a record consolidated net profit exceeding Tk 1,500 crore and an industry-leading NPL reduction to 2.27% by December 2025. This analysis ensures the bank is not merely reacting to the environment but actively turning challenges into drivers for its next phase of growth.

T

TECHNOLOGICAL

Strategic Points

- AI-Driven Credit Scoring for SME/Retail.
- Competitive pressure from new Digital Banks.
- Escalating global cybersecurity fraud landscape.
- Cloud-migration for operational agility.

Degree of Impact

High

Response Strategy

- **Digital Leadership:**

  Investing in "Shafollo" for 100% digital SME lending and doubling cybersecurity expenditure to protect the growing digital ecosystem.

E

ENVIRONMENTAL

Strategic Points

- Growing demand for Sustainable Finance.
- Climate-vulnerability assessments in credit risk.
- Internal "Net Zero" branch operations drive.
- Financing for green RMG and renewable energy.

Degree of Impact

Moderate

Response Strategy

- **ESG Integration:**

  Maintaining leadership as a Top Sustainable Bank by aligning the portfolio with global ESG standards to attract low-cost international green funding.

L

LEGAL

Strategic Points

- Fully market-driven interest rate transition.
- Strict AML/CFT and Basel III compliance.
- New national Data Privacy Acts.
- Recent amendments to the Banking Company Act.

Degree of Impact

High

Response Strategy

- **Governance Excellence:**

  Implementing a "Zero Tolerance" compliance culture and upgrading data encryption protocols to meet evolving global privacy standards.

SWOT ANALYSIS

BRAC Bank's enduring dedication to the prosperity of Bangladesh and its people has fortified its position as a pillar of public trust and the nation's preferred financial partner. In 2025, the bank has refined its strategic outlook by identifying critical internal and external factors through a comprehensive assessment of its strengths, weaknesses, opportunities, and threats. By proactively leveraging its market-leading strengths—specifically its record-breaking profitability and superior asset quality—while addressing internal gaps and capitalizing on emerging digital and green finance opportunities, BRAC Bank is poised to elevate its market standing. This SWOT framework remains a vital management tool, enabling the bank to navigate a complex macroeconomic environment, mitigate systemic threats, and maintain its competitive edge in an evolving industry.

S

STRENGTHS

- **Exceptional Asset Quality:** Achieved a significant reduction in NPLs to 2.27% by December 2025, demonstrating industry-leading credit risk management.
- **Historic Financial Performance:** Surpassed the Tk 1,500 crore net profit mark (Solo), marking the bank's most profitable year to date.
- **"Flight to Quality" Advantage:** Capitalized on superior governance to capture record deposit growth as customers sought stability amidst sector-wide volatility.
- **Undisputed SME Leadership:** Sustained market dominance in the SME sector, bolstered by the "Shafollo" digital lending platform.
- **Remittance Milestone:** Surpassed USD 2 billion in annual remittance inflows, significantly enhancing foreign currency liquidity.
- **Robust Capital and Liquidity Base:** Maintained a capital adequacy ratio well above regulatory requirements and a high Liquidity Coverage Ratio (LCR).
- Expansion of Alternate Channels: Rapid growth in the Agent Banking network and "Astha" app users, reducing dependency on physical branch overheads.
- High Investment Yields: Optimized the investment portfolio by capitalizing on high-yield Government Treasury instruments.
- Digital Transformation Leadership: Accelerated modernization of the banking ecosystem following the appointment of a dedicated Chief Information Officer (CIO).
- Strong Corporate Brand Equity: Ranked consistently as a leading banking brand in Bangladesh, enhancing customer acquisition.

W

WEAKNESSES

- **Rising Cost of Funds:** Elevated interest rates and tight market liquidity have significantly increased the cost of deposit mobilization.
- **Cybersecurity Vulnerabilities:** Facing an increasingly sophisticated landscape of financial fraud and digital threats.
- **Operational Complexity:** Balancing rapid digital scaling with the need for 100% system uptime and service excellence.
- **Talent Attrition:** Intense competition for specialized skills in fintech, data analytics, and high-level compliance.
- **Dependency on Corporate Deposits:** High-value corporate accounts remain sensitive to interest rate fluctuations.
- **Legacy Infrastructure Integration:** Challenges in integrating new digital front-ends with older back-end systems.
- **Product Homogeneity:** Challenges in differentiating traditional retail offerings within a highly saturated market.

STRENGTHS

- Net Profit > Tk 1,500 Crore
- Asset Quality (NPL 2.27%)
- Leadership SME
- Flight to Quality Deposits

OPPORTUNITIES

- Green & Sustainable Finance
- AI-Driven Credit Scoring
- Strategic Consolidation

WEAKNESSES

- Rising Cost of Funds
- Cybersecurity
- Operational Complexity

THREATS

- High Inflation
- Industry Stress Systemic
- Digital Bank Competition
- Macroeconomic Volatility

OPPORTUNITIES

- **Market Share Consolidation:** Gaining ground as the industry undergoes regulator-driven restructuring and a shift toward stronger institutions.
- **Market-Based Interest Rates:** Leveraging the market-driven lending regime to optimize Net Interest Margins (NIM).
- **Green & Sustainable Finance:** Expanding the portfolio in climate-action initiatives and green bonds as a top-rated sustainable bank.
- **AI-Driven Credit Scoring:** Implementing Artificial Intelligence to automate credit approvals for small-ticket retail and SME loans.
- **Offshore Banking Unit (OBU) Expansion:** Attracting foreign currency deposits from non-resident Bangladeshis via new regulatory relaxations.
- **Hyper-Personalization:** Utilizing advanced data analytics to offer tailored financial solutions to underserved segments.
- **Fintech Collaborations:** Partnering with innovative startups to integrate digital wealth and payment solutions.

THREATS

- **Persistent High Inflation:** Sustained inflationary pressures continue to erode consumer purchasing power and retail deposit growth.
- **Systemic Industry Stress:** Widespread liquidity challenges and high NPLs in the broader banking sector impacting overall stability.
- **Digital Bank Competition:** Entry of newly licensed full-fledged "Digital Banks" posing a threat to traditional retail revenue streams.
- **Macroeconomic & Currency Volatility:** Ongoing pressure on the Taka and foreign exchange reserves affecting trade-finance operations.
- **LDC Graduation Impact:** Potential shifts in export competitiveness as the nation prepares for its 2026 graduation from LDC status.
- **Energy Price Volatility:** Fluctuating fuel prices impacting the repayment capacities of manufacturing-heavy SME clients.
- **Sudden Regulatory Changes:** Potential for rapid shifts in monetary policy as the central bank manages economic volatility.

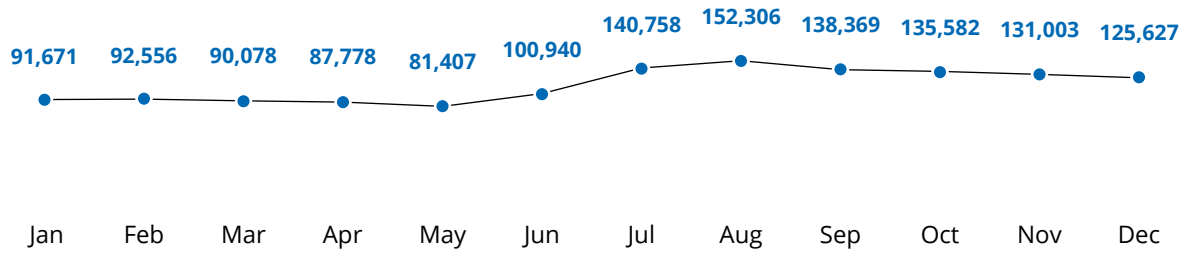
SHARE PRICE STATISTICS

The year 2025 was characterized by a transition toward a more structured and transparent capital market in Bangladesh. Throughout the year, the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) experienced notable shifts in investor sentiment and liquidity. These movements were largely influenced by domestic regulatory reforms, such as the implementation of the Public Offer of Equity Securities Rules 2025, and broader macroeconomic adjustments, including fluctuations in interest rates and global trade dynamics.

Despite a broader market environment that saw the DSEX index decline by approximately 6.7%, the Bangladesh Securities and Exchange Commission (BSEC) remained proactive. The commission introduced updated margin rules and enhanced oversight to curb market manipulation and protect retail investors. These measures aimed to foster a disciplined trading environment, encouraging a shift in capital toward fundamentally strong, "blue-chip" securities.

BRAC Bank's market capitalization demonstrated exceptional resilience and growth, significantly outperforming the broader banking sector. By the end of December 2025, it stood at BDT 125,627 million on the Dhaka Stock Exchange, compared to BDT 86,716 million at the end of December 2024. This represents a robust increase of 44.9%, reflecting sustained investor confidence in the Bank's digital transformation and its record-breaking financial performance, including a 30.28% growth in Net Profit After-Tax (NPAT) during the year.

MCAP BDT mn* (Closing day)



Market Price Information – 2025

Month	Dhaka Stock Exchange Ltd. (DSE)			Chittagong Stock Exchange Ltd. (CSE)			Average Volume (DSE & CSE)	Market Capitalization (DSE) [BDT in Million] (at close of month)
	Month High	Month Low	Average Volume (Number)	Month High	Month Low	Average Volume (Number)		
Jan 2025	52.00	48.50	1,103,593	54.00	33.00	5,117	1,108,710	91,671
Feb 2025	54.10	50.30	1,169,387	55.50	36.00	4,199	1,173,586	92,556
Mar 2025	52.90	50.40	667,456	52.50	39.70	1,743	669,199	90,078
Apr 2025	50.80	47.50	962,700	53.90	36.70	2,229	964,929	87,778
May 2025	53.90	45.10	1,609,906	54.00	33.80	31,038	1,640,944	81,407
Jun 2025	52.10	45.80	3,172,670	52.40	32.60	4,324	3,176,994	100,940
Jul 2025	73.80	50.40	3,891,851	76.00	34.10	166,196	4,058,047	140,758
Aug 2025	77.70	65.10	1,919,067	77.40	36.10	184,899	2,103,966	152,306
Sep 2025	79.40	69.00	1,374,030	85.00	53.00	16,105	1,390,135	138,369
Oct 2025	72.80	61.80	756,930	72.00	45.00	17,250	774,180	135,582
Nov 2025	69.90	60.00	574,921	69.00	46.50	3,129	578,050	131,003
Dec 2025	70.00	62.90	403,054	2.00	47.60	62,121	465,175	125,627

Key Highlights (DSC):

Peak Valuation

The Bank reached its highest market capitalization of **BDT 152,306 million** in August 2025.

Liquidity Surge

Trading volume peaked in July 2025 with a combined average of over **4 million shares**, indicating a period of intense market re-rating.

Price Appreciation

The share price reached an annual high of **BDT 79.40** in September 2025, driven by strong half-yearly earnings disclosures.

Stock Details

Particulars	DSE	CSE
Stock symbol	BRACBANK	BRACBANK
Company/scrip code	11138	22029
Listing year	2007	2007
Market category	A	A
Electronic share	Yes	Yes
Market lot (nos.)	1	1
Face value (BDT)	10	10
Total number of securities	**1,990,926,167**	

Financial Performance and Investment Ratios (2025)

The substantial growth in BRAC Bank's market capitalization was underpinned by strong fundamental performance. Despite the broader market volatility, the Bank maintained its position as a high-value growth stock, characterized by exceptional efficiency and shareholder returns.

Key Ratios

Earnings Per Share (EPS) - Consolidated

2025 **BDT 9.12**

2024 BDT 6.18

Net Asset Value (NAV) per Share

2025 **BDT 50.08**

2024 BDT 38.07

Price-to-Earnings (P/E) Ratio

2025 **7.95**

2024 8.04

Dividend Yield

2025 **5%**

2024 5%

Foreign Shareholding (%)

2025 **36.06%**

2024 31.76%

MARKET SIGNAL CONSISTENCY

• Share price movement vs financial performance • Earnings announcement market reaction • Dividend distribution policy consistency • Alignment between management narrative and market signals

Share Price Movement vs Financial Performance

The equity valuation of BRAC Bank PLC (DSE: BRACBANK) serves as a direct mirror to its stellar operational trajectory, signaling a high level of market efficiency. Over the fiscal periods of 2025 and early 2026, the bank's share price movements have broken away from broader macroeconomic pressures on the Dhaka Stock Exchange. This decoupling is entirely justified by fundamental growth reflecting investor confidence in the bank's resilient earnings and strong capital base, reinforcing investor confidence and validating the bank's consistent strategic delivery.

Earnings Announcement Market Reaction

The capital markets responded with clear optimism to BRAC Bank's statutory financial updates, reflecting deep institutional confidence:

- **Q1-2026 Earnings Spark:** Following the publication of its price-sensitive financial disclosure on May 12, 2026, the bank's share price surged 2.23% in a single session to settle at Tk. 73.50 on the premier bourse.
- **Earnings Per Share Escalation:** This immediate upward adjustment was triggered by a 44% year-on-year jump in consolidated net profit to Tk. 695.68 crore for the January–March 2026 quarter. This pushed quarterly consolidated EPS to Tk. 2.90 (up from Tk. 2.02 in Q1-2025).
- **Block Trade Velocity:** High foreign portfolio reshuffling and an elite flight-to-quality catalyzed massive Tk. 335 crore block trade transaction. This liquidity volume further proves that the market perceives BRAC Bank's earnings stream as highly sustainable.

Dividend Policy Consistency & Distribution Trend

BRAC Bank has maintained a prudent dividend policy, balancing shareholder returns with the need to preserve capital for growth. Riding on its record-breaking 2025 results, the Board of Directors escalated the return to a historic 30% total dividend, composed of 15% cash and 15% stock dividends. This represents the highest nominal distribution configuration since the bank's market debut.

Alignment Between Management Narrative & Market Signals

There is seamless synchronization between executive communication and realized market milestones:

- **The Structural Thesis:** Management's forward-looking statements have consistently attributed profit performance to active balance sheet de-risking, heavy digital optimization, and increased allocations toward high-yielding government securities.
- **Tangible Validation:** This strategic focus is explicitly confirmed by the numbers. Growth was heavily driven by incremental non-interest investment income, countering broader sector declines in net interest margins.
- **The Trust Premium:** The bank's consolidated Net Asset Value (NAV) per share expanded rapidly from Tk. 39.38 in 2024 to Tk. 51.56 at year-end 2025, reaching Tk. 56.12 by March 31, 2026.

The fact that the share price tracked this asset baseline upward proves that the capital market trusts management's underlying metrics.

Summary

Aspect	Observation	Alignment
Share Price	Tracks earnings growth with market volatility	Consistent
Earnings Reaction	Positive surprises met favorably	Aligned
Dividend Policy	Prudent, sustainable payouts	Consistent
Management Narrative	Strategy validated by investor sentiment	Strong alignment

DIVISIONAL OVERVIEW

SME BANKING

Continuous investments in digitalization and process innovation have further enhanced customer experience, operational efficiency, and financial inclusion.

Syed Abdul Momen
Additional Managing Director & Head of SME Banking

For over 25 years, SME Banking has remained essential to BRAC Bank PLC's purpose and identity. What began in 2001 as a bold conviction—that the small and the medium entrepreneurs could transform Bangladesh if granted access to formal finance—has since evolved into a nationwide movement. At a time when the "Missing Middle" remained largely overlooked by the traditional banking system, BRAC Bank stepped forward to facilitate Cottage, Micro, Small, and Medium Enterprises (CMSMEs), unlocking their potential to generate employment, strengthen livelihoods, and drive sustainable economic growth.

This unwavering commitment has not only shaped enterprises but has also transformed millions of lives across the country. Over the years, SME Banking has matured into a market-defining institution, establishing itself as the largest provider of collateral-free loans in Bangladesh and the preferred banking partner for CMSMEs seeking formal financial solutions. Through cumulative disbursements exceeding USD 14 billion to thousands of entrepreneurs, BRAC Bank has positively impacted millions of households nationwide. Beyond financing businesses, the Bank has enabled livelihoods, created jobs, strengthened rural economies, and accelerated industrialization nationwide.

BRAC Bank's strategic focus on rural enterprises, women-led businesses—through initiatives such as TARA—and alignment with global sustainability goals emphasizes its belief that true leadership is measured by impact rather than scale alone. Continuous investments in digitalization and process innovation have further enhanced customer experience, operational efficiency, and financial inclusion.

As BRAC Bank celebrates 25 years of SME financing, it celebrates the people behind the numbers—the shop owner who employed their first worker, the small manufacturer who scaled operations, and the rural entrepreneur who chose opportunity over adversity. Through digital innovation, human-centric solutions, and a steadfast commitment to values-based banking, BRAC Bank continues to redefine SME banking in Bangladesh: not merely as a source of finance, but as a catalyst for inclusive growth, stronger communities, and shared prosperity—one enterprise at a time.

2025: A Glorious Year for BRAC Bank SME Banking

As BRAC Bank PLC marks its landmark 25th year in 2025, the SME Division continues to stand as one of the cornerstones of the Bank's success. Purpose-built since inception to serve the "Missing Middle," the Division's year-end performance in 2025 reflects record-breaking growth and sustained market leadership. The SME asset portfolio surpassed the significant milestone of BDT 349,110 Mln, supported

by a strong annual growth rate of 14%. Complementing this, the SME deposit portfolio recorded exceptional momentum, growing by 33% year-on-year to reach BDT 189,876 Mln—further reinforcing the Division's role as a key driver of the Bank's long-term stability and growth.

SMALL Business: The Engine of Growth

As of December 2025, the Small Business segment remained the largest contributor to the SME portfolio, with asset portfolio standing at BDT 263,278 Mln. The segment recorded robust asset growth of BDT 38,572 Mln, translating into a 17% year-on-year growth rate, underscoring sustained demand and effective portfolio expansion. On the liabilities side, deposits reached BDT 61,896 Mln, supported by strong deposit growth of BDT 13,130 Mln and a 27% growth rate. This performance reflects the segment's strong market penetration, supported by a large and active sales force of 3,147 Relationship Executives and Relationship Officers, enabling deep customer engagement and consistent business momentum.

BDT 38,572 Mln
Asset Growth

BDT 13,130 Mln
Deposit Growth

Cottage & Micro Segment: The Rising Star

The CMB segment demonstrated exceptional growth dynamics in 2025. The asset portfolio stood at BDT 13,067 Mln, with asset growth of BDT 4,313 Mln, resulting in an impressive 49% growth rate year-on-year. Deposit balances reached BDT 4,063 Mln, while deposit growth amounted to BDT 1,718 Mln, reflecting a remarkable 73% growth rate. This strong performance highlights increasing customer confidence and successful acquisition of quality Cottage & Micro Segment clients. The segment's focused growth strategy was driven by a specialized sales force of 347 exceptional individuals, enabling targeted expansion and rapid scaling.

BDT 4,313 Mln
Asset Growth

BDT 1,718 Mln
Deposit Growth

Medium Business Segment: The Bridge to Enterprise Growth

The Medium Business segment continued its steady growth trajectory, with an asset portfolio of BDT 46,739 Mln as of December 2025. Asset growth stood at BDT 1,671 Mln, reflecting a 4% annual growth rate. On the deposit side, the portfolio reached BDT 13,794 Mln, supported by deposit growth of BDT 1,847 Mln and a strong 15% growth rate, indicating improved liability mobilization and deepening client relationships. Backed by 172 Relationship Executives and Relationship Officers, the MB segment maintained balanced growth across assets and liabilities, reinforcing its role as a stable and scalable component of the SME franchise.

BDT 1,671 Mln
Asset Growth

BDT 1,847 Mln
Deposit Growth

MFI & Agri Business

BRAC Bank started financing MFI industry in the year 2011 and has been supporting the Micro Finance Institutions (MFIs) in achieving their goals. A total number of 48 micro financial institutions (MFIs) have partnered with BRAC Bank PLC. It has been contributing this sector meaningfully along with other commercial Banks.

Total MFI Portfolio outstanding has reached to BDT 25,802 Mln in December 2025 which was BDT 26,743 Mln in December 2024 and this was due to volatile economic condition. Total disbursement through MFI in December 2025 was 33,491 Mln which was BDT 38,273 Mln in December 2024.

As on December 2025, BRAC Bank total agriculture loan outstanding amounts to BDT 9,141 Mln. BRAC Bank's cumulative Agri disbursement stands at BDT 13,191 million for the year.

MFI & Agriculture Milestones in 2025

- 05 new MFIs have been on-boarded this year.
- 01 new agriculture project partner Petrochem has been onboarded. BRAC Bank PLC has partnered with Petrochem Bangladesh Limited to expand agricultural financing for marginal farmers nationwide. Through this collaboration, farmers gain access to tailored digital micro-loans via BRAC Bank's SME banking network, while Petrochem's input retailers are onboarded

to ensure seamless financial access. The initiative leverages digital innovation and advanced technology to strengthen farming and business operations, promoting financial inclusion and sustainable agricultural practices. So far, BDT 87.30 million has been disbursed to 922 farmers across five districts, covering 1,844 loan accounts, showcasing the tangible impact of this partnership in empowering small-scale farmers and driving rural economic growth.

- BDT 138.50 Million Agriculture CSR Fund has been disbursed through 03 partners- BRAC, Department of Agriculture Extension (DAE) and GRAM UNNAYAN KENDRA (GUK).
- BDT 1,049 Million has been disbursed in WASH segment through MFI partners to guarantee the provision of safely managed water and sanitation facilities in rural communities in collaboration with water.org.
- BDT 4,040 Million has been disbursed to MFI clients under PKSF Credit Enhancement Scheme (CES) project.
- 101,509 farmers were financed through agriculture loans out of which 10,117 farmers were financed digitally through Jibika Digital Loan product

Supplier Finance

In 2025, BRAC Bank's Supplier Finance portfolio recorded strong and sustained growth, reaffirming the Bank's commitment to support SME businesses and strengthening supply chain ecosystems.

The number of onboarded suppliers grew 366% supported by 15 active corporate anchors under both anchor-led and supplier-led models. Total Sanctioned limits reached to BDT 2,844 million with a significant growth of 340%. The disbursement amount peaked to BDT 5,054 million with 7,908 number of transactions, reflecting increased adoption and scale. Year-end portfolio stood at BDT 1206 million showing a growth of 317%, supported by healthy repayments of BDT 4,199 million. Portfolio quality remained sound, with PAR contained at 1.1% from previous year's 4.6 % despite rapid expansion.

Anchor-led programmes, led by PRAN-RFL, City Group, and Akij Bashir carried on with majority of disbursements. The portfolio also achieved greater sectoral diversification across food and beverage, agro-processing, packaging, and logistics, reinforcing its role in enhancing liquidity, optimising cash flows, and building continuous supply networks.

Distributor Finance:

BRAC Bank's Distributor Finance continues to be a cornerstone of our SME banking strategy, providing essential short-term working capital that facilitates seamless commerce between suppliers and their distribution networks. In 2025, the segment achieved remarkable scale, driven by a strategic focus on ecosystem banking and digital integration.

The year was marked by a significant broadening of the market footprint. The network of active anchors grew by 44%, while the number of active distributors surged by 80.24%. This expansion reflects the growing trust in BRAC Bank's ability to provide timely liquidity to the heartbeat of the national economy. To support this growth, total loan limits were increased by 84.56% to BDT 1,658.8 million. Heightened economic activity resulted in a record-breaking year for transactions. The total transaction volume surged by 229.16%, reaching BDT 22,897.2 million. The portfolio demonstrated strong efficiency with a utilization rate of 71.20%, leading to an 84.72% growth in portfolio outstanding, which closed the year at BDT 1,181.1 million.

Maintaining asset quality remains a core priority amidst rapid expansion. BRAC Bank successfully navigated the year's growth while keeping credit risks well-contained. The Portfolio at Risk (PAR) stood at 1.01%, and Non-Performing Loans (NPL) were maintained at 0.96%. These metrics underscore the rigorous credit appraisal processes and the leadership in maintaining a healthy SME credit environment.

The 2025 performance of the Distributor Finance department reaffirms BRAC Bank's commitment to drive financial inclusion and support the SME sector's resilience. By optimizing cash flows for the partners, the bank continues to play a pivotal role in the nation's supply chain stability.

Liability & Cash Management

Deepening Relationships to Build Enduring SME Loyalty

During the year, BRAC Bank continued to strengthen its SME Liability and Cash Management segment by placing greater emphasis on relationship-led banking to foster long-term customer loyalty. The SME Liability & Cash Management team focused on engaging SME clients more meaningfully through consistent relationship management, responsive service delivery, and solutions aligned with clients' day-to-day business needs.

The SME Liability Sales team recorded approximately BDT 20,000 Mln in deposit portfolio growth, driven by disciplined customer acquisition and a deeper focus on relationship continuity. To support SMEs in managing their banking activities more efficiently, digital capabilities were further enhanced with the introduction of BizPay, a web-based transaction platform tailored for SME clients, alongside continued

expansion of existing digital channels. In parallel, the Borenno SME Premium Banking Proposition continued to gain traction, offering high-value SME clients personalized solutions and service experiences aimed at strengthening long-term engagement.

47,082 mn
Deposit Growth

10,751 mn
Current Account Balance Growth

36,237 mn
Term Deposit Growth

617,639 mn (77%)
Growth in Astha transaction by SMEs

4,762 mn
Deposit Growth from Borenno – SME Premium Banking Proposition

*Key Achievements of 2025 (figures in BDT)

SME Strategic Alliances

- **Launch of the Country's First SME Innovation Lab (FINNOVISION):** FINNOVISION launched with exclusive partnership with DEG Impulse gGmbH. The lab will foster innovation in 4 major areas of financing i.e. gender gap in financing, climate-resilient finance, smart agriculture, and inclusion of CMSME.
- **National Water Supply and Sanitation Workshop:** With Water.org, hosted country's first WSS workshop with business heads and key stakeholders highlighting innovative WASH financing to improve public health and community livelihoods. Under the workshop over 4000 field personals were trained in WASH financing strategies.
- **Grant Agreement with KfW DEG:** Awarded a grant of USD 1.1 million from DEG Impulse gGmbH (KfW DEG), funded by Germany's Federal Ministry for Economic Cooperation and Development, to establish the initial vertical of the FINNOVISION, Gender gap in financing.
- **Grant Agreement with Water.org:** Received USD 0.1 million from Water.org under the Social Bond Framework, enabling BDT 1 billion to scale WASH financing nationwide.
- **Grant Agreement with Stiftung BASE:** Entered into a grant agreement of USD 0.2 million with Stiftung BASE, supported by UNEP, to advance sustainable finance solutions for CMSMEs.
- **Expansion of Water Supply and Sanitation Financing:** What began as a BDT 350 million Water Supply and Sanitation financing initiative in partnership with Water.org has now exceeded BDT 500 million, benefiting more than 2.5 million people across the country.
- **Memoranda of Understanding (MOU):** Signed MoUs with Ibn Sina Trust to offer free health care checkups, Robi Axiata PLC, Sheba Merchants Limited, and Petrochem Bangladesh Limited to expand digital microloans and SME support services.
- **Financial Literacy Initiatives:** Conducted financial literacy programs across all 64 districts, reaching over 4,800 youth, and co-hosted a journalists' workshop with Bangladesh Bank.
- **Knowledge Exchange Program with International Delegates:** Hosted knowledge exchange sessions with Mastercard Foundation, Golomot Bank, and BRAC International.
- **Awards and Recognition:**
  - Achieved first place at the Qorus Reinvention Awards APAC-2025 for showcasing financial inclusion and narrowing gender gap In financing
  - Awarded Sustainable SME Financier of the Year by the SME Finance Forum for development of the exclusive financing portfolio of Water Supply and Sanitation (WSS) Financing.
  - Pitched and secured the bronze position of SME Banker of the Year (Asia) 2025 by Qorus where Syed Abdul Momen, AMD and Head of SME Banking was awarded.
  - BRAC Bank PLC's SME journey was presented as a case study at prestigious conferences such as, Global Entrepreneurship Network (GEN) Congress USA, UN Conference of Asia Pacific Climate Change Adaptation Forum, Bangkok, Global SME Finance Awards, South Africa

National WSS Program in Cox's Bazar

MOU with Water.org for Social Bond

Launch of SME Innovation Lab (FINNOVISION)

MOU with Robi Axiata PLC

MOU with Sheba Merchants Limited

Knowledge sharing with Brac International

Grant agreement with Stiftung BASE

Financial literacy program on Tarunner Utshob

Sustainable SME Financier of the Year award by the SME Finance Forum.

Qorus SME Banker of the year, Asia (Bronze)

Women Entrepreneur Cell

The Women Entrepreneur Cell supports women entrepreneurs by facilitating access to tailored banking solutions aligned with their financial needs. The Cell streamlines WSME financing policies, assists with documentation, delivers capacity- and skill-development programs, and promotes a diverse range of products and services. These initiatives have empowered the Women Entrepreneur Cell to offer financial knowledge and services through TARA, BRAC Bank's exclusive women-centric banking platform.

Key Projects and Outcomes

TARA Uddokta Fair 2025: 87 women entrepreneurs participated in the fair, generating sales and confirmed orders exceeding BDT 10 Mln within two days.

Amrai TARA & Branch Training: The program supported 2,350 WSMEs across 64 districts, strengthening their ability to expand and sustain both online and offline business operations.

Uddokta 101: In 2025, 263 women entrepreneurs enhanced their business management capabilities and financial literacy through a collaborative initiative with four universities in Dhaka and Chattogram.

Digital Entrepreneurial Workshop: Under the Gates Foundation grant project, seven digital workshops were conducted, providing training to more than 150 WSMEs.

UddogTARA Market Enlistment: BRAC Bank hosted two market enlistment programs in 2025, creating sales and networking opportunities for 70 WSMEs among BRAC Bank employees.

Value Proposition & Performance Highlights in 2025

The Women Entrepreneur Cell continues to enable greater financial inclusion by offering collateral-free financing, with 93% of WSME loans disbursed without collateral and 62% of customers being first-time borrowers. The platform allows family guarantors, operates through a women-led sales team, and provides preferential pricing on banking services, complemented by structured capacity and skill-development support.

In 2025, the team recorded a total of 118,796 SME asset and liability accounts. The SME asset portfolio grew by 17% to BDT 26,440 Mln, while the liability portfolio achieved a significant 72% growth, reaching BDT 29,710 Mln, reflecting strong customer confidence and sustained business momentum.

Digital Transformation of SMEs

In line with BRAC Bank's strategic focus on digital transformation and SME ecosystem development, several impactful initiatives were undertaken throughout the year aimed at enhancing customer experience, improving process efficiency, and accelerating digitisation across products and services.

SME Digital Onboarding:

SME digital onboarding was implemented in 2025, resulting in the onboarding of approximately 38,000 SME customers through this digital platform. This initiative significantly reduced turnaround time and manual intervention, strengthening BRAC Bank SME's digital acquisition capability.

ASTHA Platform:

The functionality and adoption of ASTHA among the SME customers have contributed to increased SME transaction volumes and improved digital engagement among the users. In the year 2025, the number of SME customers using ASTHA grew by 34% reaching a total number of 80,554 users. During the year, ASTHA SME customers generated a total transaction volume of BDT 1,545,344 Mln reflecting the platform's expanding role in facilitating digital transactions.

SME-Focused Home Loan Offering:

Introduced and structured home loan solutions tailored for SME business owners, addressing a critical financing need while deepening relationship value beyond core business banking. BDT 1950 Mln worth loan has been disbursed to 1243 SME Businessowners of Bangladesh in less than 2 years.

Product & Process Enhancements:

Product and process enhancements were implemented through the review of existing IAS frameworks, including the standardization and integration of secured and unsecured charge documents to reduce turnaround time and improve operational consistency. Product-specific IAS were introduced for Shabolombi and Shohoj to better align processes with product characteristics and streamline execution. Additionally, digital platform upgrades such as SME Infosight Phase 2 strengthened project management capabilities and improved overall workflow efficiency.

These initiatives strengthened compliance, reduced operational risk, and improved process standardisation.

Digital Payments & Cash Management (bkash & BizPay):

BRAC Bank Enabled 24/7 digital cash management through bKash in 2025 for the SME Customers, serving 16,000 customers and processing BDT 190,000 Mln transactions just in a single year. This cash management services enables agents, distributors & merchants to manage liquidity & e-money instantly at any time even beyond the traditional banking hours.

Successfully rolled out BizPay, a cash management platform, facilitating IFT, EFT, RTGS & other payment solutions to SME clients. Last year successfully 398 SME Customers were onboarded, resulting into a transaction volume of BDT 3612.6 Mln.

Digital SME Loan

In 2025, the Digital and Inclusive Business Team of the SME Division continued to expand Shafollo, BRAC Bank PLC's digital lending initiative designed to deliver small ticket working capital loans to underserved and mass-market segments across Bangladesh. The program primarily catered to farmers, support staff, drivers, RMG workers, retailers, and merchants, enabling them to meet short-term financing needs through instant digital access.

By December 2025, Shafollo successfully disbursed 20,862 loan files, including 2,936 loans (14.1%) to female borrowers, underscoring the Bank's commitment to inclusive and women-focused financing. Total loan disbursement reached BDT 1,296.18 million, with operational coverage extending to almost all regions of the country.

Despite the small average ticket size, the portfolio demonstrated strong repayment behavior, reflecting responsible borrowing, effective digital credit assessment, and robust monitoring mechanisms. The instant nature of loan disbursement significantly reduced turnaround time while maintaining portfolio quality. Shafollo continues to serve as a key enabler of financial inclusion, supporting income-generating activities at the grassroots level and strengthening BRAC Bank's digital SME ecosystem.

Digitalizing CMSME Loan Origination for Enhanced Service Delivery

In order to reach out to the missing middle, BRAC Bank PLC's SME Banking has a battle-tested rigorous collateral-free lending program, the largest in the country. However, the SME lending program has a disproportionately high associated cost of origination (that includes documentary verification, documentation storage and archival, business due diligence, credit assessment and credit administration.)

Because of the cash-heavy and digital data-poor CMSME landscape, BRAC Bank has introduced a comprehensive Loan Origination System that expanded further this year:

1. **Incorporation of Cottage & Micro Business Segment into eLAP:** BRAC Bank has gone deeper into the CMS vertical by introducing a lower-ticket size, hassle-free lending product called Druti - competing directly with microfinance institutions. All Cottage & Micro Business segment lending is now covered digitally, no more physical file back-and-forth. This has allowed BRAC Bank to systematically track the Customer Service Time (time from origination to disbursement.)
2. **Integration with Core Banking System:** BRAC Bank onboards CMSMEs for a relationship that lasts a lifetime. A significant update to eLAP has been the direct integration of the platform with Core Banking System, that allows repeat customer to have faster data entry (removing duplication of work) and instant settlement and pay-off for a faster time-to-cash and enhanced customer experience.

Particulars	2024	2025	Change	Change %
CST average	14.07	13.45	(0.61)	4% Improvement
eLAP Disbursement (number)	110,637	126,006	15,369	14% Growth
eLAP Disbursement (volume in million)	186,950	223,170	36,220	19% Growth

RETAIL BANKING

25 Years of legacy of enduring trust continue to drive excellence in Retail Banking as we advance customer-centric innovation in a changing financial landscape.

Md. Mahiul Islam
DMD & Head of Retail Banking

As BRAC Bank completes 25 years of serving customers, the Retail Banking Division stands as a testament to a journey shaped by trust, resilience, and purposeful innovation. Over the years, evolving customer expectations, rapid digital advancement, and changing market dynamics have continuously redefined the retail banking landscape. Anchored in its customer-first philosophy, BRAC Bank has responded by building intuitive, inclusive, and digitally enabled retail banking solutions that simplify financial lives. With a strong focus on convenience, personalization, and responsible growth, the Retail Banking Division continues to create meaningful impact, honoring its legacy while confidently shaping the future of banking in Bangladesh.

Overview of Retail Banking Division

The Retail Banking Division of BRAC Bank embodies the Bank's 25-year commitment to serving customers across every life stage; from first-time account holders to seasoned professionals, entrepreneurs, high-value individuals, and non-resident Bangladeshis. Guided by a segment-led strategy, the Division delivers holistic financial solutions that are both deeply personalized and operationally robust, enabling lasting relationships built on trust and relevance.

At the heart of this ecosystem lies Retail Deposit Banking, which establishes enduring customer relationships through secure, flexible, and innovative deposit solutions. As customers progress in their financial journeys, Retail Lending supports key life aspirations through disciplined, risk-aligned credit offerings. Employee Banking integrates financial services seamlessly into corporate ecosystems, while Premium Banking elevates the experience for high-value customers through relationship-led service models and exclusive privileges.

The Division's commitment to inclusion and empowerment is reflected in TARA Women Banking, which continues to champion financial independence for women, and Agami Student Banking, which introduces young customers to responsible banking and digital financial literacy at an early stage. Together, these propositions ensure that banking with BRAC Bank grows alongside the customer.

Powering everyday transactions, BRAC Bank's Credit and Debit Card delivers secure, rewarding, and convenient payment experiences, further strengthened by the Merchant Acquiring Business, which enables businesses nationwide to participate confidently in the digital payments ecosystem. Extending beyond borders, Remittance and Probashi Banking plays a pivotal role in connecting Bangladesh to its global workforce through seamless remittance services and dedicated banking solutions.

DEPOSIT PRODUCTS

BRAC Bank's Retail Deposit portfolio is the cornerstone of its operations, reflecting the bank's dedication to promoting financial inclusion in Bangladesh. Individuals from diverse socio-economic backgrounds benefit from their comprehensive range of Savings, Fixed Deposit, and DPS accounts. This significant retail deposit base enables BRAC Bank to expand its lending operations strategically.

The year 2025 has been a testament to BRAC Bank's dedication, innovation, and collaborative spirit as it navigated market challenges and leveraged opportunities to deliver remarkable results. With an impressive 34% year-on-year growth, the bank's Retail Deposit portfolio surpassed BDT 420 thousand million, serving a retail customer base of more than 1.4 million.

Year in review of Retail Deposits 2025

Growth

Achieved 7% YoY growth with over 0.091m new customers.

New Tailored Products

Launched specialized digital and profession-based products.

Co-Browsing

Introduced co-browsing for real-time assistance during onboarding.

Retail Deposits

Realized a 34% YoY increase in deposits (BDT 100,000m+] primarily driven by Branch Network (92%).

Product Selector

Launched an intuitive website-based product selector that empowers customers to identify ideal financial solutions and onboard directly.

eKYC Platform

Launched a fully equipped platform for digital onboarding.

LENDING PRODUCTS

Retail Lending at BRAC Bank focuses on enabling customers to turn aspirations into outcomes through accessible, responsible, and digitally driven credit solutions. The product portfolio spans Personal, Home, Auto, Digital, and Secured Loans, designed to serve diverse customer segments with speed and simplicity. Supported by multiple acquisition channels and streamlined processes, loan journeys remain fast and hassle-free. In 2025, continued innovation, including the launch of the Personal Loan Shield to enhance financial protection for personal loan customers, inclusive product expansion, and disciplined portfolio growth reinforced BRAC Bank's position as one of Bangladesh's largest retail lenders, with the retail asset portfolio surpassing BDT 100,000 million.

Portfolio Growth

Retail Loan portfolio crossed BDT 100,000m.

Year in review of Retail Deposits 2025

Digital Processing

0.03m+ loans processed within minutes digitally.

Expanded Access

Launched loans for Mariners and Freelancers.

Digital Personal Loan

Up to BDT 20 lac for Employee Banking customers.

Loan Insurance Shield

Covering personal loans up to BDT 20 lac.

Digital Integration

First in Bangladesh to integrate digital signatures.

Launched Auto Loan App

To receive leads directly from vendors and customers.

Strengthening Frontline excellence through focused training on Retail Personal Loan Shield for Retail Sales RMs

EMPLOYEE BANKING

By offering tailored financial solutions, from favorable pricing to dedicated relationship managers for employees of partner organizations, BRAC Bank Employee Banking (EB) has transformed banking for more than 180k customers. This year has been punctuated by a milestone 116% surge in EB loan disbursement volume, while also recording a robust 46% expansion of our deposit portfolio. This success is driven by our vision towards futuristic banking with a blend of innovation and digitalization, specifically through the seamless integration of digital loan processing and the widespread adoption of our digital banking app, Astha.

ASTHA | 2025 AT A GLANCE

7 Mn	BDT 79,000+ Mn	160K+
TXN Count	TXN Volume	EB Astha Users

46%
YoY growth
Deposit Portfolio

YEAR IN REVIEW OF EMPLOYEE BANKING, 2025

35%
YoY growth
Salary Disbursed

47%
YoY growth
Loan Portfolio

43%
YoY growth
Credit card outstanding

116%
YoY growth
Loan Disbursed

Among many successful partnerships, glimpses of Employee Banking Agreement Signing Ceremonies with East West University, ICMAB, CCDA, & Aristo Eye.

PREMIUM BANKING

In 2025, BRAC Bank Premium Banking redefined wealth management excellence by achieving a transformative BDT 36,800+ million growth in retail deposits, marking a massive 65% YOY increase. This surge pushed the total portfolio beyond BDT 146,000+ million as the community expanded to 20,000 members with 1,800+ new PB clients.

Beyond capital growth, the bank intensified client engagement to reach an impressive PPC ratio of more than 3, while the newly launched Senior Citizen proposition for high-net-worth individuals aged 60+ rapidly secured a portfolio exceeding BDT 5000+ million.

Year in Review of Retail Deposits 2025

33%
YoY growth
Deposit Portfolio

65%
YoY growth
Retail Deposit Net Growth

75%
YoY growth
Qualified NTB Customer

78%
YoY growth
New Credit Card Issued

MOU Signing Ceremony with Renowned Partners

TARA WOMEN BANKING

TARA Women Banking initiative, launched in May 2017, has been positioned as a foundation of the Bank's commitment to gender-responsive finance, and has been shaped as a programmatic approach to serve women across their life stages. From homemakers and students to professionals and entrepreneurs, tailored financial solutions bundled with value propositions are delivered through relationship-driven service. By aligning with the unique needs of women at different phases of their lifespan, confidence is strengthened and engagement with BRAC Bank is deepened.

TARA transformed from a banking platform to a comprehensive life partner for women in Bangladesh in 2025

Recognition

The platform was honored with the Gender Data Champion Award for its commitment to understanding and serving its female customers.

Customer Insight

TARA used focus groups with female professionals to redesign offerings based on data-driven empathy.

Strategy

The platform grew by offering products and campaigns tailored to real-world needs, leading to increased customer numbers and multi-product usage.

Engagement

TARA hosted experiential workshops and wellness events in partnership with organizations like the Gates Foundation to build trust and community beyond traditional banking branches.

Year in Review of TARA-2025

TARA Customers
22%
year-on-year growth in TARA Customer number

TARA Retail Loan
41%
year-on-year growth in TARA Retail Loan Portfolio

TARA Retail Deposit
38.7%
year-on-year growth in TARA Retail Deposit portfolio

TARA Credit Card
16%
year-on-year growth in TARA Credit Card Portfolio

"Rise Above Fear" on occasion of Breast Cancer Awareness Month, In collaboration with Green Delta Insurance Company Limited.

"Parenting: A Shared Journey of Partnership" on occasion of International Mother's Day in association with Moner Bondhu.

TARA received "Gender Data Champion Award" from Financial Alliance for Women at the Champions of the Female Economy 2025.

AGAMI – STUDENT BANKING

Launched in 2022, Agami student banking platform was designed to serve school, college, and university students through a comprehensive suite of financial solutions. The proposition encompasses savings accounts, student loans, study-abroad credit cards, and student file services, creating a seamless ecosystem that supports students throughout their academic and financial journeys. Anchored in digital innovation and customer-centric design, Agami empowers young individuals to build strong financial foundations early in life.

Agami Student File

21K+

Student file for abroad going students with 86% year-on-year growth

Fees income

85%

year-on-year growth Agami Student file fees income

Agami Savers Account

93%

year-on-year growth in Agami Savers Account

Agami Retail Deposit

71%

year-on-year growth in overall Agami deposit portfolio

Year in Review of AGAMI-2025

Market Leadership

Served the industry's highest volume of student files, driving substantial fee-based income.

Digital Growth

Leveraged digital onboarding to increase new accounts and deposit volumes.

Operational Efficiency

Reduced servicing costs while improving customer convenience through tech-driven processes.

Strategic Outreach

Expanded nationwide presence through key partnerships with schools, colleges, and universities.

Financial Literacy

Activated school banking programs across all divisions to promote early responsible money habits.

Brand Loyalty

Cultivated long-term trust, positioning Agami as a lifelong partner for the next generation.

Co-Sponsoring in "East West University Career Fair 2025"

BRAC Bank and British Council launch English Speech Competition for school students

Title Sponsoring in "City Talk 2.0" hosted by International City Management Association North South University Student Chapter

CARD PRODUCTS

In 2025, BRAC Bank's Card Products achieved tremendous growth driven by smart, targeted, and strategic digital initiatives. A major milestone was the launch of the first-ever fully digital onboarding journey, significantly enhancing customer acquisition and experience. Card usage experience was also made more enjoyable as customer satisfaction has increased through automated & customized communications & rewards of various offers. Card utilization among existing customers grew strongly through alternative channels, while year-round targeted offers with customized rewards in line with customer preference drove a substantial increase in card issuance and spending during peak periods. These initiatives reinforced sustained growth and strengthened customer engagement across the credit card portfolio. Looking ahead to 2026, the focus will be on scaling digital innovation, leveraging data-driven personalization, and expanding ecosystem partnerships to deepen credit card usage, and further strengthen BRAC Bank's leadership in the digital cards landscape.

Year in Review of Card Products– 2025

16%
YoY Growth in Credit Card Outstanding Portfolio

0.041m+
NTB Base Card Issuance

16%
Transactional Growth

Credit Card Initiatives

- Introduced the first-ever fully digital credit card onboarding journey & implemented e-signature functionality, making BRAC Bank the first bank to enable end-to-end digital onboarding.
- Automation of customer reward journey for offers, ensuring better customer experience and customer delight.
- Launched Diners Club International – Emerald Credit Card, designed for ambitious, lifestyle-focused individuals.
- Revamped two affluent segment-based credit cards: VISA Signature Credit Card and VISA Infinite Credit Card.
- Won 3 awards in the Credit Card category at the prestigious Mastercard Excellence Awards 2025 and 2 awards at the VISA Leadership Conclave 2025.

Won 3 awards in the Credit Card category at the prestigious Mastercard Excellence Awards 2025.

Won 2 awards at the VISA Leadership Conclave 2025.

DEBIT CARDS

BRAC Bank PLC fortified its payment ecosystem through significant product innovation and service enhancements throughout 2025.

The key highlights include:

- Secured prestigious honors at the VISA Leadership Conclave Bangladesh 2025 with awards for "Excellence in Cross-Border Payments–Debit" and "Excellence in Product Innovation" for the Cross-Border Medical Debit Card"
- Engineered the country's first Visa Business ARQ (Agent's Retention Quota) Express Debit Card. In addition, BRAC Bank PLC launched a suite of Visa Virtual Debit Cards to cater to the evolving digital economy, alongside the Mastercard Platinum Multicurrency Debit Card and Mastercard Platinum Multicurrency TARA Debit Card, expanding secure domestic and cross-border payment options.
- Extended TQ (Travel Quota) expiry till Passport expiry date to enhance user experience.
- Achieved substantial growth in POS and e-commerce transactions, marking a definitive shift from cash to digital card-based payments.

Year in Review of Debit Cards– 2025

Growth	Debit Cards	Transactions	Active Users	Client Outreach
55%	37%	35%	29%	0.65m+
YoY surge in purchase volum	YoY growth in new issuance	YoY boost in total transactions	YoY increase in active users	clients reached for awareness

BRAC Bank receives "Excellence in Cross-Border Payments-Debit" & "Excellence in Product Innovation for the Cross-Border Medical Debit Card" at VISA Leadership Conclave Bangladesh 2025.

MERCHANT ACQUIRING

BRAC Bank's Merchant Acquiring business is driven by a clear mission: to simplify how customers pay across an ever-expanding retail landscape, whether through POS, E-commerce, or QR codes. The unit seamlessly onboards merchants onto our retail platform to create a truly integrated payment ecosystem. This journey is powered by our core strengths, multi-year merchant partnerships, and a dedicated technical support team that works tirelessly to ensure every transaction is secure, efficient, and hassle-free.

Year in Review of Merchant Acquiring Business-2025

Vast ecosystem

Built a foundation of **11,000+ merchants**.

Premier partnerships

Cultivated partnerships with 2500 premier merchants & generated **BDT 1 Billion** business volume.

Reliable engine

Facilitated **38.92 million** transactions efficiently.

Accelerating dominance

Achieved a remarkable **14% YoY increase**.

Cake cutting photo compilation

Merchant Acquiring Initiatives

- Organized three Cashless Bangladesh awareness programs as the leading bank in Rajshahi, Mouluvibazar and Chuadanga under the directives of Bangladesh Bank.
- Established two digital payment booths in cattle huts at Dhaka City as the leading bank for payment convenience to cattle buyers and sellers.
- Account Funding Transaction (AFT) implementation in CyberSource.
- Diners Club International (DCI) Integration in MPGS Payment Gateway.
- Token Management System enablement in CyberSource gateway.
- Discontinuation of Customer Sales receipt in POS.

Cashless Bangladesh Awareness as lead Bank in Mouluvibazar.

Excellence in VISA E-commerce Acquiring Business in 2025.

WHOLESALE BANKING

Twenty-five years of unwavering trust continue to power excellence in Wholesale Banking as we deliver innovative full-spectrum financial solutions

Md. Shaheen Iqbal, CFA
AMD and Head of Wholesale Banking

Overview

Built on BRAC Bank's twenty-five-year foundation of unwavering trust, the Wholesale Banking division has consistently served as the institution's financial cornerstone — providing the scale, the depth, and the magnitude that have empowered the bank to achieve sustainable growth.

In 2025, the Wholesale Banking Division was established through the integration of five core pillars — Corporate, Commercial and Institutional Banking (CCIB), Transaction Banking, Structured Finance, Financial Institutions, and Probashi Banking and Remittance. This strategic integration enhances inter-departmental synergy, allowing the bank to leverage collective expertise for highly specialised client solutions and peak operational efficiency.

Despite a slowing macroeconomic landscape and the industry-wide challenge of rising Non-Performing Loans (NPLs), the division demonstrated remarkable agility and resilience and achieved growth above the industry average. The division achieved a landmark USD 7.2 billion in trade volume, driven by an expanded footprint within the public sector segment. The division's commitment to innovation was further evidenced by executing high-value trade deals financing two Aframax-class vessels and integrating client-centric solutions into its digital platform. Bolstered by a professional team and a strategic focus on women's leadership, the division made significant strides in 2025 toward becoming the most preferred banking partner for its clients.

Performance Highlights

Loans & Advances

2025
BDT 25,591 Cr.

Growth
+16%

Deposit

2025
BDT 24,862 Cr.

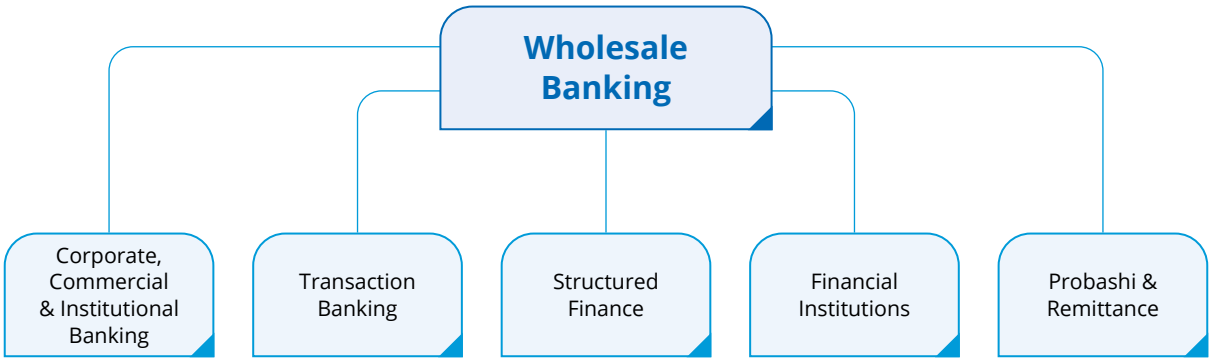
Growth
+20%

Trade Volume

2025
USD 7.2 Bn

Growth
+28%

Wholesale Banking Structure

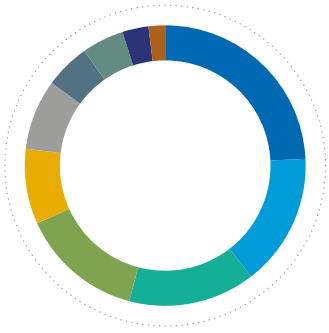


Corporate, Commercial & Institutional Banking

In 2025, the division was renamed as Corporate, Commercial & Institutional Banking (CCIB) to better reflect its strategic customer focus. As a key unit within the Wholesale Banking Division, the team drives growth across loans & advances, trade, and deposits while maintaining rigorous portfolio management. By maintaining a sharp focus on its core operations, the CCIB team achieved significant milestones in 2025, further solidifying BRAC Bank's reputation as the preferred banking partner for CCIB clients.

- Onboarded 75 new relationships with an aggregate credit limit over BDT 9,500 Cr.
- Achieved a landmark trade volume of $7.2 billion; including $1.6 billion in public-sector to bolster national energy and food security
- Reduced NPL ratio to 2.17%, a substantial reduction of 124 basis points through prudent portfolio management
- Recovered BDT 53.38 Cr. from written-off and SAM portfolio
- Promoted green finance actively across key client relationships
- Organized client centric events on regular intervals

Loan Portfolio Mix



- 24% Other Manufacturing
- 15% Food and Allied
- 15% Textile
- 14% RMG
- 9% Service
- 8% Pharmaceutical
- 5% Power and Gas
- 5% Others
- 3% Cement and Ceramic
- 2% Chemical & Fertilizer

Signing Ceremony with client for Financing Aframax Oil Tanker

Scaling the Deposit Franchise | Digitizing the Ecosystem | Innovating with Purpose

In 2025, Transaction Banking at BRAC Bank delivered a strong year of financial performance, underpinned by accelerated product innovation, digital enablement, collaboration and client-centric execution. The combined focus on balance sheet growth and platform-led solutions reinforced the Bank's leadership in corporate transaction banking.

Financial Performance at a Glance

Transaction Banking closed the year with 34% year-on-year deposit growth, surpassing budget expectations, with incremental balances driven by strategic collaboration between the Distribution Network and Relationship Unit. The liability mix continued to strengthen, with CASA improving to 61:39, enhancing funding stability and reducing structural cost pressures. Trade volumes also demonstrated strong momentum, registering 33.4% growth, with a strategic focus on expanding into new avenues of institutional clients.

Digital-First Product Innovation: Building a Scalable Platform

2025 marked a step-change in Transaction Banking's product and digital roadmap. More than 15 major product innovations and 100+ client-centric implementations were delivered, positioning CORPnet as a comprehensive operating platform rather than a transactional channel.

Key Product Launches & Enhancements

Loan Dashboard on CORPnet

Delivered a single-view of outstanding loans and liabilities, enabling improved cash-flow forecasting, credit visibility, and informed financial decision-making for corporate clients.

A-Challan on CORPnet

Enabled digital payment of VAT, tax, and customs duties with automated challan receipts, significantly reducing manual intervention and reconciliation errors.

On-Site Corporate Cheque Printing Module

Allowed corporates to securely print A4 cheques from their own premises with scanned signatures, improving operational flexibility and control.

24/7 RTGS Approval via CORPnet

Introduced round-the-clock approver access for RTGS transactions, ensuring uninterrupted business operations beyond banking hours.

Virtual Account Management (VAM) Expansion

- VAM through NPSB for real-time interbank collections
- Dual VAM framework for distributors
- VAM integration with Astha App

These initiatives strengthened automated collections and reconciliation across complex distributor ecosystems.

API-Led Connectivity

Delivered 10+ API deployments, including Universal POS API, CORPnet Maker API, upgraded TB Statement API, and ERP-linked collection automation, enabling straight-through processing for large corporates.

Client-Centric Solutions at Scale

Transaction Banking partnered with 100+ major corporate clients across FMCG, RMG, telco, education, healthcare, utilities, and conglomerates to deliver bespoke solutions, including:

- Liquidity management and automated fund sweeping
- Intraday fund management for centralized treasury control
- OD fund settlement automation
- Customized payroll and prepaid card solutions
- Real-time collection and reconciliation via API
- Money receipt generation via SMS link

These implementations collectively contributed to higher operating balances, improved client stickiness, and deeper ecosystem integration.

Digital Adoption & Operational Efficiency

Digital usage continued to scale rapidly in 2025:

829
new clients onboarded on CORPnet, The client base reached to 2,300+

43%
growth in CORPnet transaction volume

38%
growth in transaction count

88%
of transactions routed digitally

27%
YoY growth in CORPnet CASA balances

Financial Institutions

To navigate 2025's market challenge, the Financial Institutions (FI) team transitioned to a proactive management strategy. By prioritizing liquidity resilience and strategic global alliances, the FI team played a pivotal role in securing foreign currency (FCY) liquidity. These robust credit facilities proved essential in sustaining the Bank's growth trajectory amidst both domestic and global economic volatility. To optimize the Bank's trade-facilitation capabilities, the team successfully onboarded new international banking partners, effectively expanding new credit lines and diversifying risk across our trade book. Through a strategic synergy with the Transaction Banking division, the team introduced a facility named Export Receivables Financing Program to further strengthen support for exporters. The FI Team has deepened its commitment to the Bank's Sustainable Finance agenda through institutionalized collaboration with Development Financial Institutions (DFIs). With continuous engagement with the Sustainable Finance Unit, the department has ensured rigorous adherence to DFI-mandated KPIs.

Furthermore, in partnership with the European Investment Bank (EIB) and the Frankfurt School of Finance & Management, Financial Institutions team solidified bank's reputation as a pioneer in sustainable banking by hosting a prestigious three-day international capacity-building program on Circular Economy Finance. The training was attended by over 100 professionals from the Bank's CCIB, CRM, and CAD departments, alongside key officials from Bangladesh Bank. Along with this, the FI team further supported capacity building by organizing specialized technical assistance and certification programs for bank employees throughout the year.

Training program by EIB and Frankfurt Business School

Structured Finance

Since its establishment in late 2024, the Structured Finance Unit (SFU) has emerged as a key pillar in delivering customized financial solutions to large corporate clients across Bangladesh. The unit's fund-raising and advisory initiatives are strategically aligned to leverage BRAC Bank's institutional strengths, enabling clients to achieve sustainable, long-term growth.

SFU operates with a dedicated and dynamic team overseeing a broad spectrum of activities, including large loan syndication, capital market instruments, and associated agency functions. The unit's approach emphasizes innovation in structuring, disciplined execution, and strong client partnership.

FY 2025 marked a formative year for SFU. Driven by proactive market engagement and innovative deal structuring, the unit successfully initiated deal value worth BDT 967 Crore during the year. Notable transactions include financing for the 64.55 MW grid-tied A/C solar power project as well as BDT 4,000 Crore in preference share issuance for a prominent RMG Group. As of year-end, the unit has built a strong deal pipeline to continue its meaningful impact on the leading corporates.

Below are major product offerings of the SFU to the Corporate, Commercial & Institutional Banking clients:

1. Local & Foreign Currency Loan Syndication
2. Alternative funding instruments- Corporate Bonds, Preference Shares, Sukuk
3. Convertible Instruments
4. Balance Sheet Optimization

5. Commercial Paper
6. Acquisition Financing
7. Pre-IPO Advisory
8. Corporate Advisory regarding Mergers & Acquisitions
9. Fund Raising through local/offshore Private Equity/ Debt
10. Agency & Trusteeship

Probashi Banking & Remittance

BRAC Bank achieved a major milestone surpassing USD 2 billion in remittance inflows in 2025. The bank is on a strong growth trajectory in the remittance market, rising from the 17th to the 4th position in the past five years. Instant eKYC-enabled global onboarding has been a key driver of this growth. NRBs can now open BRAC Bank accounts remotely within minutes, gaining immediate access to secure, regulated and convenient channels. This simplified entry point has encouraged a shift away from informal networks and strengthened formal remittance participation.

In 2025, BRAC Bank expanded its international remittance network by partnering with 11 leading exchange houses across Australia, Malaysia, Japan, Singapore, Canada, the United States and the United Kingdom. These strategic alliances have significantly contributed to the recent rise in remittance inflows. With these partnerships, the total number of BRAC Bank partners exceeds 80 across the globe. This strategic move enhances financial services for Bangladeshi wage earners abroad, ensuring secure and seamless money transfers.

As BRAC Bank achieves its USD 2 billion milestone for 2025, the institution continues to build a stronger, more inclusive, and more secure remittance ecosystem, reinforcing both its market leadership and the financial resilience of the Bangladeshi diaspora it serves.

Forward Looking Statement

BRAC Bank Wholesale Banking aspires to lead the industry as the most preferred banking partner for its clients and the foremost provider of integrated financial solutions — an aspiration grounded in twenty-five years of institutional trust that we are proud to carry forward. In 2026, our strategic priorities include further strengthening our footprint in the public sector, delivering innovative solutions to support clients' evolving trade requirements, and leading the industry in digital convenience while expanding our Structured Finance capabilities to serve Bangladesh's growing financial needs.

Going forward, we remain committed to scaling our presence by delivering the trusted and innovative offerings that have always defined this institution — and that continue to empower our clients, our stakeholders, and the broader economy to prosper.

Wholesale Banking Conference

TREASURY

BRAC Bank Treasury delivers innovative solutions for banks, corporates, and retail clients through diverse products. Backed by expert dealers, efficient operations, and strong technology support, we provide comprehensive market-driven banking services.

Nazmul Ahsan, CFA
Head of Treasury

Treasury Division of BRAC Bank PLC functions in the market as the largest FX Liquidity provider, market leader in Government Securities Trading and one of the Top 5 remittance banks. Treasury team executes its activities through 3 core functions: Markets, Asset Liability Management and Capital Market & Wealth Management. The team excels in dynamic and strategic fund management. By prioritizing efficiency, adaptability, and a forward-thinking approach, BRAC Bank Treasury consistently demonstrates leadership and sets industry benchmarks.

Markets	MM, Foreign Exchange, Corporate Sales & Fixed Income

- Money Market desk maintains the strategic position of the bank while meeting regulatory requirements
- Foreign Exchange desk acts as market maker and provides liquidity in the market. This desk also provides competitive pricing for securing remittance deals.
- Fixed Income team optimizes investment opportunities for the bank and its clients
- Corporate sales team caters to the FX needs of corporate clients and provides hedging solutions

Asset Liability Management	Manages bank's liquidity and interest rate risk
Capital Market and Wealth Management	Manages bank's equity investment and provides tailored investment management solutions to corporates and individuals

2025 Business Highlights

Electra

- USD 5.6 Billion in transaction
- Sole trading platform by any local bank

FX Trading

- USD 6.8 Billion in transactions
- Largest Liquidity Provider

Remittance

- USD 2.1 Billion (36% YoY growth)
- 5th in the Industry
- 11 New partnerships

BGTB trading

- BDT 88,163 crore secondary transactions
- Market share 16.4%

BGTB Client Portfolio

- BDT 16,370 crore
- Market share 11.1%

2025 Treasury Milestones

Treasury team had numerous landmark achievements across 2025:

BRAC Bank raises BDT 700 crore through Subordinated Bond to enhance its capital base

BRAC Bank successfully raised a Subordinated Bond worth BDT 700 crore to enhance its capital base as per Basel-III requirements. The bond will support the bank's capital adequacy requirements, as the bank has earned significant balance sheet growth in recent years. This incremental capital has set the platform to grow the bank's balance sheet at a higher pace than before. This is also a step forward in developing the bond market in Bangladesh.

BRAC Bank has seen deep interest from all customer segments in investing in this bond. A total of 663 unique investors, including 567 individuals, invested in this long-term subordinated bond. Given that the bond is issued by one of the strongest banks in the country, which holds the highest credit rating from both local and international rating agencies, investors felt confident in making a long-term investment.

BRAC Bank Surpasses USD 2 billion in remittances in 2025

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BRAC Bank becomes number 1 for 4 consecutive years in trading of Government Securities

BRAC Bank secured its position as the top-performing bank in secondary market trading in government securities (GSEC) for the fourth consecutive year in 2025, as per the latest yearly report on GSEC published by the Bangladesh Bank.

In FY25, BRAC Bank expanded its market share to 17.03 per cent, up from 13.39 per cent in the previous year, solidifying its position in secondary market trading of state-owned securities, according to a press release.

This performance is backed by BRAC Bank's strong technology-driven solutions, large govt. securities portfolio, deeper understanding about the market, and continuous investment in advanced digital treasury infrastructure.

BRAC Bank launches landmark social bond

In 2025 BRAC Bank secured approval from the Bangladesh Securities and Exchange Commission and Bangladesh Bank to issue the country's first-ever Social Subordinated Bond, valued at BDT 1,000 crore.

The landmark issuance of the 'BRAC Bank Social Subordinated Bond' will strengthen the bank's Tier-II capital under Basel III while channeling funds to CMSMEs, women-owned businesses, agriculture, food security, affordable housing, and essential services such as healthcare and sanitation.

Developed in line with the International Capital Market Association's Social Bond Principles 2025, the BRAC Bank Social Bond Framework has been independently endorsed by S&P Global Ratings through a Second Party Opinion – another first for Bangladesh. This underscores the bank's commitment to global best practices, transparency, and accountability.

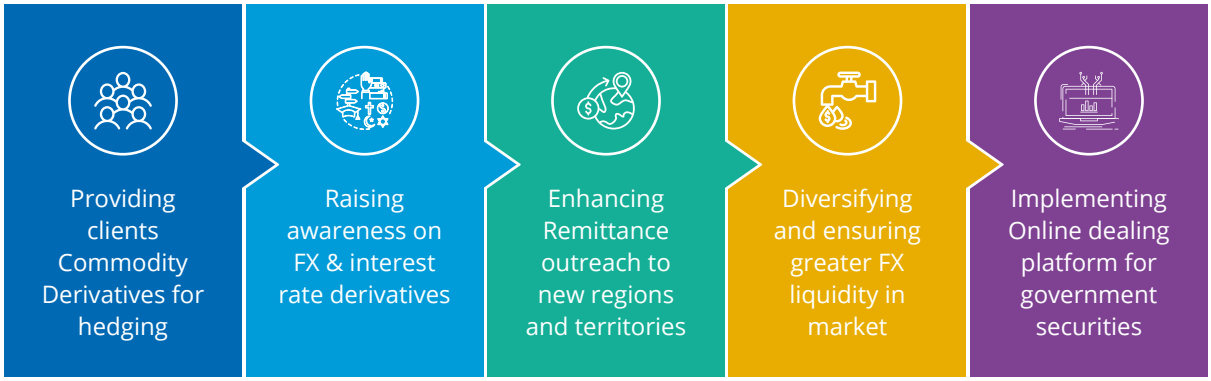
The move further consolidates BRAC Bank's reputation as a leader in sustainable finance, following its No.1 Bloomberg ESG rating 2024, five-time recognition as Top Sustainable Bank by Bangladesh Bank, and recent 'Sustainable SME Financier of the Year – Asia' award. Currently, 82% of the bank's loan portfolio is dedicated to sustainable finance.

Navigating Challenges and Expanding Opportunities in 2026

Global growth is expected to remain subdued in 2026 influenced by steady but slower global expansion than before due to investor sentiment, geopolitical risks and gradual normalization of macroeconomic conditions. Inflation outlook hints at a broad-based uneven inflation process. Climate related challenges also weigh heavily on the global environment. On the domestic front, shorter term growth remains optimistic. Strong remittance inflows are expected to play a pivotal role. Overall lower inflation along with a stable currency at the forefront should lead to a rebound in GDP growth.

Adaptability and ongoing development will be essential to navigate these challenges. The bank will focus on accelerating the growth of the bank's market share and balance sheet, ensuring key risk metrics remain well-managed. Key strategies to drive success include:

Outlook and action plan for 2026



OUR DISTRIBUTION NETWORK

Our strategy is to build a resilient, well-governed, and customer-focused distribution model that prioritises sustainable value creation over short-term gains.

Sheikh Mohammad Ashfaque
DMD & Head of Branch Distribution Network

The banking industry in Bangladesh continues to face structural and operational challenges. In this environment, BRAC Bank PLC's distribution network has maintained steady performance. This reflects a disciplined, long-term approach to business. The network remains aligned with responsible growth, strong governance, and prudent risk management, with a clear focus on sustainable value creation.

The distribution network continues to play a central role in advancing the Bank's strategy. Ongoing investment in technology and process improvement is strengthening operational resilience. Service efficiency continues to improve. A culture of continuous learning and adaptability enables the Bank to respond effectively to changing market conditions.

Resilient Performance
in a challenging environment

Technology Enabled Efficient
Distribution Network

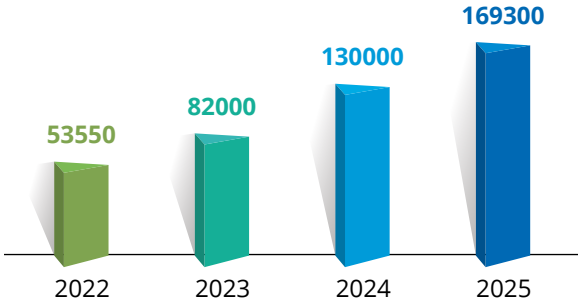
People Led, Trust Driven Growth

Supported by capable leadership and a skilled workforce, Distribution Network continues to build trust with customers and stakeholders. Together, these efforts enable the Bank to navigate industry challenges while maintaining stability, efficiency, and consistent growth.

Outline of 2025

The strengthen process of distribution network during 2025 is done through disciplined expansion and a consistent focus on service quality, despite operating in a stressed and competitive banking environment. Progress during the year reflects the Bank's long-term strategy to build a resilient, well-governed, and customer-focused distribution model that prioritises sustainable value creation over short-term gains.

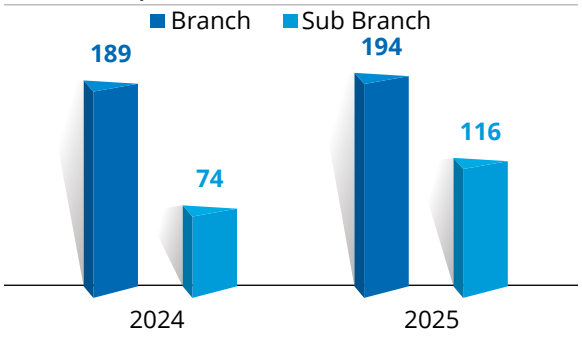
Deposit Growth BDT mn



During the reporting period, the Bank expanded its physical footprint by adding five new branches and forty-two new sub-branches. This expansion extended banking services to new districts. It also marked the Bank's first branch presence in the Hill Tracts, improving access to formal financial services.

Growth was carefully managed to maintain service standards, operational discipline, and a consistent customer experience across the network.

Network Expansion BDT mn



From an ESG perspective, the workforce remains inclusive and balanced, with female employees comprising approximately 27% and male employees 73%, reflecting progress in diversity and equitable participation.

Operating in a challenging industry environment, the distribution network has remained adaptive and forward-looking. Customer centricity continues to underpin operations, supported by a culture of learning, capability development, and responsible leadership. Distribution network development is viewed as a continuous journey, reinforcing the Bank's ability to deliver stable, efficient, and sustainable growth in line with its ESG commitments.

24,200 Accounts
Per Month

1650 Credit Cards
Per Month

2252.50 Million
Loan Disbursed Every Month

14500 Million
Deposit Growth in GR Retail Business

Service That Made a Difference:

Distribution Network continued to strengthen the governance and operational resilience of its distribution network during the year by enhancing compliance capacity, regional leadership, and service delivery frameworks. In an increasingly complex regulatory environment, the Bank reinforced its compliance function across all regions through the deployment of dedicated resources and upgraded tools, supporting consistent regulatory adherence and responsible business practices.

Branch operations remained significant, with an average monthly footfall of around 0.5 million customers, including approximately 0.8 million cash and 0.3 million non-cash transactions, reflecting strong customer trust in the Bank's physical network. To manage this scale more efficiently, the Bank is progressively encouraging digital on boarding and greater use of alternative delivery channels, while continuing to support customers who rely on branch services.

0.5 MILLION
Monthly Footfall

150,658
Training Hours over the Year

0.8 MILLION
Cash Transactions per Month

0.3 MILLION
Non-Cash Transactions per Month

To strengthen regional oversight, a new Regional Head was appointed in the Cumilla region in response to growing business activity. The network also supported the establishment of Regional Inter-Bank Cash Management Centres in North Bengal and Khulna. Capability development remained a priority, with 150,658 training hours dedicated to the distribution network.

Progressing to 2026:

The Distribution Network is positioning its sub-branch network as a key contributor to future business growth. This is being done through a focused sales approach, supported by strong branch-led service delivery. Throughout this transition, the Bank remains firmly anchored in its long-standing commitment to compliance, governance, and prudent risk management.

Strong Governance and Compliance

Digital Adoption Drive

Sub-branches are being enabled to play a more active role in asset and liability generation. This is supported by structured service realignment of both cash and non-cash transactions. Clear controls, defined accountabilities, and disciplined processes are in place to ensure consistent execution and risk mitigation.

Focused Training

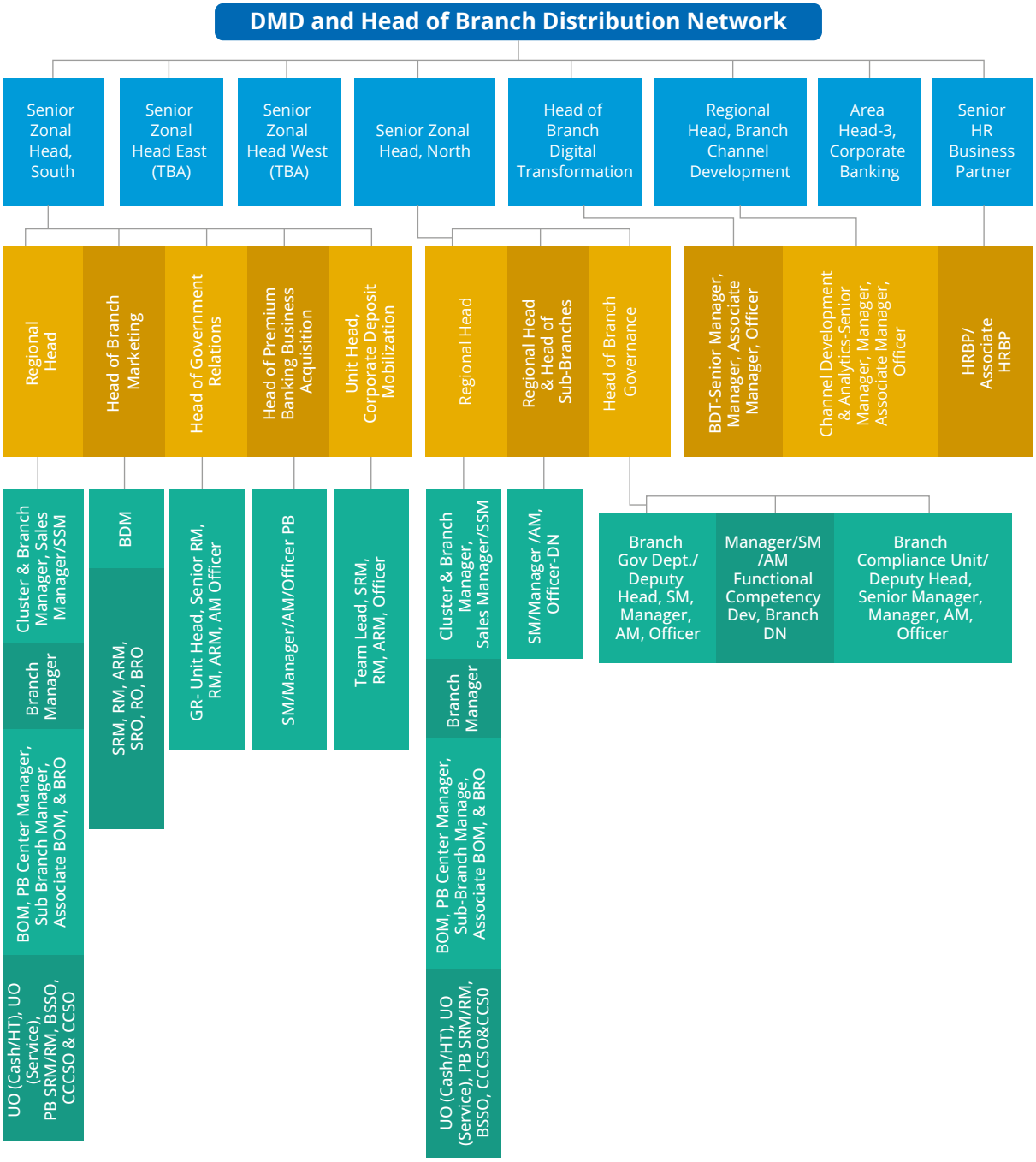
NEEDS BASED Customer Service

The strategy is centred on identifying the right customer segments and serving them more effectively. The Bank is moving from a largely transactional model towards relationship-based banking. By deepening customer relationships at the local level, branches and sub-branches are better positioned to understand customer needs and support more targeted deposit mobilisation and lending, in line with regulatory requirements and risk appetite.

Digital onboarding and wider use of alternative delivery channels continue to reduce reliance on physical transactions. This improves service efficiency and strengthens monitoring, transparency, and control.

At the same time, the Distribution Network is strengthening sales capability through focused training, improved tools, and clearer performance frameworks. Frontline teams are equipped to engage customers responsibly and consistently. The Bank remains fully committed to Basel-aligned compliance standards, positioning its branches and sub-branches as trusted, well-governed, and sustainable contributors to long-term growth.

Distribution Network- Organogram



ALTERNATE BANKING CHANNELS

Alternate Banking Channel has established its reach of services beyond traditional channels with its four departments namely Agent Banking, Alternate Delivery channel, Call Center and Virtual Banking. In addition to providing round-the-clock services to the customers, this division has contributed immensely in placing the brand foothold at remote locations and growing the business portfolio through bringing a large group of unbanked population under banking umbrella.

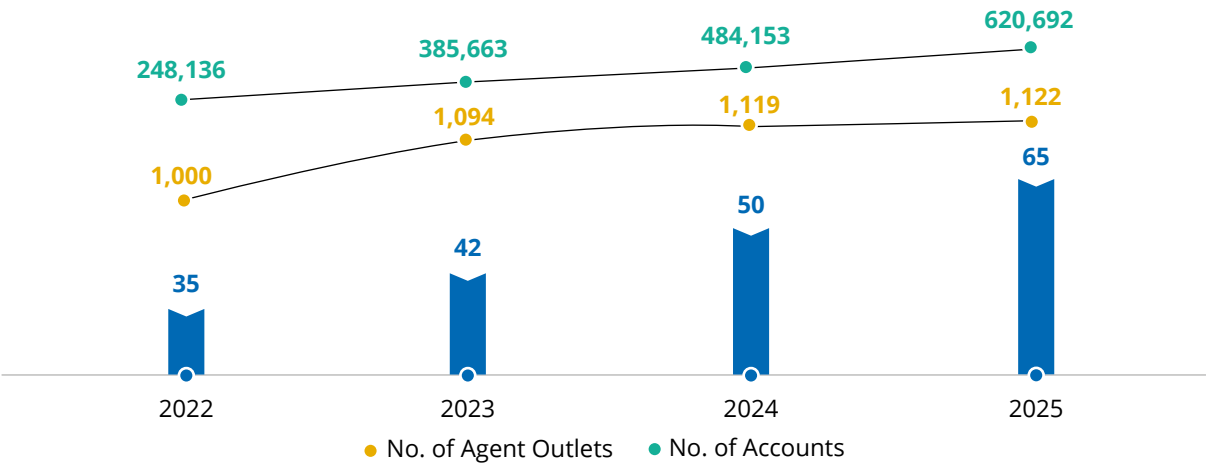
Agent Banking

For 25 years, BRAC Bank has built a foundation of unwavering trust with the people of Bangladesh. Our vast Agent Banking network is a testament to this enduring commitment, serving as a vital bridge to unbanked and remote communities. BRAC Bank Agent Banking maintains a strong footprint of 1,122 Agent Banking Outlets across 441 Upazilas of 64 districts. In 2025, BRAC Bank prioritized sustainability, performance and compliance with a view to enhance the productivity and long-term viability of the established outlets.

Since the initiation in 2018, Agent Banking Outlets have been serving Retail, SME and Corporate customer segments by offering various banking services like deposit collection, fund transfer, loan disbursement, remittance distribution, utility bill payments and corporate bill collection. Due to consistent customer trust and disciplined portfolio management, Agent Banking portfolio reached BDT 29,000 million by the end of 2025 which is 5th highest among the banks offering Agent Banking services. Also in 2025, BRAC Bank ranked first among peer banks and carried out over 70% of the country's total loans disbursed through Agent Banking, with a volume of BDT 66,373 million including BDT 542.6 million Agri Project Loan. In addition, remittance distribution through Agent banking increased significantly to BDT 27,200 million compared to BDT 13,500 million in the previous year.

Deposit

BDT mn



Beyond conventional banking services, BRAC Bank Agent Banking strengthened its role as a trusted collection platform for corporate clients and utility service providers. Agent Banking Channel performed 421,591 transactions and processed over BDT 55,840 million in corporate bill collection during 2025. Agent Banking Network's operational capacity to handle high volume transactions and offering banking services past office hours and on holidays have been the key factors in achieving this landmark.

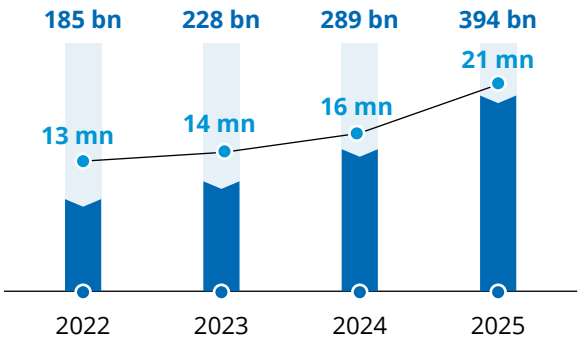
Technology has always been a key factor for Agent Banking's operational excellence. The Channel has launched its in-house developed Agent Banking System "Prantik". The system ensures seamless transaction processing, real time monitoring, agent management and bill collection thereby enhancing customer experience while maintaining strict compliance and control standards.

Alternate Delivery Channel

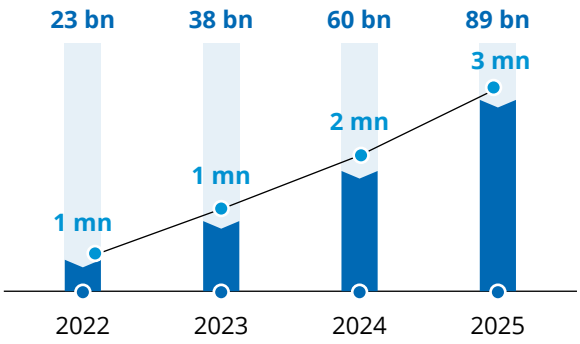
ATM-CDM channel experienced significant growth in volume of transactions in 2025. This growth indicates heightened customer adoption and confidence in self-service cash access facilities, highlighting the strategic importance of CRMS in reducing branch

congestion and improving cash management efficiency. Notably, over 61% of these transactions occur outside of regular banking hours.

Transaction Trend in ATM Channel



Transaction Trend in CDM Channel



Cash management activities of the department expanded significantly in 2025, reflecting increased operational scale and higher transaction throughput. The sustained year-on-year growth in both indicators highlights rising cash circulation, improved collection efficiency and stronger liquidity positioning. This upward trend underscores the growing importance of robust cash management planning, optimization of logistics and closer coordination with the central bank to support expanding self-service and branch banking operations.

Key initiatives:

- Deployment of 50 new Cash Recycler Machines (CRM) to facilitate 24/7 cash access.
- Installation of ATMs at five metro stations.
- QR-based authentication to enable faster and contactless cash access through ATM channel.

Call Center

What did in 2025:

- We successfully served 2.8 M customer calls in 2025, reflecting a 25% increase compared to 2024.
- The IVR self-service rate reached 30%, marking a 2.1% improvement over last year, demonstrating progress toward digital enablement and customer self-resolution.
- Agent productivity increased by 8.9% compared to 2024.
- An impressive 84.45% NPS, 87.20% FCR & 86.14% CSAT was achieved in 2025, reflecting strong customer trust and satisfaction.
- A total of 1.1 M customer requests and issues were handled—37.51% higher than 2024.
- Newly added/adopted 10 services to increase customer convenience.
- 141,358 outbound calls initiated for business support.
- 9,730 sales leads generated through inbound calls.

Aspiration for 2026:

- Establish the Call Center as an independent channel to offer both Sales & Services capabilities.
- Aim to adopt non-voice channels alongside AI driven solutions to transform the center into a true omni channel operation, supported by robust monitoring mechanisms for continuous service improvement.

Virtual Banking Team

2025 Review | Key Outcomes

Growth & Revenue Impact:

- VRM Pilot (Jan–Sep) started with 3,251 customers, generated BDT 26+ crore business, increased FUM by BDT 25 crore, and improved PPC from

1.49 to 2.04, validating relationship-led virtual banking.

- Tele-Sales team delivered BDT 185 crore business in credit card balance build, supporting bank's credit card outstanding portfolio growth to BDT 1,600 crore, with 130% average target achievement.

Portfolio Stability:

- Credit Card Retention increased to 42% from 27% in 2024, exceeding the 30% target. Successfully managed 18,508 closure requests, contributing to portfolio stabilization.

Digital Service Excellence:

- Email Management team handled 130,692 emails with 99.1% resolution. Reduced TAT to 1.5 days and improved FTR to 80% from below 50%, setting a benchmark for digital servicing.

Quality & Operational Maturity:

- Quality Assurance team reviewed 32,035 calls (avg. 2,670/month). Increased monitoring from 6 to 10 calls per agent/month, achieving 40% higher coverage with the same team size. The team also introduced real-time call monitoring from April 2025 & identified improvement opportunities across repeat calls, training effectiveness, and roster optimization.

Innovation & New Capability

- Co-Browse Service launched as industry-first real-time digital assistance capability. Managed 3,048 sessions, in Nov–Dec, improving first-contact resolution and customer experience.

Overall Impact:

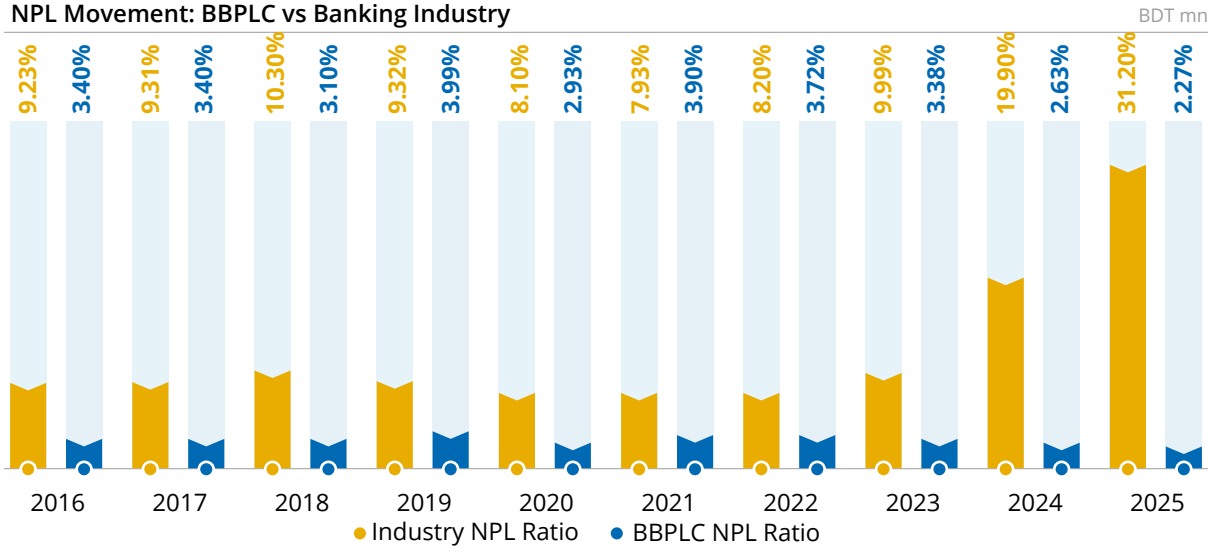
- In 2025, the Virtual Banking team evolved into a high-impact, digitally mature channel. The team delivered strong revenue outcomes, improved portfolio stability, elevated service quality, and introduced new digital capabilities, creating a scalable platform for future growth.

CREDIT RISK MANAGEMENT

For any commercial bank the Credit Risk Management department acts as a defence line for the bank's most significant asset: its loan portfolio. In BRAC Bank the Board along with its Executive Committee has primary oversight responsibility for credit risk. BRAC Bank has a distinct credit risk architecture – policies, procedures and systems for managing credit risk in all its segments viz. retail, SME and wholesale businesses. SME and wholesale lending are managed on a portfolio and individual basis. In contrast, retail lending, given the granularity of exposures, is managed largely on a portfolio basis across various products and customer segments. For all the categories, there are robust front-end and back-end systems in place to ensure credit quality and to minimize loss from default. BRAC Bank has been able to ensure strong asset quality even in volatile times in the lending environment by diversifying portfolio [Retail 17%, SME 42% and Corporate 41%], with strict adherence to prudent norms and institutionalized processes.

Industry vis-à-vis BRAC Bank's Asset Quality

The strength of our credit risk management function is reflected in our asset quality that is superior in comparison with the country's overall banking sector. In Bangladesh the Non-Performing Loans Ratio of banking sector stood at 31.20% in Dec 2025 whereas BRAC Bank's was 2.27% in the corresponding period.



Key Initiatives in 2025

BRAC Bank prioritizes managing credit risk through prevention instead of reaction by fine-tuning underwriting criteria and processes. Furthermore, the bank has been prioritizing process optimization and simplification through digitalization to enhance efficiency and customer experience. With this aim, following initiatives were implemented-

- **Digital Signature:** Being the first and so far, the only bank in the country, introduced digital signature for fully functional paperless loan and credit card journey. Digital signatures, being legally admissible in court, significantly reduce legal and operational risk providing strong enforceability of loan agreements.
- **Scorecard rollout for both personal loan and credit card:** Minimizes risk by using data driven models to objectively assess a customer's creditworthiness, reducing subjective decision making and inconsistency in lending decisions.
- **Reducing operational risk to collect and store loan documents:** Digital signature has paved the way for digital collection of documents. This reduces manual errors, document loss and ensures timely collection of documents. Additionally, easy retrieval of documents supports regulatory compliance, internal audits while real time monitoring ensures data integrity.
- **Customer Behavioral Scorecard in SME loan**: Launched the Behavioral Scorecard-Based Lending Model on 1st August 2025, enabling

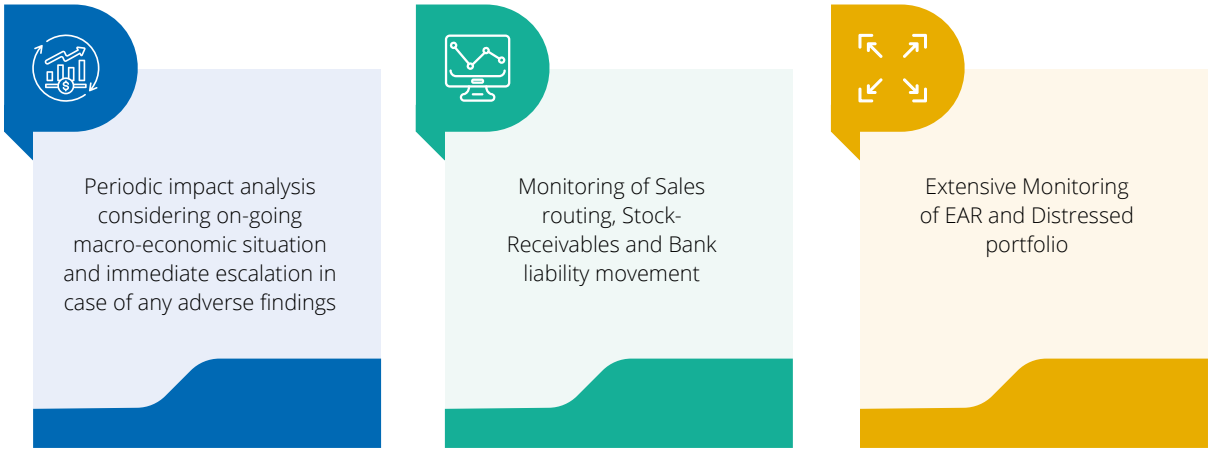
automated credit assessment, faster loan processing, and risk-based pricing, in line with management's aspiration to transition toward a fully digital lending framework.

- **Customer Lens:** Customer Lens provides a unified view of customer information, including personal details, loan and deposit product holdings, pending document status, and credit insights derived from transactions and product holdings with BRAC Bank, to support informed lending decisions. Previously, users had to navigate multiple modules to access this information, resulting in significant time consumption. Following implementation, the platform has saved man-hours per month across Small Credit, Medium Business Credit & Retail leading to measurable improvements in productivity and turnaround time (TAT).
- **Central Loan Status Management System (CLSMS):** CLSMS consolidates customer loan application status and blacklisting information from all business units into a single platform. This enables analysts to review prior exposure and blacklisted history before assessment, improving productivity, accuracy, and consistency. The system operates as a centralized search engine based on defined input parameters.

Forward Looking Statement

The bank is projected to maintain its strong market position, especially in Bangladesh's undeveloped SME and retail sectors. Asset quality above the industry average strengthens BRAC Bank's finances.

The bank has already moved towards a fully end-to-end digital loan application and assessment from hard copy loan applications and assessment for retail and SME (partially). However, this ease of access comes with inherent risks that require stringent checks and balances to mitigate. In response, BRAC Bank has taken a series of initiatives aimed at strengthening digital operations and mitigating associated risks to sustain the momentum. The bank is looking forward to overall outlook shall be –



ANTI MONEY LAUNDERING

BRAC Bank continues to enhance the effectiveness of its AML/CFT controls by leveraging technology, strengthening monitoring and analytics and reinforcing frontline capabilities.

Chowdhury Moinul Islam
DMD & CAMLCO

Building on nearly 25 years of unwavering trust, BRAC Bank PLC remains deeply committed to upholding financial integrity, viewing the safety of the banking system as the cornerstone of its relationship with its customers. While money laundering and terrorist financing pose significant threats to global and national economic stability, the Bank proactively serves as a dedicated guardian of the financial landscape. By cultivating a shared culture of vigilance, every employee plays a vital role in preventing the misuse of banking channels and protecting public confidence. This commitment is brought to life through a robust and evolving AML/CFT framework that aligns with BFIU and Bangladesh Bank regulations, alongside international best practices. By embracing a forward-thinking, risk-based approach, BRAC Bank effectively identifies and mitigates threats, ensuring a transparent, resilient, and credible future for everyone it serves.

The core components of BRAC Bank's AML/CFT framework include:

- Deploying and maintaining a well-resourced Anti-Money Laundering Division that reflects the Bank's long-standing commitment to trust, providing proactive oversight, risk leadership and investigative capability across the organisation.
- Implementing robust customer onboarding and due diligence standards across all business segments and conducting risk-based periodic customer reviews to ensure customer information remains accurate, complete and relevant.
- Establishing policies, procedures and controls to prevent Trade-Based Money Laundering (TBML).
- Performing AML risk assessments covering all products, services and delivery channels.
- Ensuring compliance with applicable international sanctions and regulatory requirements.
- Providing continuous AML/CFT training and awareness programmes for employees.

Monitoring customer transactions through automated and risk-sensitive systems.

Promoting customer awareness to encourage transparent and responsible banking practices.

Identifying, investigating and reporting suspicious activities in a timely and compliant manner.

Co-operating closely with regulators and relevant authorities in combating ML/TF risks.

The Board of Directors and the Management Committee of BRAC Bank demonstrate unwavering commitment to preventing money laundering and terrorist financing. Through strong governance, effective resource allocation and regular policy oversight, they ensure that the Bank maintains a robust control environment. The Bank's zero-tolerance stance towards financial crime is consistently communicated across the organisation, reinforcing accountability and ethical conduct.

In line with its strategic focus on sustainable growth, BRAC Bank continues to enhance the effectiveness of its AML/CFT controls by leveraging technology, strengthening monitoring and analytics and reinforcing frontline capabilities. During the year, the Bank further optimised its automated transaction monitoring, name screening, trade compliance and regulatory reporting processes, while expanding training and awareness initiatives to address evolving and emerging risks.

By continuously reinforcing its AML/CFT framework, BRAC Bank remains committed to fostering a secure, resilient and trustworthy banking environment—supporting long-term economic stability and the communities it serves, in keeping with its legacy of 25 Years of Enduring Trust.

LEGAL & RECOVERY

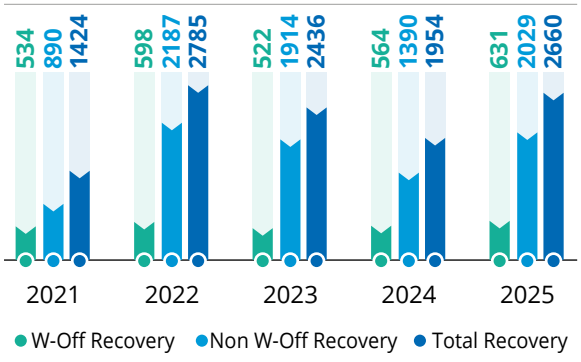
Legal & Recovery Division of BRAC Bank is committed for ensuring regulatory compliance, business support, legal advisory services, ensuring recovery from default customers, and effective case management in courts. It also manages and mitigates different legal and reputational risk of the Bank.

Year in review:

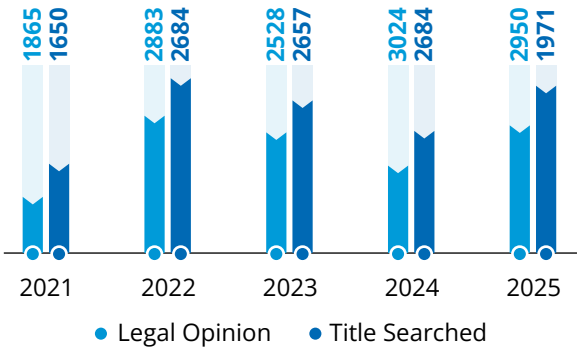
Legal and Recovery Division of BRAC Bank in 2025 focused and diligent for the continuous improvement in its core operational areas in line with Bank's core objectives like contributing in sustainable business growth, restraining NPL rate at desired level, efficiency improvement in core operational areas through digitalization and automation and optimization in Budgets.

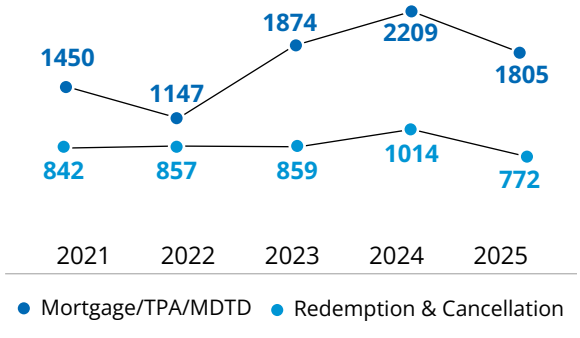
Recovery trend in SAM-SME Small was found an increased trend both Write-Off and Non Write-Off Recovery during 2025. In 2025, total recovery was BDT 2,660 million from which Write-off Recovery was BDT. 631 million and Non Write-off Recovery was BDT 2,029 million.

Recovery Trend in SAM-SME Small BDT mn



We also extended our efforts for the growth of business through file vetting, title search, mortgage completion and redemption. The effort constantly impacting better business performance of the Bank in 2025.





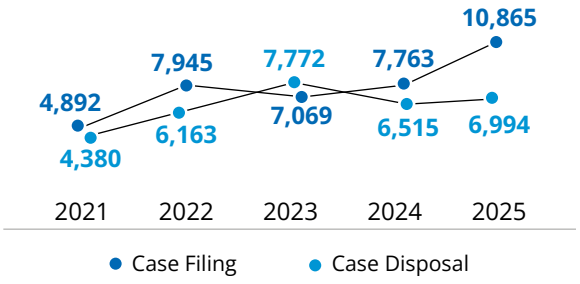
We have also witnessed significant operational momentum and efficiency improvement in our court operational activities during 2025. We filed around

10,865 cases and disposed of around 6,994 cases in 2025.

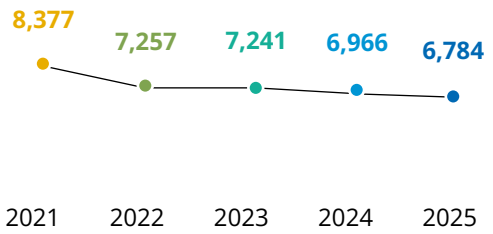
In 2025, recovery from all litigated portfolio was around BDT 2,220 million from which Appeal and Bail Money Collection from Court was around BDT 540 million.

Despite many challenges in court and legal proceedings during 2025, we received significant number of judgments in favor of Bank from different court of Bangladesh. Success was also found in resolving many high court and high value legal matters that also remarkably contributed for disposal many matters like Appeal, Revision, Writ and other within reasonable time and without any delay or dispute.

Filing & Disposal Trend



Judgment Received In Favor of Bank



Outlook for 2025

Despite many challenges and changes we aspire for sustainable Banking Operation to Maximize Recovery, Expedition in Court Operation, Digitalization in our operations, People and Cultural Development, Optimization in our budget and Process Improvement during 2025.

The division strives to manage all its operational excellence during 2025 to create a positive impact on bank's performance and profitability.

INTERNAL CONTROL AND COMPLIANCE

Overview

Internal Control and Compliance function of BRAC Bank plays a pivotal role for the bank to accomplish its objectives as it promotes a systematic and disciplined approach to assessing and enhancing risk governance.

Internal Control and Compliance Division (ICCD) has been entrusted with the responsibility of determining whether the bank's governance structure, risk management and control processes are adequate and functioning in a way to ensure:

- adequacy and effectiveness of governance, risk management and control processes
- accuracy, reliability and timeliness of significant financial and operational information
- appropriate actions of employees regarding compliance with policies, standards, procedures, laws and regulations
- uses of available resources economically and efficiently to achieve business objectives
- fostering quality and continuous improvement in the bank's control process
- appropriate management of legislative and regulatory issues impacting the bank. etc.

BRAC Bank has made the implementation of robust internal controls system a top priority by establishing internal control over financial reporting. Bank has also put in place robust assessment procedures to ensure the highest possible degree of operational efficacy.

BRAC Bank identifies deficiencies and weaknesses related to the processes by reviewing the internal control system on regular intervals and takes necessary corrective action for rectification.

The principal objectives of internal control include:

Operations objectives:

Achievement of the bank's mission and vision as per its code of business conduct

Reporting objectives:

Timely, accurate and comprehensive reporting – both financial & non-financial as well as internal & external

Compliance objectives:

Conducting activities and initiating appropriate actions to ensure compliance in accordance with applicable laws and regulations.

The primary objectives of the internal control system of BRAC Bank are to ensure overall control effectiveness and risk mitigation, as well as to provide a reasonable assurance regarding the framework's sustainability. The controls have been framed to:

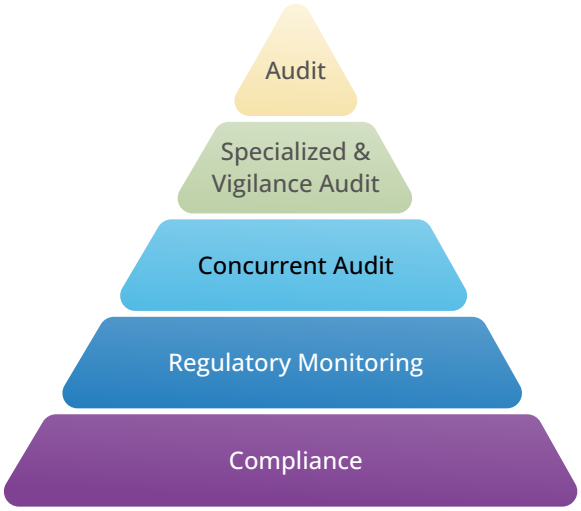
- Establish an efficient and effective operating model
- Develop a "risk-aware" culture across the bank
- Ensure reliability of internal and external reporting, including accounting and financial information
- Safeguard the bank's operations and assets, and comply with laws, regulatory requirements and internal policies

Key functions that have been established for assuring the integrity and adequacy of internal controls are:

- Formation of various committees by the Board to ensure effectiveness of risk reporting and control framework.
- ensure that the bank's operations are in accordance with business objectives, strategic priorities and budget
- ensure that the bank's audit department checks for compliance with policies and procedures

The ICCD structure:

The Bank's ICCD departments:



Audit Department

The Audit Department is an independent function established to provide reasonable assurance over the internal control mechanism within the bank. BRAC Bank's Audit Department comprises a well-diversified mix of professional accountants, technology specialists and experienced bankers. The bank's Audit Department is committed to meeting the standards of best professional practices. Risk-based internal audit methodologies are applied by the team to conduct comprehensive, on-spot, surprise and other special audits. The frequency of branch/sub-branch audits is determined by the level of risk assessed independently and objectively. Audit findings are submitted to the Audit Committee of the Board for review during their meetings.

Audit team of BRAC Bank comprises of three units and two subunits that conduct audit activities:

1. **Enterprise Audit Unit,** which conducts audit on centralized functions of Divisions & Departments etc. through two sub-units.
    a. **Conventional Audit** conducts audits of various products, departments/divisions, Operational units, covering credit, general banking, operations and loan recovery.
    b. **Foreign Exchange Audit** focuses on foreign exchange and treasury-related activities including FX transactions, foreign trade operations and asset liability management.
2. **Distribution Audit Unit,** which conducts Audit on Branches, sub-branches etc.
3. **ICT Audit,** which conducts audits covering information technology, security, infrastructure, applications and general controls at enterprise, branch, sub-branch levels.

The Audit Committee reviews internal control gaps identified by the audit department, Bangladesh Bank, external auditors and the management, and evaluates the adequacy and effectiveness of governance, risk management and controls processes. The committee also reviews internal audit activities, with particular emphasis on the scope and quality of the internal audit. The minutes of the Audit Committee meetings are tabled at the meetings of the Board periodically.

Internal Audit assists the bank in the attainment of the objectives by bringing forward a methodical and disciplined approach to evaluate and enhance the effectiveness of governance, risk management, and internal control processes.

Specialized & Vigilance Audit Department

The department of Monitoring has been renamed as Specialized & Vigilance Audit in 2025 under ICCD. In consideration of the functions of the department, the change has been made to create better synergy and to leverage resources more effectively. The prime objective of the department is to strengthen internal control system of the bank, ensure compliance and to institute a good governance culture.

Specialized & Vigilance Audit Department has two wings:

- Regional Monitoring Team (SME & Alternate Banking Channels-ABC)
- Vigilance Support

There are eight regional teams of Specialized & Vigilance Audit Department across the country to perform internal checks on an ongoing basis. In case of any lapses/irregularities, the department reports that to the management to take corrective actions.

Some of the key functions of this department include:

- Spot checks/surprise visits to SME Unit Offices, Agent Banking outlets to verify whether the respective functions are complied with bank's internal policies and regulatory guidelines.
- Conduct borrower and guarantor visits to check the credit quality and identify any irregularities or policy contraventions.
- Investigation (SME & ABC)
- Collaborative audit/investigation
- Reporting

Concurrent Audit Department

The Concurrent Audit Department was established in alignment with Bangladesh Bank guidelines on Internal Control and Compliance in Banks to strengthen governance and risk management across the Bank. The Department conducts its audit activities in accordance with:

- Regulatory requirements and Risk management guidelines
- Directives issued by the Board of Directors and Senior Management
- Specific Management requirements
- The approved Annual Audit Plan

The scope of the Department's activities encompasses concurrent audits of Trade Operations (Post-Import Finance), Treasury, and Financial Institution, ensuring strict adherence to regulatory standards and internal risk management frameworks. In addition, the department carries out pre-audit of procurement activities in compliance with directives issued by the Board and Management.

Beyond its planned audit engagements, the Concurrent Audit Department independently undertakes thematic, spot, and surprise audits based on emerging risks and management requirements, Concurrent audits are also performed on ongoing operational activities of centralized functional units at the Head Office, Branches, ATM Service Centres, and Regional Operating Centres (ROC), in line with the approved annual audit plan. Through these activities, the department continues to play a vital role in enhancing operational efficiency, ensuring regulatory compliance, and safeguarding the Bank's resources and reputation.

Regulatory Monitoring Department

Regulatory Monitoring Department (RMD), operating under the Internal Control and Compliance Division (ICCD), is responsible for overseeing the Bank's adherence to legal, regulatory, and industry standards.

The Department ensures timely and accurate submission of regulatory returns, certifications, licenses, and statutory filings, while maintaining effective coordination with internal stakeholders and regulatory authorities. RMD supports the Bank in regulatory inspections, internal audits, and examinations through structured risk-based issue identification, preparation of audit plan and documentation. Through continuous regulatory surveillance, risk identification, and follow-up of corrective action plans, the Department strengthens regulatory controls and provides regular updates to senior management and the Board, thereby reinforcing sound governance, transparency, and regulatory discipline across the Bank.

Looking ahead, RMD will continue to strengthen its regulatory oversight framework through enhanced risk-based monitoring, increased use of data and analytics, and sustained focus on capability development and institutional knowledge, supporting long-term strategic and governance effectiveness and resilience in an evolving regulatory environment.

For smooth functioning of Regulatory Monitoring Department, the department is comprised of three units:

- Investigation Unit
- Intelligence and Data Analytics Unit
- Offsite Supervision Unit

Investigation Unit conducts investigations and submits reports as per management requirements and performs root cause analysis of fraud cases to ascertain responsible parties and recommend appropriate action(s) to mitigate relevant fraud risks.

Intelligence and Data Analytics Unit functions proactively to analyse and leverage data analytics by sharing supervisory intelligence and early warning indicators. The unit identifies emerging regulatory and prudential risks proactively at an early stage, supports timely management actions, and ensures accurate, consistent and compliant internal and regulatory reporting. This data-driven approach strengthens bank's regulatory readiness, minimizes supervisory observations, and contributes to the bank's overall regulatory risk management and sustainability.

Offsite Supervision Unit refers to the structured and continuous monitoring process conducted through systematic review and analysis of regulatory returns, prescribed control tools, submitted by branches and relevant divisions/departments. This process is carried out in accordance with relevant Bangladesh Bank circulars, guidelines, and reporting frameworks. The objective of offsite supervision is to ensure compliance with regulatory requirements, internal policy/circular, assess the adequacy and effectiveness of internal control and risk management systems, identify irregularities/risks and report to the management actions.

Some of the major tools at the disposal of this Unit include:

- Departmental Control Function Checklist (DCFCL)
- Loan Documentation Checklist (LDCL)

- Quarterly Operations Report (QOR) of Branches and sub-branches
- Internal Reporting of ICC
- Submission of self-assessment of the anti-fraud internal controls report and the bank's health report to Bangladesh Bank.

Fraud and Forgery

Fraud risk has become an important issue in recent years. In addition to impeding economic advancement, frauds and forgeries have a significant negative effect on Bangladesh's reputation and economy.

As a financial institution of repute, BRAC Bank has remained focused in controlling defalcation by establishing and maintaining proper control systems to protect the banks and stakeholders' interests. Further, to identify the root cause of fraud, the bank has formed an Investigation Unit under the Regulatory Monitoring Department of ICCD. This wing deals with all fraud and forgery incidents through performing comprehensive independent investigations. Preventive measures are recommended to the business/functional unit to take precautionary measures relating to process improvements, system enhancement, and violation of process/policy/guidelines. Investigation reports are placed to the Board Audit Committee/Audit Committee of the Board for their guidance. BRAC Bank has duly notified Bangladesh Bank of all fraud and forgery incidents that were identified in 2025.

Compliance Department

BRAC Bank has established a robust compliance culture by encouraging employees to comply with all policies, procedures, and regulations. With a view to fostering a deep culture of ethical conduct, the bank has a well-equipped Compliance Department under the ICCD, committed to ensuring compliance with guidelines/ observations/recommendations of regulatory as well as Internal Audit & Investigations. In line with regulatory guidelines, the Compliance Department has two wings:

- Regulatory Compliance Unit
- Internal Compliance Unit

Regulatory Compliance Unit supports Bangladesh Bank Inspection team and others Regulatory Inspection/Audit team in their Inspection at branches/ head office and ensures submission of compliance response on a timely basis, while also:

- Monitors compliance of branches, sub-branches, divisions, departments, and other offices
- Performs compliance testing/review on regulations
- Verifies internal control systems of the bank's operational activities, as per central bank and other regulatory guidelines.
- Facilitate Advisory Services to the internal stakeholders
- Provides regular updates to senior management, Risk Forum and the Board Audit Committee, thereby reinforcing sound governance, transparency, and regulatory discipline across the Bank.

Internal Compliance Unit is entrusted to validate and monitor the remediation activities of the gaps identified by the internal auditors and also recommendations made by the Investigation Unit (IU). Subsequently, the compliance status is forwarded to the concerned departments of ICCD for further physical verification. Compliance status is also placed to the Board Audit Committee periodically.

HUMAN RESOURCES

JOURNEYING WITH PURPOSE. DELIVERING WITH IMPACT

2025 in Perspective | A Year of Purposeful Progress

2025 was a year of growth, consolidation, and transformation for BRAC Bank. As the Bank marks 25 years of excellence, the people agenda evolved with equal intent and discipline. Human Resources played the role of as a strategic enabler, ensuring that people capability, leadership depth, and organizational culture moved in accordance with business priorities. Three strategic pillars: People, Performance, and Culture form the foundation of our people strategy, aligning talent priorities with a performance driven culture. This year's people narrative reflects a deliberate journey: building a future-ready workforce while strengthening care, inclusion, and accountability.

The Workforce Today | Stability with Momentum

BRAC Bank's workforce in 2025 reflected a balanced and resilient composition, enabling both continuity and innovation. This diversity of experience ensured institutional memory to remain strong, while new talent brought agility and fresh perspectives.

Attracting Capability at Scale

In 2025, BRAC Bank's talent acquisition strategy remained firmly focused on strengthening the Bank's future leadership pipeline, ensuring the right skill set and values driven mindset to support its people strategy. To meet the business expansion, BRAC Bank welcomed 2,071 full-time professionals, with approximately 27% female representation (excluding sales force), reinforcing the Bank's commitment to diversity and inclusion. Additionally, 1,906 outsourced personnel were assigned through third-party organizations. In order to put BRAC Bank as an employer of choice, BRAC Bank conducted 9 CAREERtalk sessions and 10 campus activation programs and has onboarded 88 Young Leaders. Going forward, recruitment is evolving into a talent acquisition partnering function, supported by planned investments in modern, automated and AI-enabled recruitment solutions.

Building Capability for Future

In 2025, BRAC Bank reiterated its strategic commitment to people development by strengthening a structured, future-ready learning ecosystem across the organization. Anchored in the Bank's long-term vision and digital-first mindset, Learning & Development initiatives continued to prioritize capability building that supports business transformation, innovation, and sustainable growth. With digital transformation embedded in the Bank's DNA, focused investments were made to expand digital learning adoption, enhance accessibility, and foster a culture of continuous learning. The Bank's efforts to build a skilled, agile, and resilient workforce translated into strong engagement and measurable outcomes. During the year, average learning hours per employee stood at 31.57, with total participation reaching 115,072 across various learning interventions, including 16,110 unique learners. These initiatives collectively generated 508,602 training hours which is the highest in the bank's history, representing a significant 52.94% year-on-year growth and underscoring the Bank's continued emphasis on developing critical skills to drive performance, innovation, and long-term sustainability. The Learning & Development function delivered a range of strategic learning interventions focused on leadership readiness and capability building. These initiatives included programs such as the Brownbag, Branch Manager Development Program, Young Leaders Program, BDM and Risk Manager Development initiatives, CCIB Advanced Certification, Empathetic Leadership, TARA SME Accelerator aimed at strengthening leadership depth and specialized expertise across the Bank.

Listening to Our People

In a landmark step toward strengthening employee voice, BRAC Bank conducted its first-ever pan-bank employee engagement survey. With participation from approximately 8,000 employees, the survey captured insights across leadership effectiveness, trust, communication, career growth, recognition, and workplace enablement. MyVoice represented a cultural shift toward transparency and shared accountability. Survey findings were reviewed at leadership and divisional levels and translated into structured action plans.

Inclusion with Intent | Building Equity, Capability, and Belongingness

Diversity and inclusion remained a strategic priority, moving beyond representation to intentional capability building and leadership readiness. A key milestone in 2025 was reaching the diversity target of 25% female representation in the total non-sales workforce.

Project ELEA: Designed to accelerate leadership readiness, ELEA (Enlightened Leaders Exemplify Achievement) was developed to provide high-potential women with a focused platform to build leadership capability, confidence and strategic exposure. The program reflects BRAC Bank's planned approach to facilitate career upliftment of women coworkers. In 2025, 24 graduates emerged with strengthened confidence and capability for future leadership roles. To further advance inclusive leadership, Organizational Development (OD) team launched the Anti-Bias at Workplace (Unconscious Bias Awareness) initiative. Intensive workshops were conducted with the Management Committee and Extended Management Team, building awareness around unconscious bias and inclusive decision-making. This initiative will be expanded across the organization in 2026 to ensure deeper cultural impact.

Building Leadership, Culture, and Systems:

OD played a pivotal role in strengthening leadership effectiveness and cultural alignment in 2025. A major milestone was the introduction of a structured 360-degree feedback exercise for the Leadership Team (Division Heads, and Functional Heads). This initiative marked a strategic move toward feedback-led leadership development, enabling leaders to gain multi-dimensional insights into their behaviours and impact. It also laid the foundation for a more mature performance management philosophy, one that emphasizes self-awareness, continuous improvement, and quality performance conversations. A key milestone was the execution of career development playshop, conducted with the management committee and senior leaders. This immerse intervention reframed how career conversations are approached, starting from an aspiration to a structured individual development plan.

Growing from Within

In 2025, 2,141 employees were promoted across leadership, specialist, and frontline roles, reinforcing a culture of meritocracy, accountability, and internal mobility. To complement career progression, the Bank took deliberate steps to reshape its Reward & Recognition (R&R) approach. In partnership with key stakeholders, OD worked to establish a more centralized, transparent, and values-aligned recognition philosophy. Full-scale rollout of the enhanced R&R ecosystem is planned for 2026.

Care in Action: Well-Being, Support, and Sustainability

Employee experience initiatives in 2025 emphasized care, inclusion, and long-term sustainability. Alongside medical support, mental health resources, childcare tie-ups, and supportive leave policies, the Bank continued to foster a workplace where employees feel genuinely supported. We run in-house yoga classes, which offer opportunities for relaxation and stress reduction. Regular team-building activities, cultural events, and celebrations create a vibrant workplace culture. Additionally, effective January 2026, the Bank will introduce a flexible 6-hour work model for the first month post-maternity leave, reinforcing its commitment to retention and gender equity. This initiative is within the broader post-maternity return to work support program.

Impact beyond Activity

The collective outcome of HR initiatives in 2025 translated into tangible organizational impact. By focusing on measurable outcomes rather than just programs, the function delivered:

While 2025 focused on building strong foundations, 2026 will be a year of scale and institutionalization. The Bank will accelerate robust and compliant initiatives across performance management, engagement, succession, inclusion, recognition, wellness, and values activation, ensuring leadership behaviors, systems, and culture evolve in a connected and sustainable manner.

Twenty-five years of enduring trust is not defined by longevity alone, but by the consistency of values, leadership behaviors, and people practices. Guided by Sir Fazle Hasan Abed's vision, BRAC Bank continues to care for its people, because when people grow, business and society grow together.

Prepared For Tomorrow. Grounded In Today.

GENERAL SERVICES

As BRAC Bank marks 25 years of excellence, the General Services Division (GSD) continues to ensure seamless support across the bank. Integrating Procurement, Infrastructure Development & Management, Safety & Security, Property & Mail Management, and General Administration, GSD delivers timely, high-quality support for business success. Building on the milestone, the division remains committed to innovation, process efficiency, and a strong service-oriented approach, enhancing stakeholder experience and supporting the Bank's forward journey.

Procurement

In 2025, the Procurement team handled purchases of approximately BDT 4 billion through about 450 tenders, comprising of both technical and non-technical products and services. Using effective negotiation strategy, the team built up strong vendor partnerships to secure the bank's interest while ensuring 'Best Value for Money'. In an effort to enhance and establish superior quality over the holistic procurement process, a new unit 'Pre-Acquisition Quality Assurance' has been established.

Department of Safety & Security

Department of Safety and Security (DSS) strives to protect BRAC bank's personnel, environment, and assets from potential risks and threats, and ensure a safe and comfortable environment for operation. It regulates different layers of security measures involving physical security of employees and assets, CCTV surveillance and security equipment, fire safety, health safety, liaison and protocol, front desk management, and crisis management. Mentionable highlights for the year include, but is not limited to the following:

- Deployed approx. 1,537 security guards.
- Transferred an amount of BDT 77,870 crores in 2025 via CIT
- Supervised 7,040 CCTV cameras and 20,300 security equipment
- Successful fire drill in all premises.
- Upgraded UPS Battery quality to ensure seamless and uninterrupted supply.
- Plan to impart first aid training in 2026
- Installed face detection smart attendance in all locations.
- Heightened alertness for earthquake response and premises readiness.

Apart from these, DSS is working to implement CIN (Central Information Network) for effective monitoring of bank's security and operations.

General Administration

The General Administration (GA) department continued to ensure seamless internal and external logistical support while advancing the Bank's sustainability and resource optimization initiatives. There were focuses on environmental awareness and efficiency enhancement via following:

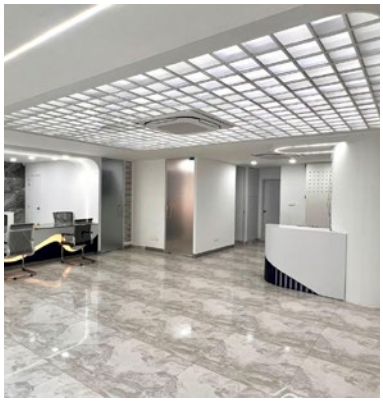
- Recycling of used paper and other reusable materials and elimination of single use plastic in common area.
- Prioritizing airlines with comparatively lower carbon emissions.
- Ensured proper utilization and optimized deployment of the Bank's vehicle fleet to reduce fuel consumption and support carbon emission reduction.
- Introduced dedicated shuttle service for female employees.
- Reduced all Telco operators APN, POS, and DATA number tariffs by 20%
- Introducing mobile SIM delivery from service center to reduce courier cost.

Infrastructure Development and Management

2025 was a particularly challenging year for IDM, as BRAC Bank undertook a significant initiative to expand its physical networks through opening of a large numbers of Branches & Sub-Branches in 2025. During 2025, IDM successfully completed several major initiatives, including the establishment of 05 new branches and 42 sub-branches, 14 sales office, 15 major relocation, 11 extensive renovation works, installation of 42 ATMs, and the head office extension at Ninakabbo. In addition, the long-awaited canteen at the ground floor of Anik Tower has also been completed.

BRAC Bank has always been focused on becoming an energy-efficient organization and promote green initiative. IDM has taken critical role in establishing 24 KW solar installation across the country.

Moreover, the department took great measures to ensure structural resilience over all premises in the country as part of earthquake preparedness plan.



Property and Mail Management

Guided by the principle of "Empowering Connections, Driving Efficiency," the Property & Mail Management Department continued to play a pivotal role in strengthening BRAC Bank PLC's operational backbone throughout 2025. In this milestone year celebrating 25 years of Enduring Trust, the department remained steadfast in delivering reliable, efficient, and future-ready services aligned with the Bank's strategic priorities.

During the year, Property Management successfully managed 1,164 rented premises across the country through the centralized Rental Management System, ensuring seamless operations, regulatory compliance, and cost discipline.

In 2025, the Mail Management function achieved 100% accuracy in monitoring and delivery through robust digital tracking and monitoring systems. This ensured reliability, timeliness, and full traceability of critical documents across the organization.

Forward Looking Statement

As the bank continues its stellar growth, GSD will further strengthen service delivery and enhance stakeholder support. Strategic priorities include driving efficiency through scaled automation, process simplification and optimized resource utilization. The division will also advance its sustainability agenda through responsible operations and green initiatives, aligning with the Bank's long-term vision of creating measurable and meaningful impact.

OPERATIONS

Preface

Operations Division of BRAC Bank PLC runs on a centralized model and delivers integrated services that enrich the customer experience throughout the year. The year 2025 has marked a significant milestone in BRAC Bank's history, showcasing record-breaking performance across all segments. Despite facing challenges, such as, political instability, dollar shortage, rise in non-performing loans, social economic instability and liquidity issues, BRAC Bank PLC has successfully established customer trust through seamless operational support. The Operations Division proactively planned and built capacity to effectively manage the growth in business across all segments. Analysing the 6 years key performance indicators from 2020 to 2025, Operations achieved a remarkable 222% increase in core transactions along with more than 712% growth in digital transactions, contrasting with a mere 56% growth in resources during the same period. The introduction of artificial intelligence, increased automation initiatives, and significant transformations in various areas have aligned Operations with the strategic goal of the Bank.

Tareq Refat Ullah Khan
MD & CEO

Md. Muniruzzaman Molla
DMD & Head of Operations

Kazi Asaduzzaman
Head of Asset and ROC Operations (EVP)

Monzur Ul – Mowla
Head of Credit Administration (EVP)

Swapan Kumar Das
Head of Treasury and FI Operations (EVP)

Surajit Kumar Mutsuddi
Head of Trade Operations (EVP)

Md Nadeem
Head of Payments and Transactions (EVP)

Md. Abu Taher Mridha
Head of Account Services (EVP)

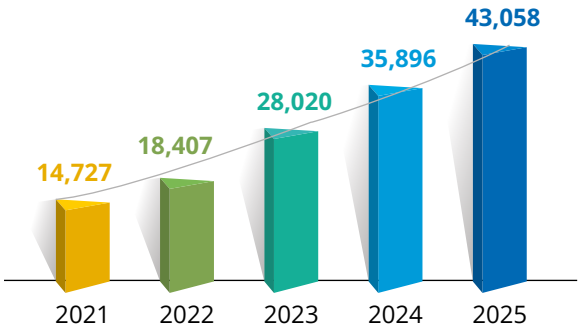
Ishrat Jahan
Head of Cards, Bonds & Custodial Operations (SVP)

SK. Shuvo Rahman
Head of Central Operations (VP)

The division at a glance 25

Operations Core KPI (Nos "000")

BDT mn

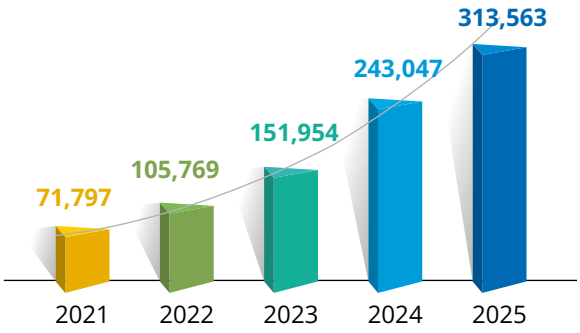


CORE KPI 20 Vs 25 => **222%**

CORE KPI 24 Vs 25 => **20%**

Operations Digital KPI (Nos "000")

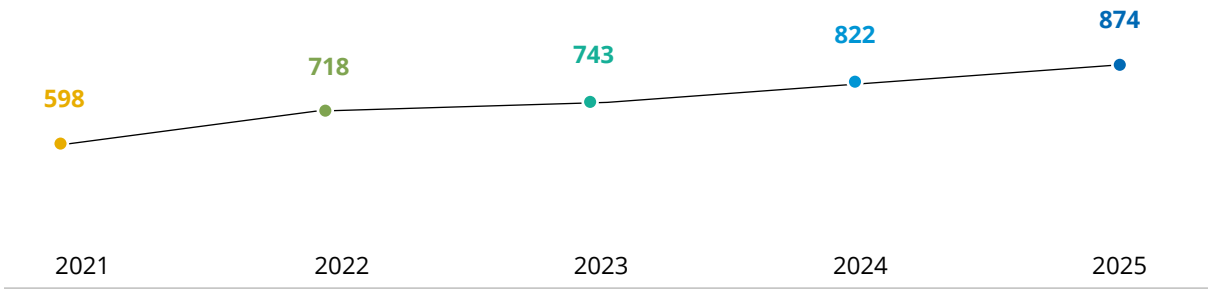
BDT mn



CORE KPI 20 Vs 25 => **712%**

CORE KPI 24 Vs 25 => **29%**

Operations Resources Trend (Nos)



CORE KPI 20 Vs 25 => **56%**

CORE KPI 24 Vs 25 => **6%**

Total Resources

874

Female

28%

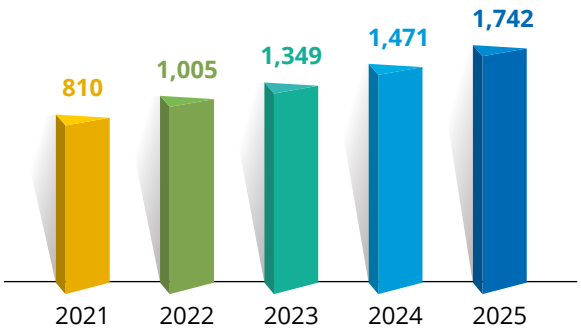
Male

72%

Division Core KPI Trend 25

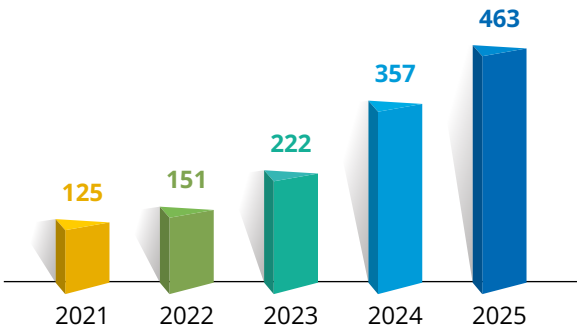
Account Service (Nos "000")

BDT mn



Asset and ROC Operations (Nos "000")

BDT mn



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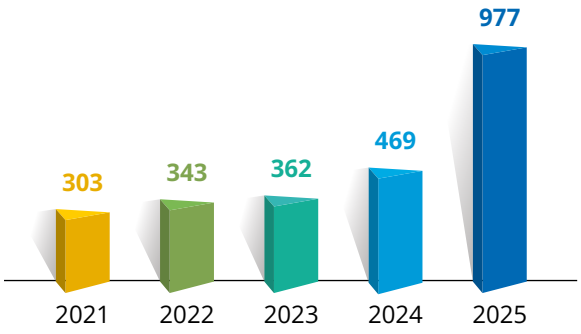

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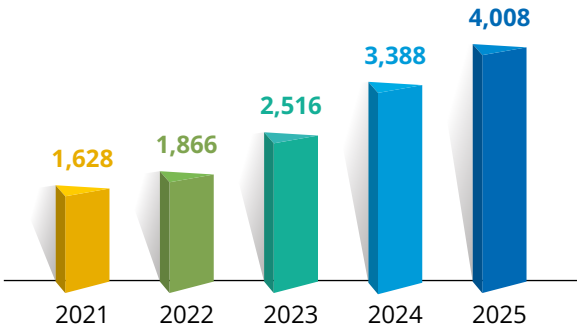

Treasury and FI Operations (Nos "000")

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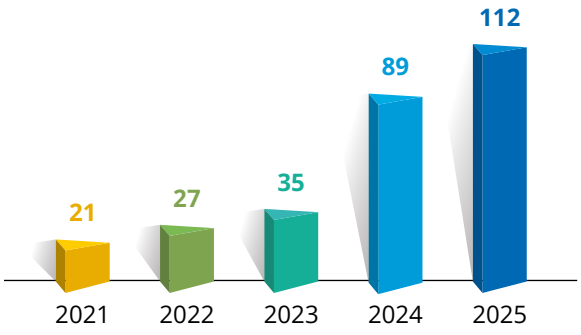

Payments and Transactions (Nos "000")

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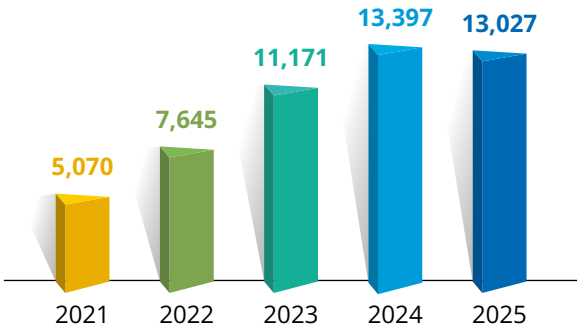

Cards Operations (Nos "000")

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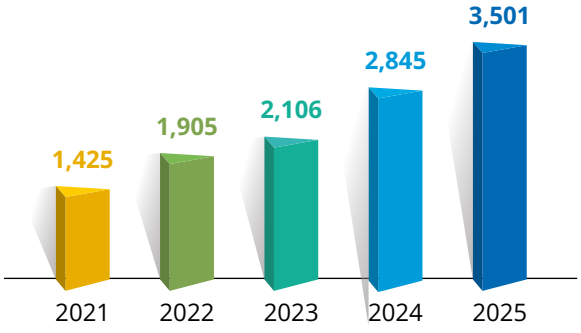

Central Operations (Nos "000")

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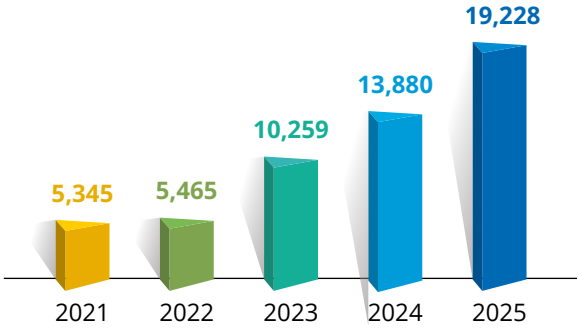

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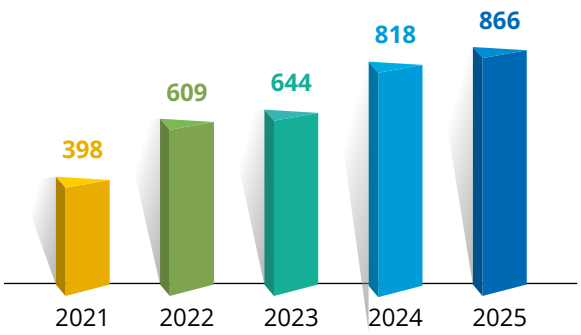

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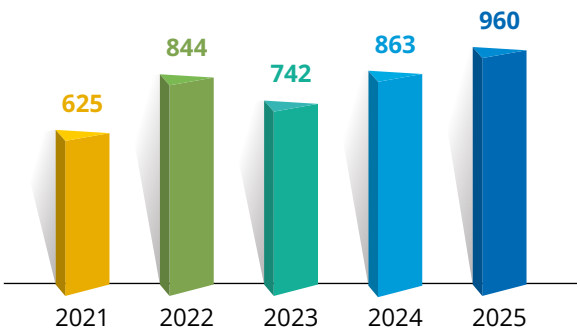

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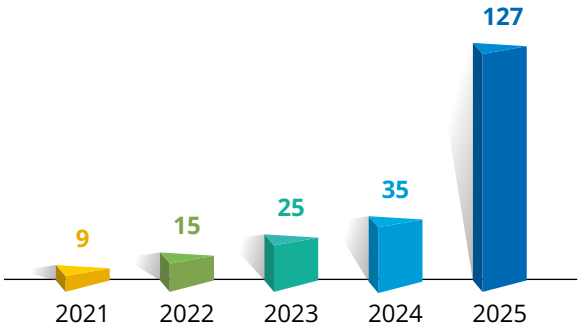

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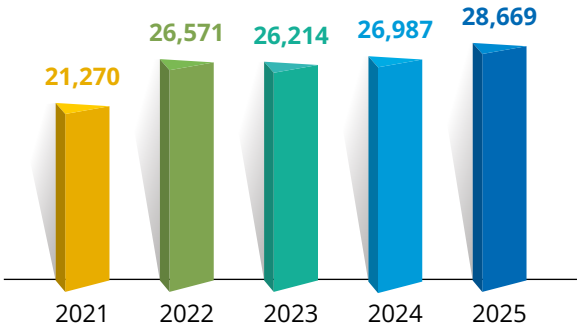

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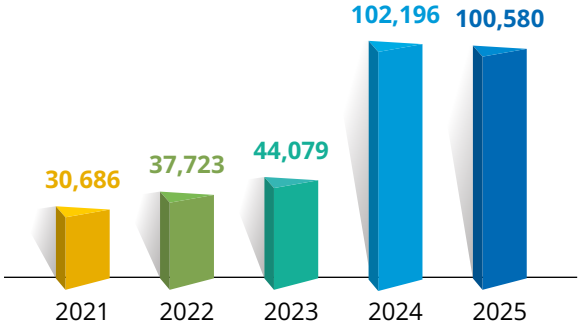

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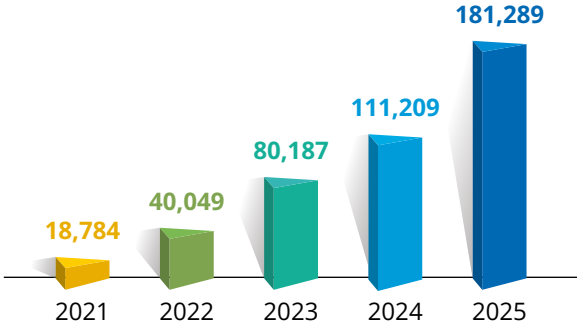

Trade Operations (Nos "000")

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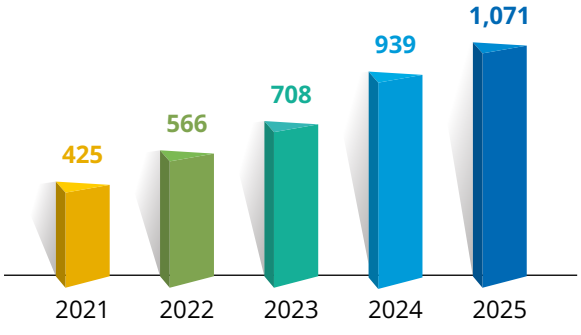


Operations Key Achievements in 2025

- 34% YoY Growth in CASA
- 2025
- 29% YoY Growth

- 36% Incremental
- 2025
- Loan Disbursement

- $2,877 mill Remittance Inflow in 2025
- 4th in Industry for Wage Earner Remittance in Dec'25

- Highest Ever Trade Volume 7.26$ Bn in 25
- Import 4.21$ Bn Export 2.34$ Bn
- Growth (YoY) 27% in Import 14% in Export

- No. 1 position in Secondary G-SEC trading
- 4 Years Consecutively
- 35% Inter Bank FX Managed

- Cards Issuance 31% YoY growth
- 2025
- Issuing & Acquiring Dispute 48% YoY growth

Highlights 2025

Business Centric

- 20% Core KPI Growth
- Instant Credit Card Through Subidha App
- eLAP 2nd Phase implementation
- Loan Dashboard in CORPnet
- Automated Sanction & NOC
- Instant Account Onboarding through Inhouse eKYC
- CX & FI Investment Platform-Biniyog
- Security Items Consolidation in New Retail Accounts
- Different CC Services & SP encashment through Astha

Operational Excellence

- 26 Robotics Process Implemented
- Automated Case Claim Exposure Calculation
- Automated Swift GPI status update
- Bulk Statement Download Platform
- Automated NPSB Dispute processing for RC 85
- Automated Repayment of Retail Loans
- Multiple Years TQ (till Passport expiry) in Debit Cards
- Automated MT to MX converter
- Remittance Certificate Automation
- 1 position in Secondary Government Securities

Cost Optimization

- BDT 4.10 Crore cost saved across Operations
- Saved 31 Head Count through Automation at OPS

Digital initiatives & BPR towards improved Work life balance (2025-26)

245+

Automation and process reengineering initiatives planned in 2026

Scope to accommodate additional

76

equivalent resources job

179+

Automation and process reengineering initiatives deployed as on Dec 2025;Additional head count save 31 equivalent resources job.

Ripping benefits of Automation

Card Issuance took 5 working days	Card Issuance now takes **5 Minutes through Shubidha Apps**
Trade Transaction advices was manual	Trade Transaction advices takes **Instantly**
Manual Swift message generation used to take 30 min	SWIFT STP through Finacle takes **instantly**
Account opening used to take approx. 9 to 10 days	Account opening takes **5 Min**
Positive Pay instruction used to take days	Positive Pay instruction takes **1 min**
RET & SME Loan Disbursement used to take whole day	Loan Disbursement instruction takes **2 Hours**
Secured Loan Used to take whole day	Secured Loan takes **30 Min**

STP of SDC processing In Card & CASA used to take 10 Min	STP of SDC processing In Card & CASA takes **0 Min**
Trade Regulatory Reporting used to take 3 working Day from Transaction Day	Automated Regulatory Reporting takes **Same Day**
Secured Overdraft (SOD) Closing used to take 3-4 hours	After Automation now it takes **5 Minutes**
Corporate Loan & Deposit Dashboard preparation takes 3 to 4 hours	Now it in customer's fingertips in CorpNet-**Zero Operations**
Corporate Group Exposure Reporting takes 1 day	Now it is in RU's fingertips in BIRT-**Zero Operations**
Calculating Past due & PAR report takes 3 to 4 hours daily	Now it is in RU's fingertips in BIRT-**Zero Operations**
Case Claim exposure calculation of Delinquent Borrower takes 4 to 5 hours	T-1 exposure through Power BI serves **Instantly**
Bulk Loan/Account Statement Scope	Significant TAT reduce to generate hundreds of statement in one go within **2 Minutes**

Challenges in 2026

01 Increase of Manual & Additional Activity in line with Increased Digital Transaction & New Job inclusion

02 FTR & Uneven flow

03 Regulatory compulsion for physical file preservation

04 Fx voltality –TAT impact

01 Multiple system dependency

02 Frequent Regulatory Policy Changes, Audit

03 Limited document verification capabilities apart from NID

04 Unavailability of desired training

Action Plan 2026

Digitization & Automation

- Enhance Digitized Onboarding scope - eLAP, dKYC, Agent Banking, DMS, Obichol, Auto Recon, Shubidha for CC & SP etc.
- Digitized Customer Communication-Query Modular, NOC, Swift and Docs etc.
- Reports, Disbursement & Certificates at customer end through CorpNet.
- Remittance Automation through Astha
- Customer Front End-Finaxia, Google Wallet
- Reschedule & Restructure Automation
- Credit Data Mart

Digitization & Automation

- STP for services request through RPA/API-Trade Reporting, Loan Settlements, EB A/C Onboarding, PAN BANK Dispute Settlement Transaction, Loan Doc, LDCL, LLI
- Leverage Corpnet- Salary Processing, CC Delivery Management Tool, Tool for EFT Payments in CC
- Clientele window for securities management
- AI in Student file digital onboarding and fund processing
- Automated Disbursement & Collection through EFTN Channel
- CIF MODIFICATION in Connect Plus

Efficiency Enhancement

- Integrated Trade Solution- Customer Front End, Trade Back Office with AI
- Obichol and dKYC scope enhancement
- AI Cheque Processing
- Secured Term Loan in Connect Plus
- Automated early loan Closure (Digital Loans)
- AI Implementation-sanction advice
- OCR implementation in DMS
- Credit Card onboarding using Doc AI & RPA
- Bulk Pay order, Automated DC Replacement Fees
- FX PAY Version 2
- Central Salary processing with digital solution like corpcare

Governance & Compliance

- Enterprise recon Tool
- Dashboard
- BUCO Function
- Business focused compliance culture at all level

Prantik Agent Banking System Launching Ceremony

Payments Day Out 2025 at Cox's Bazar

INFORMATION TECHNOLOGY

In 2025, BRAC Bank continued its technology led transformation journey with a strong focus on operational excellence, regulatory compliance, and customer centric innovation. Against a backdrop of rapidly evolving regulatory expectations and growing digital adoption, the Bank strategically invested in modern platforms, resilient infrastructure, and intelligent automation to strengthen its position as a forward looking financial institution.

Throughout the year, Information Technology initiatives were aligned with the Bank's broader business objectives — driving efficiency, enabling scalable growth, and enhancing customer experience across retail, corporate, and SME segments. Significant progress was achieved in core banking modernization, digital channels, payment systems, remittance processing, and enterprise platforms, ensuring seamless, secure, and compliant financial services.

By leveraging advanced technologies such as Artificial Intelligence, Machine Learning, Robotic Process Automation, and data driven architectures, the Bank accelerated straight through processing, reduced operational dependencies, and reinforced governance and risk controls. These initiatives not only improved service turnaround time and transparency but also laid a strong foundation for sustained innovation, regulatory agility, and long term digital sustainability.

Key Developments in 2025

Core Banking System

In 2025 Bank developed and deployed a robust SWIFT Message Converter with its Core Banking System, ensuring compliance and ensuring seamless, bi-directional transformation between old MT formats and ISO 20022 standard. Bank implemented a tracker to enhance SWIFT status visibility and automated Student file processing Which improved efficiency and regulatory adherence.

Bank launched new software platforms like Prantik as Agent Banking Solution to expand Bank's reach and Biniyog for Treasury Bill/Bond investments, offering customers secured and smoother investment avenues.

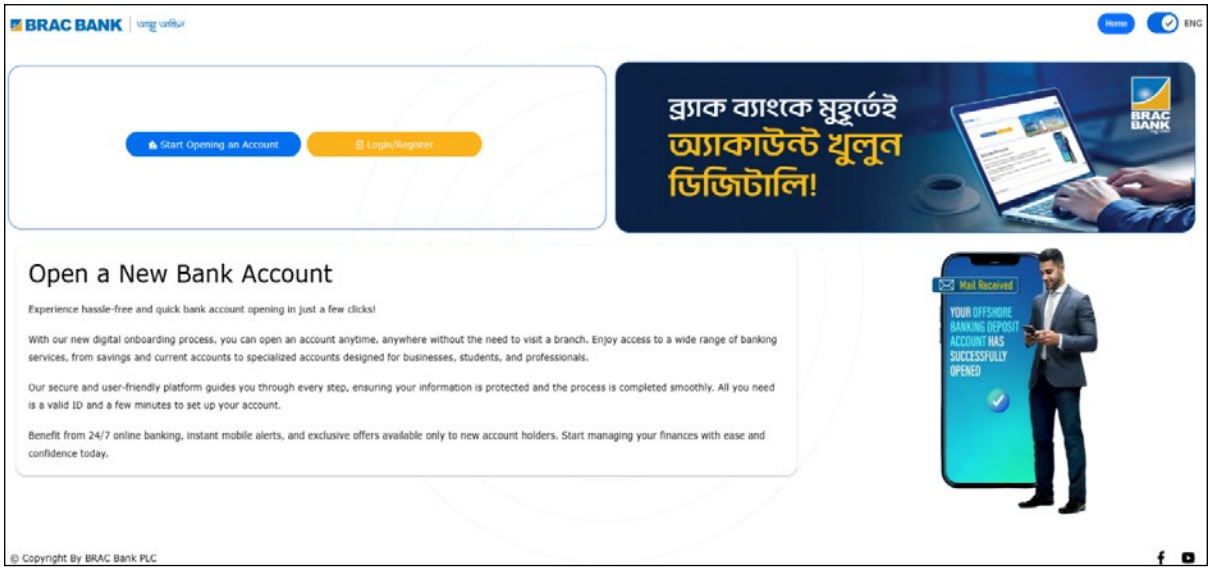
Channel digitization efforts were exemplified by the automation of Pay Orders, reducing manual processing and enhancing service speed. Bank also improved internal processing architecture by integrating incoming NPSB transactions with Bank's virtual accounts, ensuring faster reconciliation and a frictionless payment experience.

Astha

BRAC Bank's Astha internet banking application has evolved into a comprehensive digital ecosystem, growing its user base to over 1.2 million and handling a record monthly transaction volume of over BDT 2.4 trillion at the end of 2025. Building on its suite of over 140 features, the app has revolutionized user convenience with the launch of the Astha Virtual Card and Cashout ATM QR functionality, enabling secure, cardless financial management. The platform's lifestyle integration now features seamless bus ticket booking via Shohoz, specialized biller integrations for MetLife premiums, Credit card EMI payment, Shubidha and microinsurance microsite integrations, East West University and direct BRAC EPL account opening, Astha remains the most comprehensive, secure, and smart financial hub for users in Bangladesh heading into 2025.

Digital On-Boarding Platform (eKYC)

In 2025, Bank launched a fully in-house developed Digital Onboarding platform, eKYC, replacing its former partner-based solution. This strategic move provides the bank with full control over its system architecture and customer data, reducing operational and compliance risks while ensuring alignment with regulatory requirements and customer expectations. The comprehensive platform digitalizes the customer onboarding process through self-service and assisted channels to offer seamless account opening experience, enhance regulatory agility and improve long-term sustainability. Key features include an in-house OCR and transliteration module to lower operating costs and strengthen data control, a robust liveliness and face verification service for fraud prevention and impersonation risk, and a customer communication module that streamlines interactions and reduces turnaround time. With a customer-centric interface, multilingual support, real-time co-browsing assistance, onboarding via mobile or website and enhanced dashboards for both agents and customers, the platform delivers seamless, efficient, and secure onboarding experience while improving monitoring, accountability, and decision-making.



CORPnet

The bank's corporate internet banking platform, CORPnet, has been introduced with enhanced features in 2025, including 24/7 RTGS facility, A-Challan, on-site cheque printing, item wise authorisation, and advance settlement of demand draft. CORPnet has been directly integrated with the ERP systems of major corporate clients, enabling seamless and automated processing of corporate banking transactions.

BizPay

BizPay is Bank's internet banking platform for SME business clients. It offers secure, high-limit transactions and a range of advanced features, including bulk payments, Direct Debit, VAT and customs duty payments, and detailed reporting. Through BizPay, clients can manage fund transfers, RTGS, utility bill payments, and cheque inventory anytime and from anywhere, making business banking faster, smarter, and fully digital. BizPay had processed cumulative transactions amounting to more than BDT 3 Billion in 2025.

Remittance Solution & Integrations

In 2025, the Remittance System processed 3.9 million transactions worth more than BDT 240 billion, achieving 47% YoY growth and crossing USD 2,200 million in Wage Earners' Remittance. Near real-time processing (Less than a minute) enhanced customer experience. Through Bank's remittance platform, mRemit, 12 Global Partners were newly integrated and 14 re-integrated to comply with regulatory requirements, which makes 91+ active remittance partners.

SWIFT (Society for Worldwide Interbank Financial Telecommunication)

In 2025, Bank successfully migrated messages format of SWIFT ahead of mandated deadline, ensuring compliance with SWIFT and regulatory requirements. By December 2025, all incoming payment messages were fully converted to MX format, eliminating multiformat processing and avoiding additional SWIFT costs from January 2026. Operational efficiency was further enhanced through SWIFT GPI automation with scores consistently above 90% and implementation of STP for outward remittances, improving processing speed, transparency, and customer experience.

Customer 360

Bank introduced Customer 360 Application which serves as a key foundation for delivering an omnichannel customer experience by enabling seamless and consistent interactions across both digital and assisted channels. The platform supports lead identification and generation, cross-selling opportunities, and targeted customer engagement, thereby contributing directly to business growth and revenue generation. It enhances decision-making by providing improved visibility into customer behavior and engagement, while reducing reliance on multiple systems and manual data handling. Additionally, the application enables faster customer service, strengthens cross-functional coordination, and supports more personalized and effective customer interactions.

bKash 24/7 Cash Management Solution

bKash 24/7 Cash Management Solution is introduced to serve over 0.3 Mn+ bKash distributors, agents and disbursement merchants operating across the country. This innovative solution facilitates purchasing e-money and convert their bKash e-money into bank deposits through the bKash app and web portal. This service is serving 19,600+ customers successfully linking their wallets to their bank accounts. In 2025, this service committed more than 1.88 Mn successful transactions.

Country's First QR Based Cash Withdrawal Facility from ATM/CRM Terminals

BRAC Bank has introduced the first QR-based cash withdrawal facility from ATM/CRM terminals in the country. With this facility, customers can withdraw money from BRAC Bank ATM/CRM terminals using the QR code and Astha App (without a physical card).

Debit Card & ATM Management Solutions Version Upgradation

BRAC Bank has upgraded its Debit Card & ATM Management Solutions (IRIS) to its latest PCI SSF certified version 5.7. In this new version many new functionalities and security features have been implemented, and recertification has been done with different local and international payment schemes.

Virtual Debit Card Issuance

The bank has launched virtual debit card facilities by which customers can use virtual cards (without physical plastic) for E-commerce, QR purchase & QR based withdrawal transactions.

International Mastercard Debit Card Issuance

BRAC Bank has launched an International Mastercard debit card for its account holders. This multicurrency debit card on MasterCard's network offers customers a convenient and secure way to manage both local and international transactions.

Individual Staff's Service Performance through Customer Feedback using QR

BRAC Bank has implemented an assessment program for individual staff's service performance through customer feedback using a QR code-based system. This innovative industry-first mechanism will enhance service delivery through transparent, rating-driven evaluations, ultimately improving customer experience.

IT Service Management Solution

A globally accredited IT Service Management solution has been implemented across the bank to ensure data driven technology service improvement, standard delivery management model, productivity measurement.

Queue Management system

Modernized Queue Management System (QMS) across 106 branches all over Bangladesh is reflecting bank's increasing focus on customer centricity. This is also ensuring insight through detailed analytics regarding service quality and sales proposition.

Business Continuity Drill of Head Office Premises

For the first time in the Bank's history, location business continuity drill of Head Office premises was conducted in the unannounced form. All the services and operations were successfully conducted from alternate premises without compromising standard and security. This drill has heightened Bank's confidence to ensure uninterrupted customer service during any force majeure.

Technology and Infrastructure Upgrades

In 2025, Bank has made significant improvements to its technology infrastructure to ensure better reliability, security, and performance without disrupting daily operations. Bank has upgraded and replaced older equipment with new systems, moved large amounts of data smoothly to modern storage, and enhanced backup systems to keep information safe. Email and communication tools were updated for a smoother experience, and extra security measures were added to protect against online threats.

Bank has also improved network to make it faster and more dependable, benefiting both head office and branches. Advanced systems were introduced to allow for more flexible and secure management, making services more efficient and cost-effective. These efforts have strengthened technology foundation to support immediate and future business.

Process Automation and R&D

In 2025, BRAC Bank made substantial progress in its digital automation journey, focusing on enhancing operational efficiency, elevating customer experience, and implementing straight-through processing. By adopting advanced technologies—including Artificial Intelligence (AI), Machine Learning (ML), Robotic Process Automation (RPA) and comprehensive process reengineering. The bank successfully automated 25 projects across 14 departments within 11 divisions.

Noteworthy initiatives completed during this period include the Service Intelligent ChatBOT, automation of handwritten account opening form (AOF) data entry for credit cards, development of a Credit Card customer segmentation and spending behavioral dashboard, deployment of BRACBank GPT, personalized birthday email automation for Employee Banking (EB) customers, and automation of annual fee waivers for VISA Infinite Primary Credit Cards.

Conclusion

The technology initiatives undertaken in 2025 represent a significant milestone in BRAC Bank's digital transformation journey. Through deliberate modernization of core systems, expansion of digital banking ecosystems, and investment in scalable, secure infrastructure, the Bank has strengthened its operational resilience and enhanced its ability to serve customers in an increasingly digital financial landscape.

The successful implementation of in house platforms, automation projects, regulatory compliant payment and remittance solutions, and omnichannel customer engagement tools demonstrates the Bank's commitment to innovation, efficiency, and excellence. These advancements have improved transparency, accelerated processing, reduced manual intervention, and enabled personalized, data driven customer experiences across all channels.

Appointment of Chief Information Officer

A.S.M. Wasi Noman was appointed as Additional Managing Director and Chief Information Officer (CIO) with effective from March 1, 2026.

As the bank's first Chief Information Officer, Wasi Noman leads enterprise-wide technology strategy and digital innovation to strengthen operational excellence, elevate customer experience, and future-ready banking capabilities. As a member of the Management Committee, he oversees both the Technology and Digital Banking functions, ensuring strong alignment between digital initiatives and the bank's long-term strategic priorities.

Wasi Noman brings more than 25 years of distinguished leadership experience across banking, telecommunications, IT services, automation, and business process outsourcing. Throughout his career, he has held senior executive roles including Chief Information Officer, Chief Technology Officer, Chief Operating Officer, and Deputy Managing Director across leading local and global organizations. Prior to joining BRAC Bank, he served as Deputy Managing Director and Chief Information Officer at MetLife Bangladesh. Earlier in his career, he held leadership roles at Accenture, Grameenphone, GPIT, Standard Bank, Kernel Systems, and BEXIMCO Computers. He also previously served as Chief Technology Officer of BRAC Bank from 2019 to 2021.

Wasi Noman holds an MBA from the Institute of Business Administration (IBA), University of Dhaka, and a Bachelor of Science in Computer Science and Engineering from the Bangladesh University of Engineering and Technology (BUET). He has also completed an Executive MBA for Technical Professionals from Falconbury Institute, London, United Kingdom.

A.S.M. Wasi Noman
Additional Managing Director
& Chief Information Officer

Forward Looking Statement

As BRAC Bank looks ahead, the technology foundations established in 2025 position the organization to respond effectively to future regulatory changes, evolving customer expectations, and emerging technological opportunities. With a continued focus on innovation, governance, and customer centricity, the Bank remains well prepared to drive sustainable growth and deliver long term value to its stakeholders.

INFORMATION SECURITY

A critical, dedicated, and highly committed workforce focused on protecting, securing, and enhancing trust in banking operations.

BRAC Bank: A Strategic Approach to Cyber Resilience

BRAC Bank is committed to maintaining the highest standards of service quality and banking security. By integrating cybersecurity into its core defensive strategy, the bank ensures responsible banking operations for both internal and external stakeholders. As one of the first financial institutions in Bangladesh to employ an Enterprise Vulnerability Management System, BRAC Bank continues to lead the industry in technological fortitude.

Governance and Risk Management Framework

BRAC Bank has established a robust ICT Security Risk Management Framework designed to foster a risk-aware culture. This governance structure ensures that security policies are not static but evolve alongside business requirements and emerging threats.

- **Strategic Alignment:** Our strategy aligns with Bangladesh Bank's ICT guidelines and international regulatory standards.
- **Executive Commitment:** A comprehensive policy landscape serves as a formal declaration of the Management Board's commitment to securing information assets.
- **ICT Security Steering Committee:** This body oversees governance activities, ensuring that cybersecurity remains a top-tier business priority.
- **Business Continuity:** A thorough Business Continuity Planning (BCP) framework is in place to manage disaster response and ensure operational resilience.

Pioneering Advanced Defense: The Cyber Fusion Center (CFC)

BRAC Bank is the first in the Bangladeshi banking sector to establish a Cyber Fusion Center (CFC). Moving beyond the traditional Security Operations Center (SOC), the CFC integrates multiple disciplines into a single functional area:

Feature	Description
Integrated Activities	Combines Threat Intelligence, Analytics, Detection, Incident Response, and Threat Hunting.
Orchestration	Utilizes advanced automation to reduce response times and increase productivity.
Collaboration	Breaks down silos between security teams to create unified, actionable intelligence.
Forensics	Specialized capabilities for deep-dive data analysis and post-incident investigation.

Combining the Three Pillars Cybersecurity Strategy

Security by Design (SbD)

Approach that embeds security and privacy measures into a product, system, or environment from its initial conception.

Defense In-Depth (DiD)

Strategy that uses multiple security layers to protect an organization's assets, ensuring that if one control fails, another is in place to stop the threat.

Zero Trust Architecture (ZTA)

Framework that eliminates implicit trust, requiring strict, continuous authentication for every user and device—regardless of location—before granting access to resources.

Sustainable Compliance and Global Certifications

The bank consistently achieves top-tier international certifications, validating its commitment to global security benchmarks:

ISO 27001:2022: Re-certified for both Information Security Management and Technology Functions.

PCI DSS v4.0: Re-certified under the most rigorous global standard for payment card security.

SWIFT CSP 2025: Successfully validated by third-party assessors, meeting all international mandates for secure financial messaging.

Proactive Resilience and Ethical Hacking

To ensure defenses remain impenetrable, the Information Security Unit employs a "military war game" philosophy through:

- **Internal Red Teaming:** Certified ethical hackers conduct regular vulnerability assessments and penetration testing (VAPT) on all infrastructure to test the organization's detective and responsive capabilities.
- **Third-Party Validation:** Independent global firms are engaged to revalidate security controls, providing an unbiased layer of assurance.
- **Advanced Threat Prevention:** Implementation of behavior-based static analysis to thwart zero-day attacks, prevent data leakage, and mitigate insider threats.

Cultivating a Risk-Aware Culture

Recognizing that the human element is a critical line of defense, BRAC Bank invests heavily in Cybersecurity Awareness:

- **Internal Training:** Regular seminars, awareness sessions, training, e-books, and interactive campaigns for employees.
- **Customer Protection:** Continuous engagement with clients via SMS, banners, festoon, TVC, website, mobile apps. and email to educate them on the latest fraud trends and digital safety.

Cybersecurity as a Business Enabler

For BRAC Bank, cybersecurity is not a destination but a continuous journey. By transforming security from a defensive cost center into a business enabler, we support sustainable growth while remaining prepared for the next wave of sophisticated cyber threats.

DIGITAL BANKING

25 YEARS OF TRUST, NOW POWERED BY YOUR TOUCH

Accelerating Digital Transformation: Building the Bank of the Future

As we reflect on the financial year 2025, BRAC Bank's digital banking journey stands out as a story of transformational growth, customer-centric innovation, and sustained market leadership. We have not only solidified its position as a market leader but has also redefined the landscape of digital financial services in Bangladesh. With a registered customer base surpassing one million our flagship platform, Astha, has not only become the primary banking touchpoint but has also redefined how financial services are delivered and experienced in Bangladesh.

The year was marked by several breakthrough achievements. Astha processed a monumental transaction volume of nearly BDT 2,400 billion, reflecting deep customer trust and engagement. Our digital platforms now drive 85% of the Bank's total transaction count a clear indicator of the widespread adoption of our seamless and secure banking ecosystem.

A significant milestone was the exponential growth in digital lending, with 40% of digital loans now being self-generated and disbursed by customers - a testament to the intuitive design, accessibility, and advanced automation of our platform. This has empowered customers with instant, paperless access to credit, reinforcing our leadership in the digital lending space.

Beyond banking, we expanded our service portfolio to include essential payments and non-financial services such as NPSB, TIN updates, and digital PSR submissions - enhancing convenience while strengthening regulatory compliance for our customers.

Innovation remained at our core. In FY 2025, we launched Bangladesh's first digital micro-insurance product extending financial protection to previously underserved segments. We also introduced 24x7 SME loan collections and enabled digital access to Government Bonds- initiatives that set new industry benchmarks.

Our digital foundation was further strengthened by strategic projects including Digital Signature, Trade Solutions, AML, and ALM platforms - ensuring robustness, security, and scalability. The completion of strategic digital projects in 2025 underscores our relentless pursuit of excellence and innovation.

As we move forward, BRAC Bank remains committed to leveraging technology to drive financial inclusion, enhance customer experience, and contribute to the digitalization of Bangladesh's economy. The achievements of FY 2025 are not just milestones but steppingstones toward building a more accessible, innovative, and future-ready bank.

CORPORATE GOVERNANCE

CERTIFICATION ON CORPORATE GOVERNANCE

Mohammad Sanaullah & Associates
Chartered Secretaries & Management Consultants

Report to the Shareholders of BRAC Bank PLC on Compliance of Corporate Governance Code

Certificate as per condition No. 1(5)(xxvii) of the BSEC Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by BRAC Bank PLC for the year ended on December 31, 2025. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the Bank. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Bank has complied with the conditions of the Corporate Governance Code as Stipulated in the above-mentioned Corporate Governance Code issued by the Commission subject to the remarks as reported in the Status of Compliance Statement;

(b) The Bank has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the Bank as required under the Companies Act, 1994, the Securities laws and other relevant laws; and

(d) The governance of the Bank is satisfactory.

For: **Mohammad Sanaullah & Associates** **April 26, 2026**

Mohammad Sanaullah FCS
CEO & Lead Consultant

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CORPORATE GOVERNANCE COMPLIANCE STATUS

(As per Condition No. 1(5)(xxvii)

Status of Compliance with the conditions imposed through Bangladesh Securities and Exchange Commission's (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 as published in the official gazette on 10.06.2018 (amended up to 04.04.2024 as published in the official gazette on 29.04.2024) issued under Section 2CC of the Securities and Exchange Ordinance, 1969:

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1	**Board of Directors-**			
1(1)	Size of the Board of Directors The total number of members of the company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		The Board of BRAC Bank PLC. is composed of 8 Directors as on December 31, 2025
1(2)	**Independent Directors**			
1(2) (a)	At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√		As on December 31, 2025, there are (7) seven Independent Directors in BRAC Bank Board.
	Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company;	√		As on December 31, 2025, among (7) seven Independent Directors, there are (3) three female Independent Directors in BRAC Bank Board.
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of this clause an "independent director" means a director-			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company.	√		Independent Directors have declared their compliances.
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	√		Do
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		Do

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		Do
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	√		Do
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market.	√		Do
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		Do
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies	√		Do
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and	√		Do
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the Company;	√		Do
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994. Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	√		
1(3)	**Qualification of Independent Director**			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3)(b)	Independent director shall have following qualifications:			

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	√		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	√		1. Faruq M. Ahmed 2. Salek Ahmed Abul Masrur 3. Chowdhury MAQ Sarwar
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organizations where he or she is in service; or	√		Ms. Lila Rashid was Executive Director of Bangladesh Bank
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		Dr. Zahid Hussain was Lecturer in Boston University, Boston, USA
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		1. Ms. Anita Ghazi Rahman 2. Ms. Farzana Ahmed
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not Applicable as no special case arose
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		Chairperson of the Board and Managing Director & CEO are different individuals
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	**The Directors' Report to Shareholders** The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-			
1(5)(i)	An industry outlook and possible future developments in the industry	√		As stated in the Director's Report
1(5)(ii)	The segment-wise or product-wise performance;	√		Do
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		Do
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		Do
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		Do
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Do
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			No recent public issue. Right share was issued in 2008 & 2014 by the bank.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			No Such Cases
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			Not applicable
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		As stated in the Director's Report
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		Do
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		Do
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		Do

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		Do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		Do
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		Do
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		Do
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		Do
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		Do
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;			Declared 30% (cash 15% and Stock 15%) Dividend
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			Not Applicable
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√		As stated in the Director's Report
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		As stated in the Director's Report
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		Do
1(5)(xxiii)(c)	Executives; and	√		Do
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		Do
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	A brief resume of the director;	√		As stated in the Director's Report
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	√		Do
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		Do

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		As stated in the Director's Report
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		Do
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		Do
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		Do
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		Do
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		Do
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		Do
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	√		Declaration included in the Annual Report
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	√		Certificate duly disclosed in the Annual Report
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	√		
1(6)	**Meeting of the Board of Directors** The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		The responsibility related to NRC (as described in CG Code-2018) has been entrusted to the audit committee formed by the Board of directors as per BRPD Circular 21, dated May 12, 2024

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		Do
2	**Governance of Board of Directors of Subsidiary Company.**			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	√		Do
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	√		In Practice
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	√		Do
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	√		Do
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		Do
3	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).**			
3(1)(a)	Appointment The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		In practice
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		Do
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed Company may be appointed for the same position in any other listed or non-listed Company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies Proportionately;	√		Not Applicable
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			Not Applicable

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters	√		As in practice
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		Stated in the certificate of Due Diligence by CEO and CFO
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		Do
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		Do
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		Disclosed in the Annual Report
4	**Board of Directors' Committee.** For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee; and	√		As in practice
4(ii)	Nomination and Remuneration Committee.	-		The responsibility related to NRC (as described in CG Code-2018) has been entrusted to the audit committee formed by the board of directors of the bank as per BRPD Circular 21, dated May 12, 2024
5	**Audit Committee.**			
5(1)	**Responsibility to the Board of Directors.**			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		In practice
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		Do
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		The Audit Committee is comprised of 4 (four) Independent Directors
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (Sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			Not Applicable
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		In practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		In practice
5(3)	**Chairperson of the Audit Committee**			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		The Chairman of the Audit Committee selected by the Board from the Independent Directors
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		Not Applicable
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM). Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		Present at the last AGM.
5(4)	**Meeting of the Audit Committee**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√		During the year Audit Committee conducted Nine Meetings

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	**Role of Audit Committee** The Audit Committee shall:			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	Monitor choice of accounting policies and principles;	√		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			Not applicable
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	Reporting to the Board of Directors			

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	report on conflicts of interests;			Not applicable
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			Do
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Do
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Do
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			Not applicable
5(7)	**Reporting to the Shareholders and General Investors** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		Disclosed in the Annual Report
6	**Nomination and Remuneration Committee (NRC).**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;			The responsibility related to NRC (as described in CG Code-2018) has been entrusted to the audit committee formed by the board of directors of the bank-company as per BRPD Circular 21, dated May 12, 2024
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			Do

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).			Do
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;			Do
6(2)(b)	At least 02 (two) members of the Committee shall be non-executive directors;			Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			Do
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			Do
6(2)(f)	The Chairperson of the Committee may appoint or coopt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			Do
6(2)(g)	The company secretary shall act as the secretary of the Committee;			Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			Do
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.			Do
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			Do
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.			Do
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;			Do

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			Do
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			Do
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			The responsibility related to NRC (as described in CG Code-2018) has been entrusted to the audit committee formed by the board of directors of the bank-company as per BRPD Circular 21, dated May 12, 2024.
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			Do
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			Do
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			Do
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			Do
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;			Do
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			Do

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;			Do
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			Do
7	**External or Statutory Auditors.**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	**Maintaining a website by the Company.**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		Company website is duly linked with the website of the stock exchanges.
8(2)	The company shall keep the website functional from the date of listing.	√		As in practice
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		As in practice

Condition No.	Title	Compliance Status (Put√ in the appropriate column)		Remarks
		Complied	Not complied	
9	**Reporting and Compliance of Corporate Governance.**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		The Certificate of Compliance obtained from Mohammad Sanaullah & Associates is duly disclosed in the Annual Report
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		Mohammad Sanaullah & Associates is duly appointed by the shareholders in the AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		The status of compliances is duly published in the Directors' Report

CORPORATE GOVERNANCE REPORT

Bank's governance approach

BRAC Bank PLC places strong emphasis on good corporate governance, transparency, and ethical business practices. The Bank is committed to complying with all regulatory requirements and aligning its governance standards with international best practices to ensure sustainable growth in a competitive financial environment.

Board Governance Structure

The Board of Directors provides strategic direction and oversees governance practices, including appointing Board Committees and senior management, and setting the Bank's strategic objectives. Management implements Board-approved policies and procedures, while risk management and support functions operate independently to safeguard the Bank's interests.

Adhering to governance principles

The Board regularly reviews the Bank's performance, strategy implementation, and regulatory compliance. It ensures fiduciary responsibilities are met through credit impact assessments, business plan approvals, and ongoing oversight based on reports from the Managing Director & CEO.

Promoting Active Governance

The Board oversees strategic planning, risk management, internal controls, compliance, and stakeholder engagement, while management executes the approved strategies. Clear segregation of duties ensures effective governance. In 2025, the Bank further strengthened its commitment to anti-corruption, anti-money laundering, and ethical standards across the organization and its subsidiaries

Concentrated governance in a restorative setting

Overview

The BRAC Bank Board remains committed to meeting stakeholder expectations and fulfilling its responsibilities with integrity. In addition to financial oversight, the Board addresses governance, CSR, and corporate ethics in line with regulatory requirements, including the Corporate Governance Code.

As a listed company, BRAC Bank complies with the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) and discloses its governance practices in the Annual Report. Compliance is independently certified by a Practicing Professional Accountant/Chartered Secretary, and the Compliance Certificate is included in this report

Compliance Framework on Corporate Governance

Regulatory Requirements	Internal Frameworks	Standards for Best Practices
Bank Company Act 1991 (with subsequent amendments)	Articles of Association	Bangladesh Secretarial Standards (BSS) issued by Institute of Chartered Secretaries of Bangladesh (ICSB)
Companies Act, 1994 (with subsequent amendments)	Code of Conduct of Board of Directors	International Financial Reporting Standards (IFRSs)
Bangladesh Bank Circulars/ Circular Letters	Corporate Governance Policy of BRAC Bank PLC.	BSEC Financial Reporting and Disclosure dated: June 20, 2018
Bangladesh Securities and Exchange Commission Directives, Rules & Circulars	Charter of Sub-committee of Board	
Corporate Governance Code, 2018 (with subsequent amendments) of BSEC	Dividend Distribution Policy of BRAC Bank PLC.	
Dhaka Stock Exchange (Listing) Regulation, 2015	Principles on Disclosure of Price Sensitive Information (PSI) and Material Information (MI) of BRAC Bank PLC.	

Regulatory Requirements	Internal Frameworks	Standards for Best Practices
Chittagong Stock Exchange (Listing) Regulation, 2015		
CDBL Bye Laws		
Capital Market Stabilization Fund Rules, 2021		
Income Tax Act, 2023		
Financial Reporting Act, 2015		

Ethics and Business Code of Conduct

BRAC Bank upholds high ethical standards and promotes a culture of transparency and integrity. Guided by its core values, policies, and Board-approved Code of Conduct, employees are required to maintain ethical behaviour in all dealings with stakeholders. The Code outlines the Bank's vision, values, and expected conduct, serving as the foundation for performance and accountability.

Benchmarking with the Banking industry

BRAC Bank applies strong governance principles to ensure sustainability and long-term growth. Its governance framework complies with the Bank Companies Act, 1991 (amended 2023), the Companies Act, 1994, Bangladesh Bank guidelines, and the Corporate Governance Code of the Bangladesh Securities and Exchange Commission, while aligning with international best practices

Board of Directors

Size of the Board

The Board of Directors of BRAC Bank consists of 07 members, excluding the Managing Director & CEO. Among the Directors, 6 (six) are Independent Directors & only 1 (one) is Nominated Director. Present Board membership is given below:

Name of Directors	Position
Mr. Meheriar M. Hasan	Chairperson
Mr. Faruq M. Ahmed	Vice-Chairperson, Independent Director
Dr. Zahid Hussain	Independent Director
Mr. Salek Ahmed Abul Masrur	Independent Director
Ms. Anita Ghazi Rahman	Independent Director
Mr. Chowdhury MAQ Sarwar	Independent Director
Ms. Lila Rashid	Independent Director

Board Meeting Attendance:

Name of Directors	Position	Presence of the Director in the meeting during their tenure		
		No. of meetings	Present	Absent
Mr. Meheriar M. Hasan	Chairperson	16	14	2
Mr. Faruq M. Ahmed	Vice-Chairperson & Independent Director	16	14	2
Mr. Asif Saleh	Director	8	6	2
Ms. Farzana Ahmed	Independent Director	16	9	7
Dr. Zahid Hussain	Independent Director	16	16	-
Mr. Salek Ahmed Abul Masrur	Independent Director	16	12	4
Ms. Anita Ghazi Rahman	Independent Director	16	13	3
Mr. Chowdhury MAQ Sarwar	Independent Director	16	16	-
Ms. Lila Rashid	Independent Director	16	16	-

NB: Mr. Asif Saleh retired from the Board on June 19, 2025.

Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

Composition of Board Committees

The Board of BRAC Bank is capable and visionary. Directors have a wide range of local and international experience, skills and expertise to support decision-making and leadership for the benefit of the company's shareholders.

Name of Directors	Status in the Board	Executive Committee	Audit Committee	Risk Management Committee	Subsidiaries Board
Mr. Meheriar M. Hasan	Chairperson				BRAC Saajan Exchange Limited
Mr. Faruq M. Ahmed	Vice-Chairperson, Independent Director	Chairperson			
Dr. Zahid Hussain	Independent Director		Member	Member	Director of BRAC EPL Investment Ltd. BRAC EPL Stock Brokerage Ltd BRAC Saajan Exchange Limited
Mr. Salek Ahmed Abul Masrur	Independent Director	Member		Chairperson	
Ms. Anita Ghazi Rahman	Independent Director	Member			Director of bKash Limited
Mr. Chowdhury MAQ Sarwar	Independent Director		Chairperson		
Ms. Lila Rashid	Independent Director		Member	Member	
Mr. Tareq Refat Ullah Khan	Managing Director & CEO				Director of BRAC EPL Investment Ltd. BRAC EPL Stock Brokerage Ltd BRAC Saajan Exchange Ltd bKash Ltd

Representation in Associated Company (BRAC IT Services Limited)

Ms. Anita Ghazi Rahman	Independent Director	Director of BRAC IT Services Ltd.

Bank's policy on appointments of Directors

The bank complies with the laws, rules, and regulations set by regulatory authorities for the appointment and disclosure of Directors, including their departures. Directors are appointed in accordance with the Bank Companies Act, Bangladesh Bank guidelines, the Companies Act, 1994, and the Bangladesh Securities and Exchange Commission Act, Rules, and Regulations. The profiles of Directors and their involvement in other organizations are appropriately presented in the Annual Report and on the bank's website, with updates communicated to regulatory bodies. This information is also disclosed at the Annual General Meeting.

Qualifications and Eligibility of a Director

For appointment as a director in BRAC Bank PLC, an individual must comply with the following qualifications and eligibility criteria:

(a) The relevant individual must have at least 10 (ten) years of management or business or professional experience; The experience of an individual; gained before the age of 18 (eighteen), shall not be taken into consideration;

(b) The minimum age of the relevant individual shall be 30 (thirty) years other than Independent Director;

(c) He/she has not been convicted of any criminal offense, neither involved in any fraud, financial crime, or any other illegal activities at present nor in the past;

(d) There are no adverse observations/comments regarding him/her in any of the verdict published by criminal or civil court;

(e) He/she has not been convicted for violation of any rules, regulations, policies, or laws of any regulatory authority related to the financial sector;

(f) He/she was not associated with any company/ entity whose registration/license has been revoked or the entity has been liquidated;

(g) He/she is not a loan defaulter for any loan taken from any bank/financial institutions in his/her name or in the name of any entities related to him/her;

(h) He/she does not hold the position of director or advisor/consultant or any other beneficial position in any other bank-company, financial institution, insurance company, or subsidiary company of those companies;

(i) He/she does not hold the position of external auditor, legal advisor, advisor, consultant, or in any other beneficial position of the same bank-company;

(j) He/she has not been declared insolvent by a court at any time;

(k) He/she is not a tax defaulter personally or for his sole proprietorship or partnership firm;

(l) In case of being employed in any position in the relevant bank company, a tenure of 5 (five) years must be passed after his/her resigning from the post;

(m) If he/she was listed as a willful defaulter by any bank or financial institution established under the Finance Company Act, 2023, he/she shall not be eligible to become director of any bank until the expiration of 5 (five) years tenure of being removed from that list.

Board Diversity

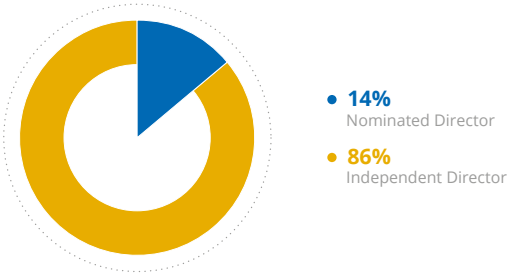
To ensure strong governance, the Bank maintains a balanced Board with appropriate skills, experience, and diverse perspectives aligned with its size, complexity, and risk profile.

Director appointments and re-appointments are based on qualifications, expertise, performance, contributions to Board deliberations, and adherence to governance standards.

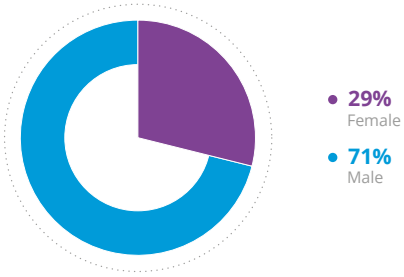
The Board includes members from diverse educational and professional backgrounds—such as finance, banking, law, economics, IT, risk management, agriculture, and business—to support the Bank's strategic interests.

The Bank follows fair, transparent selection practices and maintains zero tolerance for discrimination of any kind

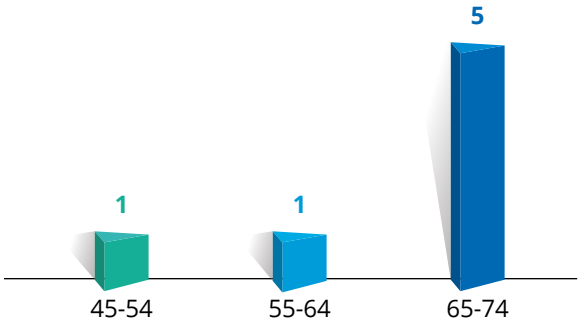
Type of Director



Gender diversity



No. of Directors By Age



Independent Directors

"Independent Director" means a person who is independent of the management and shareholders of the banking company and who gives his opinion only in the interest of the banking company." with whom no past, present or future real interest or apparent interest is involved with the Bank or any person associated with the Bank.

As per Bank Company Act 1991 (amended up to 2023) an independent director will be such a person who is different from the director/ share holder of a bank company having no affiliation/ personal interest with the bank or its related parties in the past/ present or even in the future. A board of directors of maximum twenty (20) members must have minimum three (03) independent directors.

On the other hand, the number of independent directors will be minimum two (02) for the board of directors having less than twenty (20) members.

BRAC Bank consists of 07 members, Among the Directors, 6 (six) are Independent Directors & only 1 (one) is Nominated Director and complies with the Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission (BSEC) and the Bank Companies Act, 1991, and the Bangladesh Bank's guidelines for appointment of Independent Directors.

Criteria for Appointment of Independent Director:

"Independent Director" of BRAC Bank PLC means a director

- who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;
- who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;
- who has not been an executive of the company in immediately preceding 2 (two) financial years;
- who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;

- who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;
- who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;
- who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;
- who is not independent director in more than 5 (five) listed companies;
- who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and
- who has not been convicted for a criminal offence involving moral turpitude;

Qualifications

Qualifications are ensured as per the Corporate Governance Code, dated June 03, 2018 and Directive ref: BSEC/CMRRCD/2023-429/67; dated October 18, 2023 issued by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank BRPD Circular no. 03 dated February 14, 2024 and BRPD Circular Letter no. 33 dated July 18, 2024.

Independent directors are knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.

As per Bangladesh Bank Guidelines , the following qualifications are ensured :

(a) To be appointed as an independent director, the relevant individual must have a minimum of 10 (Ten) years experience in management/business/ professional.

(b) For carrying out the duties as an independent director, the relevant individual must be at least 45 (forty-five) years old and a maximum of 75 (seventy-five) years of age.

(c) He/she must hold a graduate/postgraduate degree in Economics, Banking, Finance, Business Administration, Law, Accounting, or Cost Accounting from any recognized university.

(d) Experienced teachers of the Faculty of Business Studies or Business Administration, Management, Law, and Information Technology of government or private or autonomous universities, individuals engaged in legal professions, individuals with professional degrees in accounting, experienced bankers and officials from the Ministry of Commerce, the Finance Division and Financial Institutions Division of the Ministry of Finance, the Ministry of Industry, and the Law Ministry are given priority.

(e) No individual who is/was/will be involved in any actual or apparent interest in any bank or bank-related person in the past, present, or future shall be eligible to be an independent director of that bank.

(f) No family members of the individual nominated to be appointed as independent director shall hold shares in the respective bank company or be appointed to any profitable position in the said bank company.

(g) An individual nominated as an independent director cannot serve as a director on behalf of any other bank company, financial institution established under the Finance Company Act, 2023, insurance company, or any subsidiary company of such companies. Furthermore, nominated independent directors cannot serve as directors on behalf of a company or institution that exercises control, joint control, or significant influence over the bank, financial institution, or insurance company.

(h) The nominated independent director has not been involved in any illegal activities in banking or during his/her own profession.

(i) The nominated independent director has not ceased payment to any creditor, has not been exempted from collection of dues through a compromise with the creditor, or is not a loan defaulter.

(j) A nominated independent director cannot be a tax defaulter.

Independent Directors on the Board and the disclosure or affirmation of their status by the Board

Independent Directors declare their independency in the form of "Fit and Test". Pursuant to the Notification of Bangladesh Securities and Exchange Commission, an Independent Director on the bank's Board meets the requisite to be an Independent Director.

Professional Background of Independent Directors

BRAC Bank complies the qualification for appointing Independent Directors with the Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank Guidelines.

The Independent Directors of BRAC Bank PLC are knowledgeable individuals with integrity and able to ensure compliance with financial laws, regulatory requirements and corporate laws. BRAC Bank has 6 (Six) Independent Directors with utmost experience and qualifications given as follows;

Name of the Independent Director	Professional Background	Educational Background	Role in the Board
Mr. Faruq M. Ahmed	Mr. Faruq M. Ahmed led Trust Bank PLC as its Managing Director and CEO from February 2018 to February 2021. Before taking up the position, he served as the Additional Managing Director of the bank. Before joining Trust Bank PLC, Mr. Ahmed served as the Additional Managing Director of The City Bank Limited and held the position of Chief Risk Officer and CAMLCO at that bank. He also served Mercantile Bank and AB Bank Limited as Deputy Managing Director. He is the founder Chairperson of the Association of Anti Money Laundering Compliance Officers of Banks in Bangladesh and a life member of the Bangladesh Economic Association.	MSS in Economics, University of Dhaka	Vice-Chairperson of the Board of Directors and Chairperson of the Board Executive Committee
Dr. Zahid Hussain	Dr. Zahid Hussain served as a consultant in World Bank's Dhaka office from July 01, 2019 to June 30, 2020. He also served as a Lead Economist in the same office from May 01, 1995 to June 30, 2019. Dr. Hussain was also engaged as a Lecturer in Boston University, the University of Massachusetts Boston, and Framingham State College, Framingham, Massachusetts, in the US during 1987- 1992. He obtained his PhD in Economics from Boston University in 1992. Further, he completed his MA in Political Economy from Boston University in 1987. He earned his MBA from the Institute of Business Administration, Dhaka University, in 1979.	Ph.D. in Economics from Boston University, Master of Arts in Political Economy from Boston University, USA Master of Business Administration from Institute of Business Administration, Dhaka University, Bangladesh	Board Member and member of Board Audit Committee and Board Risk Management Committee

Name of the Independent Director	Professional Background	Educational Background	Role in the Board
Mr. Salek Ahmed Abul Masrur	Mr. Masrur is a seasoned Banker with 36 years of Banking Experience in Bangladesh and International market in senior positions. he was the Chief Executive Officer of the Consolidated Tea & Lands Co. (Bangladesh) Limited (known as Finlay Tea). Mr. Masrur was the Country Head of Bank Alfalah, Bangladesh from 2009 to 2019, the longest-serving CEO of any Foreign Bank. He served as Global Head of Origination and Client Coverage Islamic Banking at Standard Chartered Bank, UAE. He was also the Director Portfolio Management of Standard Chartered Bank, Singapore from Sept 2005 to June 2007. He served as Head of Client Relationship from 2002 to 2005 at Standard Chartered Bank, Bangladesh, and as Head of Corporate Banking of Citibank NA, Bangladesh from 2000 to 2001. He also served as the Head of Corporate Banking in Standard Chartered Bank from 1995 to 1999	MBA, The University of Tennessee, USA, BBA, The Tri-State University of Indiana	Board Member and Chairperson of Board Risk management Committee and Member of the Board Executive Committee
Ms. Anita Ghazi Rahman	With 21 years PQE, Ms. Anita Ghazi Rahman is a qualified barrister and Senior Advocate of both tiers of the Bangladesh Supreme Court. She is the Founder & Managing Partner of The Legal Circle, a law firm; the Founder Editor of Think Legal Bangladesh (www. thinklegalbangladesh. com - the first of its kind, free open and crowd-sourced web-based legal resources platform), as well as the Founder and Publisher of Legal Circle Law Reports (LCLR). Ms. Anita Ghazi qualified as an Advocate in Bangladesh in 2004, as an Advocate of the High Court Division of Bangladesh Supreme Court in 2006 and as Advocate of the apex Court, the Appellate Division of the Bangladesh Supreme Court in 2018.	LL.B. (Honours), University College London (UCL), University of London. BAR Vocational Course from College of Law, London	Board Member and Member of the Board Executive Committee
Mr. Chowdhury MAQ Sarwar	Mr. Sarwar is a distinguished banker with 36 years of diverse experience in both international and domestic banks. He was the longest serving CAMLCO, having served in Citibank NA, Standard Chartered and Eastern Bank PLC in that role. He was also a past Chairman of Anti Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB). Mr. Sarwar served as Deputy Managing Director & Head of Internal Control and Compliance at Eastern Bank PLC from 2018 to 2019, where he oversaw the Internal Audit, Monitoring and Compliance functions. He worked as a Consultant to Islami Bank Bangladesh PLC from 2015 to 2018 in AML/ CFT Remediation Project and helped implement the recommendations made by reputed international risk consulting firm, Kroll engaged by IBB to help transfer global best practices	Bachelor of Commerce and Masters in Management from the University of Dhaka.	Board Member and Chairperson of the Board Audit Committee

Name of the Independent Director	Professional Background	Educational Background	Role in the Board
Ms. Lila Rashid	Ms. Lila is a retired Executive Director of Bangladesh Bank, the central bank of the country. Currently, she is a member of the General Body and Governing Body of PKSF by the Government. She is currently engaged in a research project titled "Gender Gap in Financial Inclusion in Bangladesh" as Financial Inclusion Specialist that is funded by the Bill & Melinda Gates Foundation and managed by Center for Research and Development (CRD), Bangladesh. During her career, she worked in different departments of the Bangladesh bank in various capacities. Her notable contributions include formulating policies for the microfinance sector and helping the government establish Microcredit Regulatory Authority (the MRA). In 2008, she was honored with the 'Gold Medal' by Bangladesh Bank for her exceptional performance and contributions on a national scale. Additionally, she was granted a scholarship by Bangladesh Bank in 1998 to pursue her MBA at the University of New Orleans, U.S.A.	PhD (Microfinance), Jawaharlal Nehru University, India and MBA, University of New Orleans, USA. M.Sc in Physics, University of Dhaka.	Board Member and Member of the Board Audit Committee and Board Risk Management Committee

Induction of Directors at BRAC Bank

Director appointments at BRAC Bank PLC follow the "Fit and Proper" criteria under the Bank Company Act, 1991 (amended 2023), Bangladesh Bank BRPD Circulars, and BSEC directives.

Directors must be at least 30 years old (45 for Independent Directors) with a minimum of 10 years' professional or business experience, preferably in relevant fields. Board size is capped at 20 members, with no more than three from the same family, and at least one-fifth must be Independent Directors as per BSEC guidelines.

Directors may serve up to 12 consecutive years, while Independent Directors serve a maximum of six years. Loan defaulters, tax evaders, and active political figures are disqualified. The Managing Director/CEO is appointed based on strong qualifications and banking experience.

Responsibilities, Duties and Accountabilities of Independent Directors:

As per the BRPD circular of Bangladesh Bank; the Independent Directors of BRAC Bank PLC comply the following responsibilities;

- He/she will ensure proper compliance with the Bank Company Act, 1991, and other acts, rules and regulations relevant to the management of the bank.
- He/she will appropriately inform Bangladesh Bank of any information regarding violation of the Bank Company Act, 1991, or any other Act/regulation by the board of directors.
- He/she will participate in board meetings and provide thoughtful opinions on the memorandum presented at board meetings. If any memorandum is presented by the independent director, it must be considered important by the board.
- If he/she is included in any sub-committees of the board he/she will properly fulfill the roles, responsibilities, and directives of those committees' as member.

- If the opinion of the independent director is not given appropriate importance by the board or its sub-committees, or if any inappropriate practice is observed in banking operations, he/she will inform the Banking Regulation and Policy Department, including the Banking Supervision Department of the Bangladesh Bank, in writing.
- If any complaint is substantiated against the independent director or if adverse opinions regarding negligence in his/her duties are found in any inspection conducted by the Bangladesh Bank, action will be taken against him/her in accordance with the Bank Company Act, 1991.
- The Chairman of the Audit Committee must be elected from the independent directors. The term of the Chairman/President of the Audit Committee shall be three (3) years. An independent director cannot hold the position of Chairman/President of the Audit Committee consecutively for two terms.
- He/she shall always strive for the protection of the interests of depositors and ordinary shareholders (excluding directors) on the board.
- Ensure compliance with the Bank Company Act, 1991 and all relevant laws and regulations.
- Inform Bangladesh Bank of any violations by the Board.
- Actively participate in Board meetings and provide independent opinions; memoranda presented by an Independent Director must receive due consideration.
- Properly perform duties if serving on any Board sub-committee.
- Report in writing to Bangladesh Bank if their views are ignored or if any irregularities are observed.
- Be subject to action under the Bank Company Act, 1991 for proven negligence or adverse inspection findings.
- The Audit Committee Chair must be elected from Independent Directors for a three-year term and cannot serve two consecutive terms.
- Safeguard the interests of depositors and general shareholders

Appointment of Directors (Chairperson, Board of Directors and Managing Director & CEO)

BRAC Bank complies with the regulations of Bangladesh Bank, BSEC, and the Companies Act, 1994 for appointing Directors. Generally, Directors (except Nominated, Independent, or Alternate Directors) must individually hold at least 2% shares; however, as there are no Sponsor/Shareholder Directors on the Board, this requirement does not apply.

Under the Companies Act, 1994, one-third of Directors retire by rotation and may seek reappointment at the AGM. As per the Bank Company Act, 1991 (amended 2023), Directors may serve up to 12 consecutive years with prior approval of Bangladesh Bank. Independent Directors are not subject to rotation and are appointed with prior approval of BSEC and Bangladesh Bank, for a three-year term extendable once.

The Managing Director & CEO is appointed with prior approval of Bangladesh Bank, subject to meeting the "Fit and Proper" criteria

Duality of the Chairperson of the Board of Directors and the Managing Director & CEO

The position of the Chairperson of the Board and the Managing Director & CEO are filled by two different individuals. This has been in practice since inception of BRAC Bank. The Board has clearly defined the respective roles and responsibilities of the Chairperson and the Managing Director & CEO. In fact, this represents one of the key responsibilities of the bank's Board.

The Chairperson of the Board approves the agenda of the Board meetings, assisted by the Managing Director and the Company Secretary. Regular agenda items include approving credits proposals beyond the CEO's authority and policy approval, financial performance, Risk review, human resources policy, strategy and other approval agenda.

On the other hand, Managing Director & CEO, being the Head of Management team, is accountable to the Board and its committees to run and manage the Bank

in accordance with the prescribed policies, principles and strategies established by the Board and rules, regulations and guidelines from the Central Bank, Bangladesh Securities and Exchange Commission and other regulatory authorities. Management's primary responsibilities are to:

- Manage the operation of the Bank safeguarding interest of customers and other stakeholders in compliance with the highest standards of ethics and integrity;
- Implement the policies and strategic direction established by the Board;
- Establish and maintain a strong system of internal controls;
- Ensure Bank's compliance with applicable legal and regulatory requirements.

As the Chairperson of the Board or Chairperson of any committee formed by the Board or personally possessing the jurisdiction to apply policymaking or executive authority, he/she shall not participate in or interfere in the administrative or operational and routine affairs of the Bank.

At BRAC Bank, the roles of Chairperson and Managing Director & CEO are held by separate individuals, ensuring clear division of responsibilities. The Board defines their respective roles.

The Chairperson oversees Board matters, approves meeting agendas (with support from the MD & CEO and Company Secretary), and leads discussions on major credit approvals, policies, financial performance, risk, HR, and strategy.

The Managing Director & CEO heads management and is accountable to the Board for running the Bank in line with approved policies and regulatory requirements. Key responsibilities include managing operations with integrity, implementing Board-approved strategies, maintaining strong internal controls, and ensuring legal and regulatory compliance.

The Chairperson does not interfere in the Bank's day-to-day administrative or operational matters

Board of Directors' Meeting

The Board of Directors meets regularly, usually once a month, with additional meetings held when necessary. Meeting notices and board papers are circulated at least seven days in advance. Leaves of absence are duly recorded as per the code of conduct.

In accordance with the Bank's Articles of Association and Bangladesh Secretarial Standard–1, the Chairperson presides over meetings once quorum is confirmed, ensuring adequate discussion of all agenda items. The Company Secretary, CFO, and Head of Internal Control and Compliance attend the meetings, and relevant senior management members are invited as needed. Minutes and records are maintained in compliance with applicable Bangladesh Secretarial Standards issued by the Institute of Chartered Secretaries of Bangladesh

In 2025, a total of 16 Board meetings were held, with attendance records as follows:

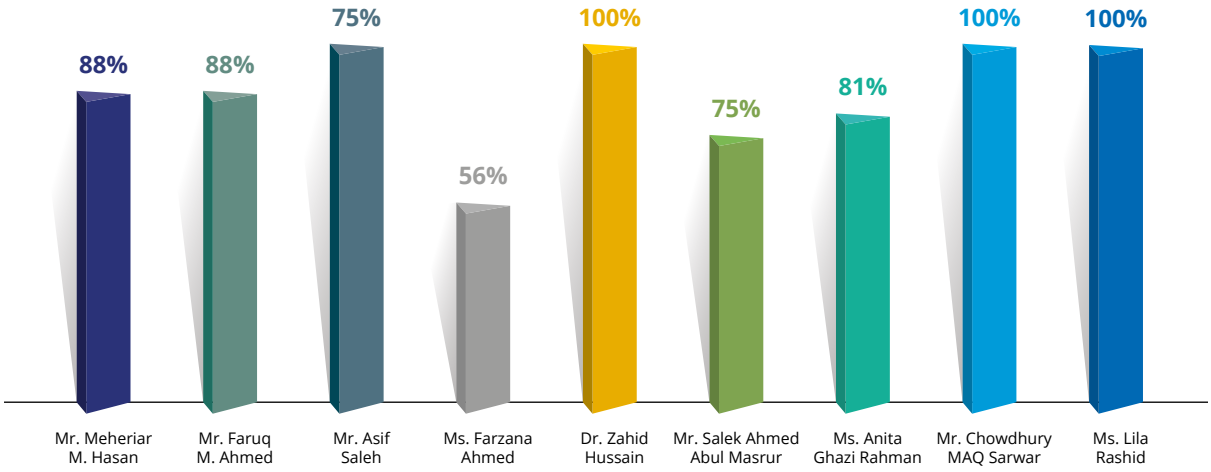
Board Meetings and Attendance (as on December 31, 2025)

SL No	Name of the Director	Designation	Presence of the Director in the meeting during their tenure			Remuneration per meeting (BDT)
			No. of meetings	Present	Absent	
1	Mr. Meheriar M. Hasan	Chairperson	16	14	2	10,000
2	Mr. Faruq M. Ahmed	Vice-Chairperson & Independent Director	16	14	2	10,000
3	Mr. Asif Saleh	Director	8	6	2	10,000
4	Ms. Farzana Ahmed	Independent Director	16	9	7	10,000
5	Dr. Zahid Hussain	Independent Director	16	16	-	10,000
6	Mr. Salek Ahmed Abul Masrur	Independent Director	16	12	4	10,000
7	Ms. Anita Ghazi Rahman	Independent Director	16	13	3	10,000
8	Mr. Chowdhury MAQ Sarwar	Independent Director	16	16	-	10,000
9	Ms. Lila Rashid	Independent Director	16	16	-	10,000

NB: Mr. Asif Saleh retired from the Board on June 19, 2025.

Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

Board Meeting Attendance (%)



85.29% Average Attendance

Chairperson's Review Report on Board Performance and Bank Goals

This report highlights the Board's strong strategic oversight and governance in leading BRAC Bank PLC through a year of exceptional growth and resilience in 2025. The Board set new benchmarks in financial performance across key areas through active engagement, timely decision-making, and close strategic monitoring.

The Chairperson ensures effective oversight through the Audit, Risk Management, and Executive Committees. An independent assessment reaffirmed the Board's sound governance, risk management, and strategic direction, strengthening stakeholder confidence. The Bank also maintains strict controls on material and price-sensitive information and upholds diversity of views, expertise, and skills to ensure good governance

Key Roles Played by the Board in Achieving Financial and Operational Milestones

- Logged over BDT 2,200 crore net profit on a consolidated basis, marking a 57% growth.
- Standalone regulatory capital surged to BDT 9,314 crore, up from BDT 7,143 crore in 2024, strengthening future growth.
- Customer deposits grew by 29% year-on-year, surpassing the industry average of 8%, while the loan portfolio expanded by 17%, further cementing market leadership.
- The Board championed digital initiatives, with 90% of new retails account openings utilizing electronic Know Your Customer (eKYC) processes.
- The Astha mobile app recorded over 1,200,000 users and facilitated 27 million transactions worth over BDT 2.3 lakh crore, enhancing efficiency and customer experience.
- The NPL ratio improved to 2.27% in 2025 from 2.63% in 2024, significantly outperforming the industry average of 9%, reflecting robust credit risk management.
- The Bank adheres to governance principles outlined in the BSEC Corporate Governance Code.

The Board remains committed to driving sustainable growth, enhancing digital capabilities, and maintaining strong governance practices. With a solid foundation and strategic direction, BRAC Bank PLC is well-positioned to navigate future challenges and contribute to Bangladesh's economic development.

Key Activities performed by Board in 2025

Amid the regular proposals, the following major topics and strategies were reviewed, deliberated and approved by the Board of Directors during 2025 as follows:

Strategy and Policy

- Conflict of interest policy for the Board of Directors
- Budget and Business plan 2026
- Risk Management (RM) Policy 2025
- CRM Policy Guidelines
- Credit Policy for Financial Institutions
- Enterprise Business Continuity Policy
- Speak-up Policy
- Incaution of Redressal Process in the HR Policy Manual
- Foreign Exchange Risk Management policy of BRAC Bank PLC.
- Sexual Harassment Elimination (SHE) Policy
- ICC Policy, Internal Audit Policy, Compliance Policy, Concurrent Audit Policy
- Money Laundering & Terrorist Financing Risk Management Guidelines
- Document Archival Policy, 2025
- Fixed Asset Policy of BRAC Bank PLC
- General Ledger Controls Policy (GLCP) of BRAC Bank PLC
- Post Import Financing Policy
- Inconvenience Allowance Policy of BRAC Bank PLC
- Professional Certification Cost Reimbursement Policy
- BRAC Bank CSR Policy
- BRAC Bank PLC ICT Security Policy
- BRAC Bank PLC Cloud Security Policy

Audit, Risk and Compliance

- Risk Appetite Statement (RAS) for the year 2025
- Audit Plan for 2025
- Post Import Financing Progress Report
- Anti-Money laundering
- Fraud and Forgery
- Stress Testing
- Adoption of Bangladesh Bank Circular where is required
- Conflict of interest policy for the Board of Directors
- CAMELS Rating

Governance Issues

- Bank's Strategy
- Policy Issues
- Disclosure of Information
- Subsidiary Companies

Code of Conduct for the Chairperson, Board members and Managing Director & CEO

The Corporate Governance Code of Bangladesh Securities and Exchange Commission requires, as part of Corporate Governance of the listed entities to lay down a Code of Conduct for Chairperson, Board Members and Managing Director & CEO on the Board of an entity.

Code of Conduct for the Chairperson

- The Chairperson of the Board of Directors is elected for a term of 02 (two) years and he is eligible for re-election to the post of Chairperson subject to the tenure of directorship.
- The Chairperson of the Board of Directors or the Chairperson of any Committee constituted by the Board or any Director does not have sole/personal authority to exercise any policy-making or executive power and therefore cannot participate or interfere in the day-to-day administrative or management work of the Bank.
- The Chairperson may conduct onsite inspections of any bank branch or financing activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to the bank's operations or ask for investigation into any such affairs. He may submit such information or investigation report to the meeting of the Board or the executive committee and, if deemed necessary, with the approval of the Board, he shall affect the necessary action thereon, in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the Board, along with the statement of the CEO.
- The Chairperson may be offered an office room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business interests of the bank, subject to the approval of the Board.

Code of Conduct for the Board of Directors

BRAC Bank, at the heart of its Corporate Governance policy carries the ideology of integrity, transparency, equitable treatment and openness in the effective working of the Bank including its Board. The Bank also commits to focus on applying good corporate governance principles in its operation that are in

line with international standard and strictly comply with rules, regulations and policies of all relevant regulators. Being the Captains of BRAC Bank ship the responsibility of ensuring good governance primarily rests on the shoulder of Board of Directors. To assist the Captain, we have integrated all relevant provisions requisite by Bangladesh Securities and Exchange Commission (BSEC) & Bangladesh Bank supported by the Laws of Land. Code of Conduct of Board of Directors reflects the business practices and outlines the fundamental values, principles, standards of behavior expected of members of the Board & its committee to ensure Good Governance Culture in the Bank.

This Code of Conduct also reflects BRAC Bank's commitment to maintaining the highest standards of corporate governance and ethical behavior among its leadership.

The Board of Directors follows a Code of Conduct which was adopted to provide guidance to Directors to carry out their duties in an honest, responsible and transparent manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Articles of Association of the Company.

All member of the board act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and exercise utmost good faith, due care and integrity in performing their duties. They use their powers as director for the purposes intended and avoid any kind of action that may have adverse impact upon the position as a member of the board of Bank.

The board members comply with the Bank Companies Act 1991 (amendment 2023), The Companies Act 1994, Securities and Exchange Ordinance 1969, Bangladesh SEC rules & regulations, the listing regulations of DSE & CSE, rules and regulation of Bangladesh Bank including all regulations and instruction by the regulators and the Bank itself.

The Code of Conduct states

- The Members shall act honestly, in good faith and in the best interests of the shareholders and the Company.
- The members shall not make improper use of information acquired as a Director.
- The members shall not take improper advantage of the position as a Director.
- The members will be obligated to be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of decision taken by the Board.
- Members shall make every effort to attend all Board and Committee meetings during their tenure. They will not make themselves unavailable without good reasons or confirming their leave of absence.
- Board members having interest of any nature in the agenda of the meeting shall declare beforehand the nature of their interest and withdraw from the room unless they have a dispensation to speak.
- Training opportunities/orientation/workshops will be arranged for members (especially for the newly inducted members) to make them acquainted with the international best practices, their fiduciary obligations, the bank's Code of Conduct, etc.
- Every Director will assure annually via signing a confirmation that they have gone through, have complied with and will continue to comply with the set of codes approved by the Board of Directors.

The Directors are responsible for ensuring that the Bank adheres to the highest standards of corporate governance. This includes:

Board Oversight

The Board must provide effective oversight of the Bank's management, ensuring the implementation of sound corporate governance policies.

Committees

Directors are expected to actively participate in Board Committees, providing specialized oversight in areas such as audit, risk, compliance, remuneration, and governance.

Performance Evaluation

The Board regularly evaluate its own performance, as well as that of individual Directors, ensuring that the governance framework is aligned with the Bank's objectives and regulatory requirements.

Code of Conduct for the Managing Director & CEO

- The Managing Director & CEO is responsible for achieving the financial and business targets approved by the Board, ensuring effective implementation of business plans, and overseeing prudent administrative and financial management.
- The Managing Director & CEO guarantees full compliance with regulatory requirements, including the Bank Company Act, 1991; the Companies Act, 1994; the Corporate Governance Code; and other relevant directives, rules, and regulations of central Banks.
- The Managing Director & CEO holds authority over the recruitment and promotion of all bank staff, except those two tiers below his position.
- Recruitment and promotion decisions are made in accordance with approved service rules, human resource policies, and the sanctioned employee strength as authorized by the Board.
- The Managing Director & CEO has authority over recruitment, promotion, transfer, and disciplinary actions for staff, except those two tiers below him, ensuring adherence to the bank's policies.
- He performs his duties in good faith, demonstrating loyalty to the bank, avoiding conflicts of interest, and prioritizing the interests of the bank and its depositors over personal or external interests.
- He exercises his delegated powers solely for the purposes and functions for which they were granted.

Code of Conduct for the Senior Management

The Code of Conduct establishes guiding principles for all stakeholders—including members of the Board of Directors and its committees, employees at all levels of BRAC Bank PLC, business partners, and service providers and recipients—to uphold and promote the bank's interests.

For Senior Management, the Code of Conduct emphasizes the protection of the interests of customers, owners, employees, stakeholders, counterparties, and the broader society. BRAC Bank's Senior Management Code ensures integrity, high ethical standards, and the exercise of skill, care, and diligence in the bank's business and related activities involving all stakeholders. The bank commits to responsible and effective organization, management, and control of its operations, supported by robust risk management systems and adequate financial resources. It implements necessary policies, procedures, processes, systems, control checks, compliance measures, and staff training to promote adherence to these guidelines and the bank's own standards.

Senior Management, both individually and collectively, is dedicated to upholding and advancing corporate governance principles by prioritizing compliance with the highest ethical standards and integrity as recommended by regulators. This commitment enhances the bank's internal and external credibility and fosters transparency.

IT governance policy of the Board of Directors

The Board of Directors has created an extensive framework for IT governance to guarantee efficient management of Information Technology as a key element of innovation, operational effectiveness, and sustainable development. IT governance is fully integrated with enterprise governance, taking a comprehensive approach that takes into account stakeholder expectations, assesses strategic choices, sets priorities, and tracks performance and adherence to established objectives.

The ICT Security Policy and Cloud Security Policy have been approved to achieve the following governance objectives:

- To align information technology activities with the business objective.
- To fulfill regulatory requirements and provide a framework for mitigation of technology risk.
- To deliver IT services in a manner that reflects the best international practices governing information technology service management.
- Ensuring proper due diligence while using Cloud Computing.
- Safeguard as a secure environment for processing data.
- To ensure the best practices (industry standard) of the usage of technology.
- To comply with legal and regulatory requirements of the country.

Strong IT governance is encouraged by this policy framework, which facilitates innovation, operational excellence, and technological advancements while guaranteeing sustainable growth in an organized and responsible way.

Governance of Board of Directors of Subsidiary Company

BRAC Bank follows governance principles of the Board of Directors of Subsidiary Company as per condition-2 of BSEC Corporate Governance Code, dated June 03, 2018, evident in the following:

- At least one Independent Director of BRAC Bank is a Director on the Board of the subsidiary company.
- The minutes of the Board meeting of the subsidiary company are placed for review in the following Board meeting of BRAC Bank.
- The Board reviews the affairs of the subsidiary company.
- The Audit Committee of BRAC Bank reviews the financial statements, in particular the Investments made by the subsidiary company.

Appointment of Managing Director & CEO, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)

Appointment

- The Board appoints the Managing Director & CEO, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.
- The positions of the Managing Director & CEO, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance are filled by different individuals.
- The Managing Director, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance do not hold any executive position in any other company.

Attendance of CFO, Head of ICC and CS in Board Meeting

The Chief Financial Officer (CFO), the Head of ICC and the Company Secretary of the Bank always attend Board meetings, except such part of a meeting of the Board that involves consideration of an agenda item relating to their personal interests/matters.

Declaration of Managing Director & CEO and Chief Financial Officer (CFO)

- The Managing Director & CEO and CFO have certified to the Board that they have reviewed the financial statements and affirm that these statements do not contain any materially untrue statement or omit any material fact/s or contain statements that might be misleading;
- The Managing Director & CEO and CFO have certified to the Board that they have reviewed the financial statements and affirm that these statements together present a true and fair view of the bank's affairs and are in compliance with existing accounting standards and applicable laws;
- The Managing Director & CEO and CFO have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the bank during the year which are fraudulent, illegal or in violation of the bank's code of conduct.

The Certification of the Managing Director & CEO and CFO is disclosed in the Annual Report on page 322.

Stakeholders whose expectations we meet

In response to the increasing interest from stakeholders, including shareholders and potential investors, this report gives careful attention to governance matters relevant to all parties. This approach aims to ensure the report's reliability as a reference for evaluating the bank's corporate governance practices, while also promoting the effectiveness of our administrative processes and transparency of procedures at every level throughout the bank.

Unclaimed Dividend

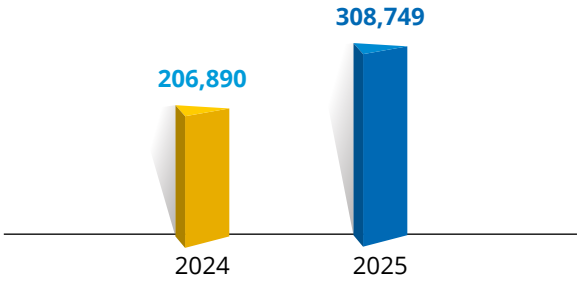
The remaining portion of a declared dividend that has not been claimed by shareholders or distributed is known as an unclaimed dividend. As of December 31, 2025, BRAC Bank PLC reported an unclaimed cash dividend balance of BDT 27,709,034 and an unclaimed stock dividend of 59,447 shares.

Additionally, the bank settled BDT 308,749 through the Capital Market Stabilization Fund (CMSF) in 2025, an increase from the BDT 206,890 settled in 2024.

A comprehensive list of these unclaimed dividends is available on the BRAC Bank Official Website.

Unclaimed Dividend Settlement Through CMSF

BDT



The detailed list of unclaimed dividend was uploaded on the official website of BRAC Bank.

Sponsors & Directors joint shareholding as per BSEC guideline

In accordance with the notification of Bangladesh Securities and Exchange Commission (BSEC) no. BSEC/ CMRRCD/2009-193/217/Admin/90 dated 21 May, 2019, all Sponsors and Directors, other than Independent Directors of a company listed with any stock exchange, shall at all time jointly hold minimum 30% shares of the paid-up capital of the company. We confirm that all Sponsors and Directors, other than Independent Directors of BRAC Bank, jointly hold more than 30% (present holding 46.168%) shares of the paid up capital of the Company, thus meeting the BSEC requirement.

Rotation and retirement of Directors

Pursuant to the Articles of Association, Companies Act, 1994 and the Bank Company Act, 1991 (amended 2023) Mr. Meheriar M. Hasan, Nominated Director (Nominated by BRAC) will retire at the 27th Annual General Meeting. Subsequently he is eligible for re-election for re-appointment to the Board.

Chairperson's independence

According to the Corporate Governance guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC), the position of the Chairperson of the Board and the Managing Director & CEO are filled by different individuals. BRAC Bank has ensured this compliance. Mr. Meheriar M. Hasan is the Chairperson of the Board of Directors of BRAC Bank and Mr. Tareq Refat Ullah Khan is the Managing Director & CEO.

Independent Directors' independence

According to the rules and regulations of the Bangladesh Securities and Exchange Commission and Bangladesh Bank, Independent Directors must not have been executives of the company in the immediately preceding two financial years, must not hold any shares in the company, and must have no material relationship with the bank. Additionally, Independent Directors should not have any significant pecuniary or other relationships with the bank, its senior management, or the Board. BRAC Bank complies with these requirements by appointing Independent Directors who have no family or other connections with the Board or Executive Management. However, the appointment of Independent Directors requires approval from both the Bangladesh Securities and Exchange Commission and Bangladesh Bank. BRAC Bank ensures full compliance with the guidelines and requirements set by both regulatory bodies regarding the appointment of Independent Directors.

Independence of non-Executive Directors

As part of our good governance practices at BRAC Bank, the non-Executive Directors enjoy full freedom in discharging their responsibilities. They are also sincere to attend Board meetings, Executive Committee Meetings, Audit Committee meetings and Risk Management Committee meetings. They also actively participate in discussions on the agenda.

The key roles and responsibilities of the Chairperson

a) The Chairperson of the Board of Directors does not possess sole or personal authority to make policy decisions or exercise executive power and, as such, does not participate in or interfere with the Bank's day to-day administrative or management activities.

b) The Chairperson can conduct on-site inspections of any branch or financing activities of the Bank under the Board's supervision.

c) The Chairperson may request information regarding the Bank's management or initiate an inquiry into any matter. Findings or investigation reports can be presented at Board meetings, and, if necessary, appropriate actions may be taken through the Managing Director & CEO based on the Board's decisions. However, if a complaint is raised against the Managing Director & Chief Executive Officer, it must be reported to Bangladesh Bank through the Board along with the statement of the MD & CEO.

The key roles and responsibilities of the Board

The main roles and responsibilities of the Board, as articulated in the Bangladesh Bank BRPD Circular, include the following:

To ensure good governance in the bank management it is essential to have specific demarcation of responsibilities and authorities among controlling bodies over bank affairs. In the Bank Company Act, 1991 give responsibility to the board of directors for establishing policies for the bank company, for risk management, internal controls, internal audit and compliance and for ensuring their implementation.

Major Areas, Roles and Responsibilities

Work-planning and strategic management

- The board determine the objectives and goals of the bank and adopt strategies and work-plans on an annual basis to achieve these goals. It shall review the progress of the implementation of the work-plans on a quarterly basis.
- The board have its analytical review incorporated in the Annual Report on the success/failure in achieving predetermined business and other targets as set out in its annual work-plan and shall apprise the shareholders about its recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & officers in the

Credit and risk management

- The policies, strategies, etc. with respect to the appraisal of loan/investment proposals, sanction, disbursement, recovery, reschedule, and write-off thereof shall be formulated with the board's approval under the purview of the existing laws, rules, and regulations. The board specifically delegate the authority of loan/investment approval to the CEO and his subordinate executives as much as possible.
- The Board frame policies for risk management. It will inspect on a quarterly basis whether these policies are properly implemented; review the concerned report of the risk management committee and ensure compilation in the minutes of the board meeting. The board shall monitor whether the key risk management guidelines of Bangladesh Bank are being properly complied with.

Internal control management

- The board establish an internal control system so that the internal audit process can be conducted independently of management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance with recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

Human resources management and development

- Policies related to recruitment, promotion, transfer, disciplinary and punitive measures, incentives, human resources development, etc. and service rules are formulated and approved by the board. No member of the board of directors be included in the selection committees for recruitment and promotion at different levels. Recruitment, promotion, transfer, disciplinary, and punitive measures of the officers' immediate two tiers below the CEO of the banks (except state-owned banks) shall rest upon the board.
- The board put its special attention on training, adoption of modern electronic &information technologies and the introduction of effective Management Information System (MIS) for skill development of bank employees/staff and shall incorporate these programs into its annual work plan.
- The board establish a Policy of integrity, ethics and code of conduct for officials and employees at all levels, which all employees will adhere to properly.

Formation of Committees from the Board of Directors

- Forming an Executive Committee, an Audit Committee and a Risk Management Committee with the Directors. Board can't form any other sub-committee except the mentioned three committees.

Financial management

- The annual budget and the statutory financial statements is finalized with the approval of the board. It quarterly review the positions in respect of the bank's income, expenditure, liquidity position, overdue/non-performing loans, capital base and adequacy, maintenance of loan loss provision, and steps taken for recovery of defaulted loans, including legal measures.
- The board frame the policies for bank's purchase and procurement activities adhering to the laws and regulations prevalent in the country and shall accordingly approve the distribution of power for making such expenditures.
- The board periodically review the whether an Asset-Liability Committee (ALCO) has been formed and whether it is working as per Bangladesh Bank guidelines.

Appointment of Managing Director & CEO

- One of the responsibilities of the board of directors is to appoint an honest, efficient, experienced and competent chief executive or managing director in bank management in order to strengthen the financial base of the bank and gain the trust of the depositors. The Board of Directors appoint a suitable Managing Director/Chief Executive Officer with the prior approval of Bangladesh Bank following the relevant policies issued by Bangladesh Bank from time to time

Other responsibilities of the Board

- Follow and comply with the responsibilities assigned by Bangladesh Bank

Fiduciary Duties of the Board of Directors

The fiduciary duty on the board of directors and on corporate officers arises from their legal relationship with the corporation, which is fiduciary in nature. These duties are creatures of state common law. officers, directors, and controlling shareholders owe fiduciary duties of utmost good faith, scrupulous honesty, and loyalty to the corporation and to its shareholders collectively.

The board of directors' fiduciary duty includes the duty to exercise care in the management of corporate affairs, the duty of obedience, and the duty of loyalty to the corporation. The standard to which officers are held may vary from the stringent obligations of a managing officer, who may have the same fiduciary obligations as a director, to those based simply on the principles of agency in the case of the subordinate officer. The fiduciary duty of both officers and directors requires that they exercise the powers of their offices solely for the benefit of the corporation and its stockholders collectively.

Fiduciary Duty of Due Care

The board of directors of a corporation have a fiduciary duty to exercise the same due care in the management of the corporation's business as a prudent man would exercise under similar circumstances. Corporate officers and directors must use their uncorrupted business judgment for the sole benefit of the corporation. The fiduciary duty is to exercise same care as prudent man usually exercises in the management of his own affairs.

Fiduciary Duty of Loyalty

The universal rule of directors and officers of a corporation is that they occupy a fiduciary position and, as such, owe a duty of loyalty to the corporation. This duty is to act only in the best interests of the corporation and its collective shareholders. A breach of fiduciary duty involves a willful violation of the duty imposed by law on the Fiduciary in the particular relationship a cause of action does not require as one of its elements a showing of fraud.

The key roles and responsibilities of the Managing Director & CEO

Mr. Tareq Refat Ullah Khan is the Managing Director & CEO of BRAC Bank PLC. The Managing Director & CEO is responsible for the implementation of Board policies and the overall management of the bank. He discharges his duties under the delegation of financial, business and administrative authority given to him by the Board.

The Managing Director and Chief Executive Officer of the Bank performs the duties and responsibilities and exercise the powers as follows.

a) Performance of Fiduciary Duty: The Managing Director & CEO has proper knowledge and understanding of the duty of trust and loyalty to protect the highest interests of depositors and Banking companies. namely-

   1) He follows all the rules and regulations relating to Banking business. Furthermore, to avoid all kinds of negligence or carelessness, perform the work with prudence, so that the Banking company and depositors will not suffer financial or other losses due to him (duty of care);

   2) He performs his duties in good faith, loyal to the Banking company and avoiding conflict of interest so that the interests of the Banking company and depositors are protected instead of his own or any other person or entity's interest.

   3) He exercises the power conferred on him only for the purpose or function for which he is empowered.

b) Financial, business and administrative responsibilities, duties and powers:

   1) The Managing Director & CEO performs his duties and responsibilities in accordance with the financial, business and administrative powers assigned by the Board of Directors of the Bank.

   2) He is responsible for the implementation of the business plan of the Bank and for achieving the business objectives of the Bank through sound administrative and financial management.

   3) During the presentation of memorandum by the Bank management at the meeting of the Board of Directors or any of its subsidiary committees at the discussion on any matter related to the Bank-Company Act, 1991 by the honorable Board Members and if there is any misinterpretation of laws, regulations and directives of Bangladesh Bank or if different directives have been given, the Managing Director & CEO informs in writing the specific interpretation to the board on the relevant laws/directives;

   4) In case of violation of Companies Act, 1991 or any other law, rules, directives, regulations In the meeting of the Board of Directors or in any other sub-committee meeting by the member or members of the Board of the Banking, the Managing Director & CEO informs Bangladesh Bank in writing, as the case may be, orally;

   5) Appointment and promotion of all officers and employees other than the two tiers below to the Managing Director & CEO vested by the MD & CEO. The MD & CEO performs the duties in all these cases as per the employment rules based on the approved policies of the Board. He shall not act or take any decision on the basis of emotion or nepotism while discharging his duties;

The key roles and responsibilities of the Company Secretary

The Board appoints a Company Secretary whose responsibility is to ensure effective integration and timely flow of information required by the Board and maintain necessary liaison with internal bodies as well as external bodies. The Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) requires a listed company to appoint a Company Secretary. Pursuant to this, the Board of Directors appointed the Company Secretary and defined his role and responsibilities. At BRAC Bank, among other functions, the Company Secretary:

- Ensures that all regulatory procedures for the appointment of Directors have been followed. He provides detailed support and guidance to the Directors, both individually as well as collectively, for taking decisions and raises matters wherever needed to call for the attention of the Board of Directors.
- Advising the Board on Changes in Relevant Laws, Regulations, Legal and Governance and Strategic matters;

- Assists to form the sub-committee of the Board of Directors, as directed by the Regulatory Bodies Act, as a mediator to the Board of Directors to resolve disputes rose to the Board, according to the laws, rules and regulations.
- Ensures that the decisions taken by the Board of Directors are transmitted to the concerned department/s for taking the next course of action.
- Updates the Board of Directors or the management about the direction, circulars, notifications, etc., which are issued by regulatory bodies and follows up on respective steps taken as well.
- Mandated with providing comprehensive corporate secretarial services to the Board, Directors and committees and also ensures that compliance is followed as per the respective laws, rules and regulations.
- Communicates with shareholders, disclosure of information as appropriate, and ensures that due regard is given to their interests.
- Assists the Board of Directors and the management of the bank in ensuring excellence in governance.
- Providing guidance to the Board fiduciary duties, conflicts of interest and other ethical considerations.
- Arrange Board and Sub-Committees meeting with the consent of the Chairman of the Board and the Managing Director and also arrange General meeting of the shareholders as and where necessary.
- Arrange publication of "Price Sensitive Information" and "Material Information" and circulation of Annual Reports in timely manner.

The Company's secretarial functions are performed by qualified professionals:

In BRAC Bank, company's secretarial functions are handled by qualified professional fellow member recognized under the Institute of Chartered Secretaries of Bangladesh (ICSB). This position complies with the Terms of Reference (ToR) for Company Secretary which outlines the scope, Appointment, Purpose, reporting frameworks, responsibilities including Governance and Board Support, Regulatory & Statutory Compliance, Shareholder & Stakeholder Communication, Corporate Governance & Ethics, Board Committees Support, Corporate Reporting & Support to Management and compliance with local regulators (BB, BSEC, RJSC&F, DSE, CSE & CDBL). It sets expectations for disclosures on strategy, performance, governance, and ESG, ensuring transparency for stakeholders like investors and regulators.

Background of Company Secretary

Mohammad Mahbubur Rahman FCS is the Company Secretary of BRAC Bank PLC.

Mr. Mahbub possesses a wealth of experience in corporate secretarial practices, having built a robust career in this field since 1997. Through the years, he has held key positions in various private organizations, showcasing his versatility and expertise.

In 2006, Mr. Mahbub joined the Company Secretariat of BRAC Bank PLC, one of the leading financial institutions in Bangladesh. His commitment and proficiency led to his appointment as the Company Secretary of BRAC Bank PLC.

Beyond his corporate obligations, Mr. Mahbub is dedicated to furthering professional development and education in the field of corporate governance. As a faculty member of the Institute of Chartered Secretaries of Bangladesh (ICSB), he imparts knowledge to aspiring corporate secretaries, sharing insights from his extensive career.

Mr. Mahbub has also enriched his expertise through participation in a variety of training programs at both local and international levels, with a strong emphasis on leadership and corporate governance. His notable training experiences include sessions on "Leadership Excellence" and "Corporate Governance Board Leadership, which provided him with cutting-edge knowledge and skills to implement effective governance frameworks.

Academically, Mr. Mahbub holds a Master of Commerce (M.Com) in Management from Rajshahi University, underscoring his solid educational foundation. He is a Fellow Chartered Secretary (FCS) from the Institute of Chartered Secretaries of Bangladesh, a prestigious designation that signifies his commitment to the profession. Furthermore, he holds a law degree, equipping him with the legal acumen necessary for navigating the complexities of corporate compliance and governance.

Appraisal of the Board's performance

The Board of Directors is accountable to the shareholders of the bank. Once every year, the bank holds an Annual General Meeting (AGM). The shareholders attend the Annual General Meeting and they critique and express their analysis about the performance of the bank.

BRAC Bank takes constructive suggestions from the Annual General Meeting and tries to implement it for qualitative improvement of the bank. The performance of the bank is also measured on the basis of other indicators, including financial aspects like business performance, asset growth, net profit expansion, NPL control, etc.

Evaluation of the Managing Director & CEO

The Board of Directors of BRAC Bank evaluates the performance of Managing Director & CEO on an annual basis. The Board also set the roles and responsibilities of the Managing Director & CEO of the bank. There are some key Performance Indicators (KPI) to appraise the performance which are:

- Meet the annual budgetary targets of the bank, which was approved by the Board.
- Maximize shareholder value measured through desired ROA, ROE, EPS, ensure proper risk management as per the expectations of the Board.
- Ensure sustainable growth in loans and advances, low-cost deposits, CASA mix, diversify revenue streams of the bank.
- Ensure improvement in NPL ratio, achieve recovery of written off loans and improve all reviews conducted by BB, including scores in CAMELS rating.

Policy knowhow of Board of Directors

BRAC Bank makes available all relative laws before the Board of Directors for their instant information, along with any single notification, so that they can discharge their responsibilities effectively. Alongside this, most of the Directors of the bank are on the Board for many years now. Some Directors are also involved in country's policy-making. They have acquired enough knowledge and insight to lead the bank well on the path of sustainable growth and progress.

Training on corporate governance

The transparent interactions that have been established between the Management, Board, Shareholders, and other Stakeholders of BRAC Bank are based on our corporate governance norms. In keeping with this, BRAC Bank offers staff training on corporate governance throughout the year. Corporate governance training is given particular attention by BRAC Bank.

Objectives of corporate governance training

1) To establish good governance, ensuring the best practices of corporate governance to understand how they improve consistency in business direction and strategies
2) Mitigating risks and providing the maximum opportunities for developing individual skills, tools and frameworks in line with action plans and to address challenges as well as overcome these with prudence
3) To help Board members develop the right strategies for change management and create advanced plans for seamless change in order to identify internal and external opportunities and challenges, manage change or implement new approaches
4) To drive a positive culture such as developing the Board's skills and leadership style

Knowledge and expertise of Directors relating to finance and accounting

The Directors have rich knowledge and unparalleled expertise in the fields of accounting and finance. Most of the other Directors are successful entrepreneurs and professionals. They are well-conversant in business, economics and administration. The details of them are presented in their profile on page 58.

Board of Director's Committees

The Board has constituted the following 3 (three) sub-committees, which are;

i. Audit Committee

An audit committee of BRAC Bank PLC is constituted to carry out the duties of the overall supervision of the board of directors in a smooth manner, including playing an effective role in the implementation of the strategies and action plans formulated by the board of directors for the proper execution of the functions of the bank-company. The Audit Committee reviews the financial reporting process, internal control system, audit procedures, monitoring process and own rules of conduct to ensure that the activities of the organization are being conducted in accordance with the existing laws and regulations imposed by the regulatory authorities.

Responsibility to the Board of Directors

Audit Committee is a subcommittee of the Board. The Audit Committee assists the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business. The Audit Committee is also responsible to the Board; the duties of the Audit Committee are clearly set forth in writing. Head of Internal Audit takes sit in the Board Audit Committee. All members of the Audit Committee are suitably qualified and all the members have expert knowledge of finance and accounting including banking activities. The Audit Committee meets at least 4 times a year. The Audit Committee is run with the specific guidelines issued by the Regulatory bodies including internal best policy.

Constitution of the Audit Committee

The Board's Audit Committee was formed with 3 members in compliance with the relevant provisions.

Sl.	Name of the Directors	Designation
1	Mr. Chowdhury MAQ Sarwar	Chairperson
2	Dr. Zahid Hussain	Member
3	Ms. Lila Rashid	Member

Qualifications of the Members

(i) In nominating the members of the committee, the integrity, dedication and ability of the concerned director to devote sufficient time to the work of the committee are considered.

(ii) Persons who can contribute fruitfully and effectively to the work of the Committee are nominated as members of the Committee:

(iii) Members of the Audit Committee have a sound understanding of regulations on the Bank-Company Act, 1991, other laws relating to banking operations, supervision, banking business, management of the bank, various risk issues and responsibilities and duties.

(iv) The committee have practical experience in banking operations, accounting, Finance, Banking, Management and Economics.

Chairperson of the Board Audit Committee (BAC)

Mr. Chowdhury MAQ Sarwar is the Chairperson of the Board Audit Committee. He is a distinguished banker with 36 years of diverse experience in both international and domestic banks. He is nationally recognized for his pivotal role in shaping thought leadership in prevention of money laundering and setting up and managing Internal Control & Compliance (ICC) functions considered best in class in domestic banking industry. He was the longest serving CAMLCO, having served in Citibank NA, Standard Chartered and Eastern Bank PLC in that role. He was also a past Chairman of Anti Money Laundering Compliance Officers of Banks in Bangladesh (AACOBB). He played an important role in driving to enhance & improve the overall awareness of compliance and control within the local banking industry as member of various committees/ focus groups of Bangladesh Bank, BFIU and Association of Banks, Bangladesh. Mr. Sarwar served as Deputy Managing Director & Head of Internal Control and Compliance at Eastern Bank PLC from 2018 to 2019, where he oversaw the Internal Audit, Monitoring and Compliance functions. He worked as a Consultant to Islami Bank Bangladesh PLC from 2015 to 2018 in AML/CFT Remediation Project and helped implement the recommendations made by reputed international risk consulting firm, Kroll engaged by IBB to help transfer global best practices.

Attendance of Members of Board Audit Committee (As on December 31, 2025)

SL No	Name of the Director	Designation	Presence of the Director in the meeting during their tenure			Remuneration per meeting (BDT)
			No. of meetings	Present	Absent	
1	Mr. Chowdhury MAQ Sarwar	Chairperson	9	9	-	10,000
2	Ms. Farzana Ahmed	Member	9	5	4	10,000
3	Dr. Zahid Hussain	Member	9	9	-	10,000
4	Ms. Lila Rashid	Member	9	8	1	10,000

NB: Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

A total 09 Board Audit Committee meetings were held during the year 2025, against minimum 04 meetings as per regulatory requirement. Meeting dates are as follows:

SL No	Meeting	Date of Meeting
1	132nd Board Audit Committee Meeting	05 January 2025
2	Special Board Audit Committee Meeting	24 March 2025
3	133rd Board Audit Committee Meeting	28 April 2025
4	134th Board Audit Committee Meeting	12 May 2025
5	135th Board Audit Committee Meeting	17 June 2025
6	136th Board Audit Committee Meeting	28 July 2025
7	137th Board Audit Committee Meeting	07 August 2025
8	138th Board Audit Committee Meeting	23 October 2025
9	139th Board Audit Committee Meeting	13 November 2025

Role of the Audit Committee

According to the Corporate Governance Code, the Audit Committee of BRAC Bank fulfills the following role:

- Oversee the financial reporting process
- Monitor choice of accounting policies and principles
- Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report
- Oversee hiring and performance of external auditors
- Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption
- Review along with the management, the audited financial statements before submission to the Board for approval
- Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval
- Review the adequacy of internal audit function
- Review the Management's Discussion and Analysis before disclosing in the Annual Report
- Review statement of all related party transaction submitted by management
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors
- Oversee the determination of audit fees based on scope and magnitude/level of expertise deployed and time required for effective audit and evaluate the performance of external auditors and oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the commission.

As per the Bangladesh Bank Guidelines, the Audit Committee perform the following responsibilities:

i Internal Control

- Whether the management authority has been able to create a proper compliance culture regarding the internal control system of the bank and whether the officers/employees of the bank have been given clear instructions about their responsibilities and duties and whether full supervision and control is maintained over their activities. The audit committee will assess whether or not;
- The Audit Committee review all the measures taken by the Management Authority for the establishment and use of the Bank's ICT platform and a suitable Management Information System (MIS) for banking operations and issue necessary instructions.
- The Audit Committee review whether the bank management authorities are properly following the recommendations made by the internal and external auditors of the bank regarding the internal control strategy/structure from time to time and provide necessary instructions.
- Any irregularity, fraud, internal control weakness or similar identified by the internal and external auditors and inspection teams of regulatory authorities will regularly inform to the Board about the corrective measures taken in respect of the areas. Further, if any non-conformities are observed in the audit committee's review, it will direct the management to take corrective action and the same to the board.

ii Disclosure of Financial Statements

- Whether full and proper information has been disclosed in the annual financial statements and the rules and accounting standards prevailing in the country in preparing financial statements and by Bangladesh Bank For this purpose, the audit committee will verify whether the prescribed standards have been met or not.
- Before finalizing the financial statements, the audit committee consult with Bangladesh Bank's inspection team, external auditors and management authorities.

iii Internal Audit

- The Audit Committee ensure that the internal audit function is conducted independently of the management.
- The Audit Committee review the internal audit function and organizational structure. The Audit Committee also ensure that no undue obstacles or restrictions obstruct the audit process.
- The Audit Committee verify the efficiency and effectiveness of internal audit and recommend necessary action accordingly;
- The Audit Committee also verify whether the management authorities are properly considering the observations/recommendations made by the internal auditors regarding the elimination of the irregularities discovered by the internal auditors and give necessary instructions.

iv External Audit

- The audit committee review the audit activities and audit reports carried out by the bank's external auditors;
- The audit committee verify whether the management authorities have duly considered the observations/recommendations made by the external auditors regarding regularization of the irregularities uncovered and the fake frauds uncovered and in the management of the bank's operations.
- The Committee submit recommendations to the Board regarding the appointment of external auditors from the list of external auditors announced by Bangladesh Bank from time to time for conducting the audit activities of the Bank.

Reporting to the Board of Directors

- The Audit Committee reports its activities to the Board
- The Audit Committee immediately reports to the Board on the following findings, if any:
- Conflicts of interests
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements
- Suspected infringement of laws, regulatory compliances, including securities related laws, rules and regulations
- Any other matter which the Audit Committee deems necessary is disclosed to the Board immediately

Reporting to the authorities

As per guidelines of Bangladesh Securities and Exchange Commission, the Audit Committee of BRAC Bank is obliged to report any findings that has material impact, to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 months from the date of first reporting to the Board, whichever is earlier.

Reporting to shareholders and general investors

Report on the activities carried out by the Audit Committee, including report made to the Board during the year, signed by the Chairperson of the Audit Committee, has been disclosed in this report on page 329.

Suitable qualification of members

All the members of the Audit Committee are qualified and have years of experience in banking and financial institutions. They have high level of expertise in their respective areas.

Access to Audit Committee of Internal Control and Compliance Division

In the meeting of Audit Committee, the Head of Audit/ Chief Auditor has direct access and can raise his concerns. The Head of Internal Control and Compliance, with consultation with management, can also raise any issues to Audit Committee.

Roles and Responsibilities of Head of Audit

Head of Audit plays a critical role in ensuring that the bank operates within regulatory frameworks and maintains robust internal controls. Here are some key responsibilities:

- Provide independent assurance to the Board Audit Committee on the effectiveness of the Bank's governance, risk management, and internal control framework.
- Develop and deliver a risk-based internal audit plan, aligned with the Bank's strategy, risk appetite, and Bangladesh Bank regulatory priorities.
- Oversee audits of core banking activities, including Retail, SME, Corporate, Credit, Treasury, Operations, AML/CFT, Distribution Network and Technology.

- Report significant control weaknesses, emerging risks, and thematic issues to the Audit Committee with clear remediation plans.
- Monitor and escalate high-risk and overdue audit and regulatory issues, ensuring timely management remediation.
- Ensure the internal audit function operates in line with IIA Global Standards, regulatory expectations, and professional best practice.
- Coordinate with external auditors and regulators to ensure comprehensive and efficient assurance coverage.

Recommendation to appoint External Auditors

The Audit Committee reviews the audit plans and methodology to appoint External Auditors, pursuant to Bangladesh Bank guidelines and corporate guidelines of Bangladesh Securities and Exchange Commission. The Audit Committee scrutinizes the applications of the Auditors and recommends appointment/ reappointment of Auditors for the following year in the Annual General Meeting.

Major plans/policies formulated and reviewed by Audit Committee in 2025

Sl.	Name of the Policy
01	Internal Control & Compliance Policy
02	Internal Audit Policy
03	Compliance Policy
04	Concurrent Audit Policy
05	Internal Audit Charter
06	Manual of Internal Audit Procedures
07	Thematic Audit Plan for the year 2025

ii. Risk Management Committee

Pursuant to Bangladesh Bank's BRPD Circular, a Risk Management Committee was constituted by the Board of Directors. There are three members in the Risk Management Committee. The Board formed Risk Management Committee to play an effective role in mitigating impending risks arising out from strategies and policies. The Risk Management Committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision are being maintained against the risks identified after identifying and assessing several risks factors. A report of the Risk Management Committee is included in this Annual Report.

Constitution of the Board's Risk Management Committee

The Board's Risk Management Committee was formed with 3 members in compliance with the relevant provisions.

Chairperson of the Board Risk Management Committee

Mr. Salek Ahmed Abul Masrur is the Chairperson of the Board Risk Management Committee. Mr. Masrur is a seasoned Banker with 36 years of Banking Experience in Bangladesh and International market in senior positions. he was the Chief Executive Officer of the Consolidated Tea & Lands Co. (Bangladesh) Limited (known as Finlay Tea). Mr. Masrur was the Country Head of Bank Alfalah, Bangladesh from 2009 to 2019, the longest-serving CEO of any Foreign Bank. He served as Global Head of Origination and Client Coverage Islamic Banking at Standard Chartered Bank, UAE. He was also the Director Portfolio Management of Standard Chartered Bank, Singapore from Sept 2005 to June 2007. He served as Head of Client Relationship from 2002 to 2005 at Standard Chartered Bank, Bangladesh, and as Head of Corporate Banking of Citibank NA, Bangladesh from 2000 to 2001. He also served as the Head of Corporate Banking in Standard Chartered Bank from 1995 to 1999

Qualifications of other members

Each member is capable of making valuable and effective contributions in the functioning of the Committee. They have adequate understanding of the detailed responsibilities of the Committee membership as well as the bank's business, operations and its risks.

Roles and responsibilities of the Risk Management Committee

- The responsibility of the Risk Management Committee is to ensure adoption and implementation of appropriate mechanisms for identification of risks associated with the bank's operations and its control. The Risk Management Committee will review and revise the bank's risk management policy and procedures if necessary.
- **Construction of organizational structure:** The Committee ensures an adequate organizational structure for managing risk within the bank. The Committee supervises formation of separate management level committees and monitors their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.
- **Analysis and approval of Risk Management policy:** The Committee reviews the Risk Management policies & guidelines of the bank annually and amends if necessary and sends it to the Board of Directors for their approval. Besides, they review the lending limit at once annually.
- **Storage of data & reporting system:** The Committee ensures proper use of record keeping & reporting system developed by the bank management. The Committee minutes its proposal, suggestions and summary in a specific format and informs the Board of Directors.
- Monitoring the implementation of overall Risk Management Policy
- The Committee monitors proper implementation of overall risk management policies. They monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

Internal Control and Risk Management

Internal Control

The Board of Directors of BRAC Bank ensures an adequate organizational structure for mitigating risk/s within the bank. The Risk Management Committee also reviews the risk process to ensure effective prevention and control measures.

Review of Internal Control System

A report on the internal control system supervised by the Risk Management Committee is presented on page 304, 400 of this Annual Report.

Attendance of Members of Board Audit Committee (As on December 31, 2025)

SL No	Name of the Director	Designation	Presence of the Director in the meeting during their tenure			Remuneration per meeting (BDT)
			No. of meetings	Present	Absent	
1	Mr. Salek Ahmed Abul Masrur	Chairperson	4	4	-	10,000
2	Ms. Farzana Ahmed	Member	4	4	-	10,000
3	Dr. Zahid Hussain	Member	4	3	1	10,000
4	Ms. Lila Rashid	Member	4	4	-	10,000

NB: Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

Meeting of the Board Risk Management Committee

A total of 04 Board Risk Management Committee (BRMC) meetings were held during the year 2025, against the minimum 04 meetings required as per regulations. Meeting dates are as follows:

Sl. No.	Meeting	Date of Meeting
1	50th Risk Management Committee Meeting	23 February 2025
2	51st Risk Management Committee Meeting	22 May 2025
3	52nd Risk Management Committee Meeting	21 August 2025
4	53rd Risk Management Committee Meeting	17 December 2025

Major plan/ policies formulated and reviewed by Risk Management Committee in 2025:

Sl.	Name of the Policy
01	Risk Management (RM) Policy
02	Credit Risk Management Policy & Guidelines
03	Credit Policy for Financial institutions
04	Guidelines for Management and Accounting of Operational Loss Including Fraud and Forgeries
05	Foreign Exchange Risk Management Policy
06	Revised Money Laundering & Terrorist Financing Risk Management Guidelines
07	Document Archival Policy
08	Fixed Asset Policy
09	GL Policy
10	Post Import Financing Policy
11	ICT Security Policy v4.0
12	Cloud Security Policy v1.0
13	Addendum to Risk Management (RM) Policy

A report of the Risk Management Committee is included in this Annual Report.

iii. Executive Committee

Pursuant to Bangladesh Bank's BRPD Circular, an Executive Committee was constituted by the Board of Directors.

SL No.	Name of the Directors	Designation
1	Mr. Faruq M. Ahmed	Chairperson, Independent Director
2	Mr. Salek Ahmed Abul Masrur	Member, Independent Director
3	Ms. Anita Ghazi Rahman	Member, Independent Director

Attendance of Members of Executive Committee (As on December 31, 2025)

SL No.	Name of the Director	Designation	Presence of the Director in the meeting during their tenure			Remuneration per meeting (BDT)
			No. of meetings	Present	Absent	
1	Mr. Faruq M. Ahmed	Chairperson	21	20	1	10,000
2	Mr. Salek Ahmed Abul Masrur	Member	21	18	3	10,000
3	Ms. Anita Ghazi Rahman	Member	21	17	4	10,000

Chairperson of the Executive Committee (EC)

Mr. Faruq M. Ahmed is the Chairperson of the Executive Committee. He possesses over 39 years of illustrious experience in different reputed local private commercial banks in different positions. He led Trust Bank PLC as the Managing Director and CEO from February 2018 to February 2021. Before taking up the position, he served as the Additional Managing Director of the bank. Before joining Trust Bank, Mr. Ahmed served as the Additional Managing Director of The City Bank Limited and held the positions as Chief Risk Officer and CAMLCO. He also served Mercantile Bank and AB Bank as Deputy Managing Director.

Qualifications of the Members

- Integrity, dedication, and opportunity to spare time in the functions of committee are being considered while nominating a director to the committee;
- Each member is capable of making valuable and effective contributions in the functioning of the committee;
- Performing his or her role effectively and each committee member have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.

Roles and Responsibilities of the Executive Committee

- Approval of Credit proposals beyond delegation of lending authority allowed to the Management as approved by the Board of Directors.
- All obligations under the Bank-Company Act, 1991 or other related laws and regulations. And except in those areas where the decision-making power is specifically vested in the full council. The Executive Committee perform duties and take decisions in all other matters as directed by the Board.
- To take all necessary decisions or give approval within the limits assigned by the Board
- Review of any other issue as decided by the Board of Directors.

Nomination and Remuneration Committee (NRC)

As per BRPD Circular Letter No 21 of Bangladesh Bank dated May 12, 2024, the Audit Committee of the Bank oversee the activities of Nomination and Remuneration Committee (NRC) in accordance with Corporate Governance Code 2018. However, as per the BRPD circular, the Board of Directors approve the Appointment/Re-appointment, Duties and Responsibilities, Honorarium, Salary and Allowances, Incentive bonus and other benefits of Directors, Managing Director or Chief Executive Officer and Officers below two tiers of Managing Director & CEO.

Appointment of External Auditors

The existing auditor, M/s A. Qasem & Co., Chartered Accountants has completed their second-year audit session for the year 2025. However, as per Bangladesh Bank and BSEC guidelines, they are eligible for re-appointment for the year 2026 and hence they have expressed their willingness to work with the Bank. The Board of Directors has recommended M/s A. Qasem & Co., Chartered Accountants to appoint as auditors of the bank for the year 2026. The appointment of auditor will be confirmed at 27th AGM.

Reporting and Compliance of Corporate Governance

Appointment of professional for the Certification on Corporate Governance

The Board of Directors has also recommended Mohammad Sanaullah & Associates, Chartered Secretaries & Management Consultants as compliance auditor for the year 2026. As per Bangladesh Securities & Exchange Commission notification on Corporate Governance Code for appointment of professional for the certification on corporate governance for the year 2026 will be confirmed at the 27th AGM.

Corporate Governance compliance report with best practices

The status of compliance with Corporate Governance guidelines of Bangladesh Securities and Exchange Commission has been given hereafter. M/s Mohammad Sanaullah & Associates, Chartered Secretaries & Management Consultants, duly certified the bank's Compliance Status, which is presented on page 263.

Vision, mission and strategy approved by the Board

Vision and mission of BRAC Bank

The vision and mission statements and the strategy of BRAC Bank were duly approved by the Board of Directors. It is presented in this Annual Report on page 44.

Business objectives and strategic management

The Board of Directors of BRAC Bank determines the business objectives and goals and, to this end, chalk out strategies and work plans on an annual basis. The Board specifically engages in formulating strategies consistent with the predetermined objectives and goals and in issues relating to structural changes and reformation for the enhancement of institutional efficiency and other relevant policy matters.

Philosophy on code of corporate governance

BRAC Bank believes in adopting and adhering to the best standards of corporate governance for the benefit of all its stakeholders. The bank's corporate governance standards are based on the following principles:

- Appropriate composition, size of the Board and commitment to adequately discharge its responsibilities and duties
- Transparency and independence in the functioning of the Board
- Independent verification and integrity assurance of financial reporting
- Adequate risk management and internal control
- Protection of shareholders' rights and placing priority on investor relations
- Timely and accurate disclosure on all matters concerning operations and performance of the bank

The bank's philosophy on corporate governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealing with shareholders, employees, regulators and other relevant stakeholders. By doing so, the bank demonstrates its understanding and respects its fiduciary roles and responsibilities to shareholders.

Ethical Guidelines

BRAC Bank has a Code of Conduct for the Board and ethical guidelines for the bank's employees which are an integral part of the Service Rules and Regulations for the employees of the bank. Our employees comply with the code of conduct and requirements of ethical principles.

The Board has always been deeply committed to establishing the highest levels of ethics and compliance among all employees of the bank. It has always encouraged the management to ensure that everyone maintains high ethical standards within the bank. The Board guides the management on policies that should be adopted and followed by everyone in the bank.

Facilities accorded to the Chairperson, Directors and the Managing Director & CEO

In accordance with the guidelines of Bangladesh Bank, the following facilities can only be given to the Directors:

Chairperson

The Chairperson has an office. He has no private secretary or office assistant from the side of the bank. However, bank provides him a mobile phone and a car at his full-time disposal.

Directors

Fees and other facilities for attending each meeting of the Board or any Committee as per guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission.

Managing Director & CEO

Only those benefits as agreed upon in his contractual appointment and approved by Bangladesh Bank.

Key policies regarding remuneration of Board of Directors, Managing Director and employees

The Board of Directors receives an honorarium for attending Board, Executive Committee, Audit Committee, and Risk Management Committee meetings, as per BRPD Circular No. 02 dated February 11, 2024. No other remuneration is provided.

Independent Directors receives a fixed monthly remuneration in addition to the honorarium for attending Board, Executive Committee, Audit Committee, and Risk Management Committee meetings, subject to tax deduction, as per BRPD Circular No. 03 dated February 14, 2024.

The Managing Director's remuneration and responsibilities are governed by BRPD Circular No. 05 dated February 27, 2024. Additionally, salaries and other job benefits for employees are regulated by Bank's Policy.

The Board reviews from time-to-time, the remuneration of employees based on the bank's performance and the general inflation in the economy. All employees including the senior management are paid a competitive remuneration package.

Human capital

The report on human capital is presented in detail on page 107 of this Annual Report

Communication to shareholders/ stakeholders for participation in Annual General Meeting

BRAC Bank serves the notice along with the Annual Report to shareholders at least 21 days before of Annual General Meeting. As per Bangladesh Bank guidelines and notifications of Bangladesh Securities and Exchange Commission quarterly accounts or information are notified to the shareholders and updated on the website. The bank's Share Department also provides services to shareholders round the year. The bank also ensures that all stakeholders are informed of the bank's activities on a routine basis.

Redress of investor complaints

The bank has established a robust grievance redress mechanism through which investors can lodge their grievances/complaints. Details are included on page 324.

Environmental and Social Obligations under CSR

In 2025, BRAC Bank PLC strengthened its commitment to social and environmental responsibility through impactful CSR initiatives.

The Bank partnered with Tarupallab to launch the Dwijen Sharma Environment Award, honoring four environmental champions, with Environment Adviser Syeda Rizwana Hasan as chief guest. It also introduced flagship programmes such as Aporajeyo Desh, supporting over 45,000 people in Bagherhat with climate-resilient agriculture, safe water, and agroforestry, and continued the National Nail Removal Campaign in eight districts with the Forest Department.

Under its broader CSR efforts, more than 100,000 underprivileged people benefited nationwide in areas including education, health, environment, climate action, sports, and disability inclusion. Key initiatives included scholarships for 800+ female students under Aporajeyo TARA, entrepreneurship training for 300+ women through Uddokta 101, healthcare support for 96,000+ people under Aporajeyo Ami, and digital skills training for persons with disabilities in partnership with Bangladesh Business and Disability Network.

The Bank also launched Aporajeyo Alo to promote female hockey talent, distributed winter clothing to vulnerable communities, and hosted the 13th BRAC Bank–Samakal Literary Award. Guided by the Sustainable Development Goals and UN Global Compact principles, BRAC Bank continues to pursue inclusive and sustainable community development

Speak Up Policy

BRAC Bank is committed to governance excellence and fosters a culture that encourages employees to report any wrongdoing they observe. This commitment includes senior management and the certification regime, which strengthens individual accountability within the financial services sector. All reports are treated with confidentiality and thoroughly investigated to ensure proper resolution.

BRAC Bank also emphasizes the importance of its "Speak Up" Policy for employees. This policy is vital for promoting a transparent and sustainable work environment by enabling employees to raise concerns about suspected misconduct within the Bank. By speaking up, employees help the Bank address unethical issues proactively. Conversely, remaining silent about potential misconduct can exacerbate problems and undermine trust.

Credit rating

As per Bangladesh Bank guidelines and notifications of Bangladesh Securities and Exchange Commission, BRAC Bank conducts its credit rating each year with due disclosure. Credit rating of BRAC Bank is available on page 327 in this Annual Report

Governance of sub-committees

BRAC Bank has fully complied with provisions of BRPD circular issued by Bangladesh Bank and CG Code 2018 issued by Bangladesh Securities and Exchange Commission regarding formation of Sub Committee, its meeting and minutes, which is appended below

- Members of the committee are nominated by the board of directors from themselves
- Appropriate number of representatives of independent directors in the Sub committee
- Chairperson of the subcommittee is the Independent Director
- All Members are appointed for a 03 (three)-year term of office. Company secretary of the bank is the secretary of the sub committee
- All decisions/observations of the committee be noted in minutes
- All minutes of the subcommittee meetings are presented in the next board meeting.

Independent Director's representation in four subsidiaries companies of BRAC Bank

Sl.	Name and Designation	bKash Limited	BRAC EPL Investments Ltd.	BRAC EPL Stock Brokerage Ltd.	BRAC Saajan Exchange Ltd.
01	Dr. Zahid Hussain	-	Director	Director	Director
02	Ms. Anita Ghazi Rahman	Director	-	-	-

Succession plan of the Board

The Board's succession plan is a strategic framework that outlines the process that boards and committees must follow when replacing board members, board leadership, subcommittee leadership and Senior Management. These plans can help fill an existing vacancy or plan ahead for a future vacancy in one of these positions.

Board of Directors establishes the relevant & transparent process in compliance with corporate governance and other relevant rules and regulations for the nomination of new directors and the election/ reelection of existing directors to the Board, to ensure accountability, transparency, fairness, and responsibility.

Service not provided by External Auditors

In compliance with the CG Code, 2018 issued by BSEC, Provision 7, we declare that M/S A. Qasem & Co., Chartered Accountants, was not engaged in any of the following services during 2025 while conducting statutory Audit.

- Internal Audit Services or Special Audit Services
- Compliance Audit Services on Corporate Governance Code issued by BSEC
- Valuation/appraisal Services or any Fairness opinion
- Actuarial Services
- Broker-dealer services
- Financial Analysis or Other Financial Services, Accounting Record keeping services related to Financial Statements
- Any services recommended by Audit Committees
- Any professional services
- Any kind of services which may create conflict of interest

Compliance with Secretarial Standard issued by Institute of Chartered Secretaries of Bangladesh (ICSB)

The Institute of Chartered Secretaries of Bangladesh (ICSB), the statutory body of Government to promote Corporate Governance in the Country, has set and issued six (6) Secretarial Standard, Secretarial Standard of Meetings of The Board of Directors (BSS-1), Secretarial Standard on General Meeting (BSS-2), Secretarial Standard on Minutes (BSS-3), Secretarial Standard on Dividend (BSS-4), Secretarial Standard on Meeting Through Electronic Modes (Virtual Or Hybrid Meetings) (BSS-5), Secretarial Standard on Resolution By Circulation (BSS-6), with the objective of formulating Bangladesh Secretarial Standard.

These above guidelines, issued by the Institute of Chartered Secretaries of Bangladesh (ICSB), have been entirely adhered to by BRAC Bank.

BRAC Bank PLC follows the Bangladesh Secretarial Standard (BSS) set by the Institute of Chartered Secretaries of Bangladesh (ICSB). The Company Secretariat Division thoroughly implements all necessary requirements and procedures, mentioned under the BSS for ensuring a good corporate governance. It has been discussed under the section Corporate Governance Report.

BSS- 1: Board of Directors meeting

- Convening of a meeting
- Frequency of meetings
- Quorum
- Attendance at meetings
- Chairman Complied
- Passing of resolution by circulation
- Minutes
- Attendance in meetings and their recording in the minutes
- Preservation of minutes and supporting papers
- Disclosure

BSS- 2: General meeting

- Convening of a meeting
- Frequency of meetings
- Quorum
- Presence of directors and auditors
- Chairman
- Voting
- Proxies
- Conduct of poll
- Withdrawal of resolutions
- Rescinding of resolutions
- Modifications to resolutions
- Reading of report/certificate
- Distribution of gifts
- Adjournment of meetings
- Minutes
- Recording in the minutes
- Preservation of minutes and other records

BSS- 3: Minutes

- Maintenance
- Contents
- Recording
- Alteration/modification
- Finalization & signing
- Inspection
- Preservation

BSS- 4: Dividend

- Declaration/recommendation of dividend
- Dividend out of profits
- Dividend out of reserves
- Entitlement to dividend
- Payment of dividend
- Unpaid/Unclaimed dividend

BSS- 5: Meeting through electronic modes

Standards for Board and committee meeting

- Convening meeting
- Special cares to be taken for conducting meeting
- Conducting meeting
- Minutes and proceedings of meeting

Standards for Members Meetings

- Guidance for General Meeting
- Standards for convening and conducting meeting

BSS- 6: Resolution by circulation

- Authority
- Procedure
- Approval
- Recording
- Validity

Statement of Non-Compliance with Mandatory Requirements and Regulatory Statutes

BRAC Bank PLC has no instances of non-compliance with applicable regulatory statutes that may have material impact on the Bank's ability to create value in the short, medium and long term for the shareholders.

In the ever-evolving regulatory landscape of the financial industry, maintaining compliance is a top most priority for BRAC Bank. The Internal Control & Compliance team remains vigilant in staying abreast of regulatory changes, and continue to invest in strong internal controls to ensure ongoing adherence to the ethical standards and regulatory requirements.

BRAC Bank put importance of regulatory compliance in maintaining the trust and confidence of the shareholders, and committed to uphold these standards in all aspects of business operations.

Pattern of shareholding

i. Ownership of the Company's securities by the members of the Board of Directors.

As per Corporate Governance Code, notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969, the shareholding pattern of BRAC Bank is given below:

Particulars	Shareholder Name	No. of shares held on 31.12.2025	Percentage of shares held (%)
Sponsors & Directors	BRAC	919,111,744	46.165
	Late Sir Fazle Hasan Abed KCMG	19,543	0.001
	Late A.S. Mahmud	16,345	0.001
	Dr. Saleh Uddin Ahmed	13,426	0.001
	Mr. Meheriar M. Hasan, Chairperson	Nil	Nil
	Mr. Faruq M. Ahmed (Vice-Chairperson, Independent Director)	Nil	Nil
	Ms. Farzana Ahmed (Independent Director)	Nil	Nil
	Dr. Zahid Hussain (Independent Director)	Nil	Nil
	Mr. Salek Ahmed Abul Masrur (Independent Director)	Nil	Nil
	Ms. Anita Ghazi Rahman (Independent Director)	Nil	Nil
	Mr. Chowdhury MAQ Sarwar (Independent Director)	Nil	Nil
	Ms. Lila Rashid (Independent Director)	Nil	Nil
Total no. of shares of Sponsors & Directors		**919,161,058**	**46.168%**

ii. Shares held by the Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Control and Compliance and their spouses and minor children:

Particulars	Shareholder Name	No. of shares held on 31.12.2025	Percentage of shares held (%)
Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses and minor children	Mr. Tareq Refat Ullah Khan, Managing Director & CEO	Nil	Nil
	Mr. M Masud Rana FCA, AMD & Chief Financial Officer	Nil	Nil
	Mr. Abdullah Al Mamun, DMD & Head of Internal Control and Compliance	Nil	Nil
	Mr. M Mahbubur Rahman FCS Company Secretary	Nil	Nil
	Spouse of Mr. M Masud Rana FCA, AMD & Chief Financial Officer, Ms. Sharmin Rana	12,310	0.0006%
Total		**12,310**	**0.0006%**

iii. Shares held by top-five salaried executives in the regular services of the bank:

Sl.	Name	Designation	Shareholding
1	Mr. Md. Shaheen Iqbal, CFA	AMD and Head of Wholesale Banking	3,573
2	Mr. Syed Abdul Momen	AMD and Head of SME Banking	Nil
3	Mr. A.S.M. Wasi Noman	AMD and Chief Information Officer	Nil
4	Mr. Ahmed Rashid	AMD and Chief Risk Officer	Nil
5	Mr. Md. Mahiul Islam	DMD and Head of Retail Banking	Nil

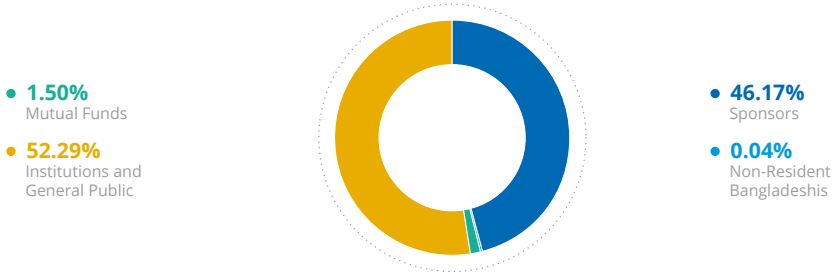
iv. List of shareholders holding 10% and above shares in the paid-up capital of the bank:

SL No.	BO	Name	Status (Sponsor/ Promoter/ Director)	No. of shares held as on 31.12.2025	% of total no. of paid-up shares
1.	1201820000147618	BRAC	Sponsor	919,111,744	46.165

Shareholding Structure as on 31st December 2025

Category	No. of Shareholder (31 December 2025)	No. of Shares (31 December 2025)	Percentage of holding of shares (31 December 2025)
Sponsors	4	919,161,058	46.168%
Non-Resident Bangladeshis	116	731,387	0.037%
Mutual Funds	43	29,934,289	1.504%
Institutions and General Public	16038	1,041,099,433	52.292%
Total	16,201	1,990,926,167	100.00%

Shareholding Structure (Category-wise)



Particulars	2025	2024
Authorized Capital	50,000,000,000	50,000,000,000
Paid-up Capital	19,909,261,670	17,697,121,490

Investment in Subsidiaries:

SL	Name of the Company	Total Number of Ordinary Shares	Number of Shares Hold by BRAC Bank	Percentage of Shareholdings
1	bKash Ltd.	2,238,973,146	1,141,911,535	51.00%
2	BRAC EPL Investment Ltd.	258,500,000	258,358,734	99.95%
3	BRAC EPL Stock Brokerage Ltd.	12,768,575	11,491,638	90.00%
4	BRAC Sajaan Exchange Ltd.	4,333,333	4,250,000	98.08%

Investment in Associates:

SL	Name of the Company	Total Number of Ordinary Shares	Number of Shares Hold by BRAC Bank	Percentage of Shareholdings
1	BRAC IT Services Ltd.	233,729	23,372	9.999%

Investment in Unquoted Shares:

SL	Name of the Company	Total Number of Ordinary Shares	Number of Shares Hold by BRAC Bank	Percentage of Shareholdings
1	IIDFC PLC.	173,777,068	10,449,259	6.01%
2	Central Depository Bangladesh Limited (CDBL)	200,000,000	2,284,721	1.14%
3	The Bangladesh Rating Agency Limited (BDRAL)	1,197,314	119,717	9.9988%

Individuals/Institutions:

Particulars	31st Dec 2025			31st Dec 2024		
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%
Individuals	15764	125362898	6.30%	18567	141167377	7.98%
Institutions	438	1865563269	93.70%	560	1628544772	92.02%

Bank's Market Capitalization:

Particulars	31st Dec 2025	31st Dec 2024
	BDT	BDT
DSE Market Capitalization (mn)	125,627.44	86,715.90
CSE Market Capitalization (mn)	126,423.81	86,184.98

Value Creation for shareholders:

Particulars	2025	2024	Change%
Net asset value per share (TK)	50.08	38.07	31.55%
Earnings per share (TK)	7.94	6.10	30.16%
Dividend Payout ratio (%)	38%	36%	5.56%

Governance Disclosure on the Process of Holding the Last (26th) Annual General Meeting (AGM) of BRAC Bank PLC

Pre-meeting Compliances

- Conduction of Board Meeting for Holding AGM
- Finalization and Confirmation of the Financial Statements
- Fixation of the Record Date
- Declaration of Dividends
- Collection of NOC from the exchanges regarding Stock Dividend
- Dissemination of Price Sensitive Information (PSI)
- Preparation of Annual Report
- Serving Notice of AGM to the Shareholders through email
- Serving Annual Report to the Shareholders through email
- Communication with Shareholders and other stakeholders through print media
- Appointment of the Scrutinizer for AGM
- Opening of the voting line for the Shareholders to vote on the Agenda

During the Meeting Compliances

- AGM starts in due time and process
- Closing of Voting Line
- Declaration of agenda-wise voting result
- Question & Answer session for the shareholders
- Speech of Meeting Chairperson, Managing Director, and others
- Vote of Thanks

After Meeting compliances

- Collection of the scrutinizer's Report and submission to the Commission
- Submission of Audio Visual to the Exchanges and Commission
- Submission of minutes and attendance record to the exchange and commission in due time
- Appointment of Auditors
- Submission of Annual Return, Form XV to the RJSC
- Dividend Calculation & disbursement the same to the shareholders
- Dissemination of the Dividends
- Compliance Report to the exchanges and commission
- Circulation of Dividend Notice
- Circulation of Tax Certificate

Policy Approval

Principles on Disclosure of Price Sensitive Information (PSI) and Material Information (MI) of BRAC BANK PLC.

This Policy has been formulated in accordance with the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022. As required under Regulation 3(2), every listed company must identify and disclose its Price Sensitive Information (PSI) and Material Information (MI).

The Policy aims to determine and disclose PSI and material events of BRAC Bank PLC based on the criteria set out in the Rules, ensuring timely and transparent communication.

As a listed company, the Bank discloses PSI within two hours of the Board's decision or when the matter comes to its knowledge. Any approval or consent from Bangladesh Bank, BSEC, or other regulators affecting share price is also disclosed within two hours of receipt or awareness. Upon receiving regulatory approval, the Bank republishes the related PSI/MI, mentioning that prior permission was sought.

PSI/MI is published in one online news portal and two widely circulated daily newspapers (Bangla and English), and uploaded on the Bank's website for a minimum of three years as Insider Information.

Key Managerial Personnel oversee compliance with the Policy, while the Company Secretariat is responsible for its implementation. Directors and employees must maintain confidentiality of PSI/MI and disclose such information only in the proper discharge of duties or as required by law.

Dividend Distribution Policy

The Board of BRAC Bank approved a dividend distribution policy at its 303rd Board meeting held on September 20, 2021 in line with the directive no. BSEC/CMRRCD/2021-386/03 dated January 14, 2021 of the Bangladesh Securities and Exchange Commission (BSEC). The dividend distribution policy of BRAC Bank is available on the bank's website.

Conflict of Interest Policy for the Board of Directors

Conflict of Interest policy is crucial for banks for uphold ethical standards and maintain trust. According to Bangladesh Securities and Exchange Commission, Corporate Governance code under Code of conduct of Board Members section-07, the Conflict of Interest Policy has been adopted by the Board of Directors.

It establishes guidelines to identify, disclose, and manage conflicts of interest in compliance with the laws of Bangladesh, relevant international standards, and best practices in corporate governance.

A conflict of interest arises when a Director's personal interests, whether financial or non-financial, or those of a related party, directly or indirectly conflict with, or have the potential to conflict with, the interests of the Bank. This can affect the Director's impartiality, objectivity, duty or loyalty to the Bank in the performance of their duties.

Dividend Distribution Compliance report 2025

Dividend Distribution Compliance Report of BRAC Bank PLC.		
Under Clause (6) of the Directive No. BSEC/CMRRCD/2021-386/03, dated: 14/01/2021		
1	Name of the Issuer Company	BRAC Bank PLC.
2	Particulars of Issuer DP	DP: 208, Stock Symbol: BRACBANK, ISIN: BD0138BRACB9
3	Type of Dividend (Annual/Interim) (Put tick mark (a) on the recommended option)	a) Annual ☑ b) Interim ☐
4	Whether audited or not for Interim Dividend (Put tick mark (a) on the recommended option)	a) Audited ☑ b) Unaudited ☐
5	Date of Recommendation of Dividend by the Board of Directors / Trustee: Enclose copy of PSI	378th Board meeting held on April 28, 2025
6	Whether dividend recommended other than directors or sponsors or any other classes (Put tick mark (a) on the recommended option)	a) Yes ☐ b) No ☑
7	Record date for entitlement	May 25, 2025
8	Rate of dividend recommended by the Board of Directors/Trustee	a) Cash Divided: 12.50% b) Stock Divided: 12.50%
9	Dividend Recommended - Type (Put tick mark (a) on the recommended option)	a) Cash ☑b) Stock ☑
10	Securities/ Mutual Fund traded under which categories (Put tick mark (a) on the recommended option)	a) A ☑ b) B ☐ c) G ☐ d) N ☐ (e) Z ☐
11	Date of transfer to a separate bank account (Pls. mention bank details) or provisional credit of shares/units by CDBL	May 05, 2025
12	Date of Approval of Dividend at AGM	June 19, 2025
13	Rate of Dividend Approved at AGM-details at Annexure, (if any changes)	No Change
14	Date of commencement of disbursement of Cash and Stock Dividend	Stock Divided: June 24, 2025, Cash Dividend: Disbursed on June 29, 2025.
15	Mode of disbursement of Cash Dividend (Put tick mark (a) on the recommended option)	a) BEFTN √ b) Bank Transfer √ c) MFS d) Dividend Warrant e) Any other mode
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclose Bank statements and Corporate Action Processing Report (DP-70/RT-32]	Stock Divided: June 24, 2025 Cash Dividend: disbursed on June 29, 2025 & Completed on June 30, 2025.
17	Paid-up-capital of the issuer before corporate action/entitlement	TK 17,69,71,21,490/-
18	Number of securities /shares outstanding- before corporate action/entitlement	=1,76,97,12,149=
19	Total cash in taka or stock (no. of shares) dividend as per corporate declaration	Cash Dividend: Tk. 221,21,40,186.25 (Net Amount 191,63,52,465.73 + Tax Amount 29,57,87,720.52). Stock Dividend (no. of shares): =22,12,14,018=

20	Distribution/Disbursement details of Cash & Stock Dividend	Cash	Stock (no.)	Annexures
	A. Mode of Dividend Payment/credit for the concerned year:			
	a) Through BEFTN or directly credited to respective BO	968,200,858.96	221,213,890	-
	b) Through Bank Transfer other than entitled BO-Margin loan	-	-	-
	c) Through Bank Transfer	948,012,812.54	-	-
	d) Through Mobile Financial Service (MFS)	-	-	-
	e) Through any other mode as approved by Bangladesh Bank	-	-	-
	f) Through transfer to Suspense Account for dematerialized shares (BO wise detailed with reason should be maintained and subtitled)	-	3	Annex-A
	g) Through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities	-	125	Folio Bonus against 1,000 shares of Late A.S Mahmud
21	Total Dividend paid/credited for the concerned year	1,916,352,465.73	221,214,018	-
22	Total unpaid/undistributed dividend /accrued during the period (20-21)	138,794.23	128	-
23	Total unpaid/undistributed dividend /accrued as on 1st day of Accounting year (as per audited accounts)	31,743,944.91	66,369	-
24	Transfer to Suspense Account for Demate Shares or any other reasons during the concerned year.	-	-	-
	A. Mode of Dividend receipts/payment/credit for the previous years:	-	-	-
	a) Through BEFTN or directly credited to respective BO	10,396,418.06	-	-
	b) Through Bank Transfer	-	-	-
	c) Through Mobile Financial Service (MFS)	-	-	-
	d) Through any other mode as approved by Bangladesh Bank	-	-	-
	e) Through transfer to/from Suspense Account for Demate shares or any other reasons	-	-	-
	f) Through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities/shares/units	-	-	-
	g) Transfer of cash or stocks to the fund as prescribed or directly by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities	-	-	-
25	Total Dividend paid/credited for previous years:	10,396,418.06	-	-
26	Total unpaid/undistributed Dividend for previous years (23-25) Taka/No.	21,347,526.85	66,369	-
27	Grand Total of unpaid/undistributed Dividend (22+26)	21,486,321.08	66,497	-
28	Aging of grand total of unpaid/undistributed Dividend for previous years:	-	-	-
	More than 3 years; balance	13,350,697.22	51,697	-
	More than 4 years; balance	4,566,596.22	39,195	-
	More than 5 years & above; balance	3,430,233.41	47,301	-
	Total unpaid/undistributed Dividend for previous years	21,347,526.85	66,497	-
	(Supporting bank statements and balances of securities with the Depository)			
Note: Issuer shall maintain BO wise detailed information for all transfers/credit to suspended Accounts				
with reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable fields.				

REPORT OF THE BOARD AUDIT COMMITTEE

Responsibilities of the Board Audit Committee

Overview

The Audit Committee of BRAC Bank serves as the highest governing body for overseeing financial integrity, internal controls, compliance, and risk management of the bank. It ensures effective corporate governance and accountability; as the apex authority, providing independent supervision of management activities, guiding audit and operational policies, and safeguarding stakeholders' interests. Its responsibilities include reviewing financial reporting for accuracy and regulatory compliance, monitoring internal control mechanism, supervising internal and external audit processes, assessing financial and operational risks, and ensuring adherence to legal and ethical standards. This helps to strengthen transparency, accountability, risk mitigation, and regulatory compliance across the bank's operations.

Statement of purpose

BRAC Bank's Audit Committee is a prime sub-committee of the Board of Directors. Its purpose is to:

i. Oversee integrity and accuracy of financial statements

ii. Approve Internal Audit Charter, annual plan, and audit methodology

iii. Review major audit findings and monitor corrective actions

iv. Ensure independence and adequacy of Internal Audit and External Audit.

v. Recommend appointment, rotation, and fees of external auditors

vi. Monitor effectiveness of internal controls and risk management

vii. Review Bangladesh Bank inspection reports and ensure timely remediation

viii. Monitor frauds, forgeries, irregularities, and regulatory breaches

ix. Fulfillment and discharge of other stated responsibilities

Composition of the Audit Committee

The Audit Committee comprises 4 members of the Board of Directors, including four Independent Directors, in accordance with the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC), on 3 June 2018 (Notification No. BSEC/CMRRCD/2006- 58/207/Admin/80) and Bangladesh Bank BRPD Circular No. 11, dated 27 October 2013.

The members of the Board Audit Committee of BRAC Bank as on 31st December 2025 were:

Mr. Chowdhury MAQ Sarwar	**The Chairperson of the Committee**
Ms. Farzana Ahmed	**Member**
Dr. Zahid Hussain	**Member**
Ms. Lila Rashid	**Member**

Mr. Chowdhury MAQ Sarwar, Ms. Farzana Ahmed, Dr. Zahid Hussain and Ms. Lila Rashid are Independent Directors on the Board of BRAC Bank.

Company Secretary of the bank is also the Secretary of the Board Audit Committee. Head of ICC reports to the Chairperson of the Board Audit Committee. Both Head of Audit and Head of ICC are accountable to the Board Audit Committee.

Participation of non-members

Head of Audit, Head of ICC and representatives of the management (Managing Director and Additional/ Deputy Managing Directors) also attend meetings on invitation.

Access to the Committee

On any matter within the Committee's scope, Head of Audit and Head of ICC have direct access to the Audit Committee.

Roles and responsibilities of the Board Audit Committee

The following comprises the primary activities of the Audit Committee in discharging its responsibilities. These functions serve as a guide, even as the committee may carry out additional functions and adopt additional policies and procedures, as may deem appropriate, considering the changing business, legislative, regulatory, legal or such other conditions. In addition to any other responsibilities which may be assigned from time to time by the Board, the Audit Committee is responsible for the following matters:

Internal control

- Evaluate whether the management is establishing an appropriate compliance culture across the organization

- Review the management's actions in compliance with the bank's applicable internal guidelines, and regulatory directives.
- Consider whether the internal control strategies recommended by internal and external auditors/ inspectors have been implemented by the management
- Consider reports relating to fraud and forgery and place them before the Board after reviewing whether necessary corrective measures have been taken by the management
- Review the status of compliance with policies and procedures to identify, measure, monitor and control risk with governance and supervisory oversight from the Board
- Review management letters issued by statutory auditors

Financial reporting

- The Committee assesses whether the financial statements reflect complete and accurate information, and determines whether the statements are prepared in accordance with prevalent rules and regulations, and applicable financial reporting standards
- Review the financial statements with the management and external auditors before finalisation
- Review the quarterly and half-yearly financial statements with the management before submission to the Board for approval
- Review the Management's Discussion and Analysis Report before disclosing it in the Annual Report

Internal Audit

- Monitor/evaluate whether internal audit functions are truly independent
- Champion the internal audit function to enable it to fulfill the Purpose of Internal Auditing and pursue its strategy and objectives.
- Work with senior management to enable the internal audit function's unrestricted access to the data, records, information, personnel, and physical properties necessary to fulfill the internal audit mandate.
- Support the Head of Audit and Head of ICC through regular, direct communication.
- Review and approve the Annual Internal Audit Plan and annual budget
- Review the efficiency and effectiveness of the internal audit function
- Review and ensure that appropriate recommendations made by internal auditors are duly acted upon by the Management
- Meet the Head of ICC and Head of Internal Audit at least once a year, without the management being present, to discuss any issues arising from internal audits

External audit

- Place recommendations to the Board in fulfilling their responsibilities to shareholders at the AGM, appointments, re-appointments and disengagement with external auditors. The Committee shall oversee the selection process of the new auditors and shall investigate any issue that might have led the auditors to resign
- Oversee the relationship with the external auditors, including:
  - Recommendation of their remuneration, i.e. fees for audit or non-audit services
  - Assessing annually their independence and objectivity, considering relevant professional and regulatory requirements
  - Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the bank (other than in the ordinary course of business)
- Meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit is complete at the reporting stage. The committee shall meet the external auditor at least once a year, without the management being present, to discuss any issues arising from the audit
- Review the findings and recommendations made by external auditors, if any, and ensure the remediation are duly acted upon by the management
- Review whether the laws and regulations framed by the regulatory authorities (Central Bank, BSEC and other bodies) and internal regulations approved by the Board have been duly complied with

Other responsibilities

- Submit a comprehensive compliance report to the Board on a quarterly basis on regularization of omission, fraud and forgeries and other irregularities detected by internal and external auditors and inspectors of regulatory authorities
- External and internal auditors may submit their related assessment report, if the committee solicits

- Perform other oversight functions, as desired by the Board of Directors, and evaluate the committee's own performance on a regular basis

Audit Committee meetings

The Board Audit Committee of BRAC Bank sits once every quarter. However, an emergency Board Audit Committee meeting can be called, if required. A total of 9 (nine) Audit Committee meetings including 01 (one) Special Audit Committee Meeting were held during the year 2025. In addition to regular matters, the committee reviews existing risks and mitigation measures, evaluates the management's adherence to compliance, monitors the internal audit function and financial statements, ensure on-time submission of returns, assessing the findings and recommendations of external and Bangladesh Bank auditors, etc., the following issues were given special emphasis.

Meeting Date	Attendance	Focus Points
05/01/2025	• Mr. Chowdhury MAQ Sarwar • Dr. Zahid Hussain • Ms. Lila Rashid	1. To review the shortlisting and selection process for recruitment of Head of ICC of BRAC Bank
28/04/2025	• Mr. Chowdhury MAQ Sarwar • Ms. Farzana Ahmed • Dr. Zahid Hussain • Ms. Lila Rashid	1. To review and recommend the Annual Audited Financial Statements for the year ended on December 31, 2024, of BRAC Bank PLC. 2. To review and recommendation for appointment of External Auditor for the year 2025 and their remuneration.
12/05/2025	• Mr. Chowdhury MAQ Sarwar • Ms. Farzana Ahmed • Dr. Zahid Hussain • Ms. Lila Rashid	1. To review and recommend the Un-Audited Financial Statements for the First Quarter ended on March 31, 2025 of BRAC Bank PLC.
17/06/2025	• Mr. Chowdhury MAQ Sarwar • Dr. Zahid Hussain • Ms. Lila Rashid	1. Discussion on Management Letter on the Audit of Financial Statements of BRAC Bank PLC for the year ended 31 December 2024. 2. Discussion on reports of Bangladesh Bank's surprise inspection on Bashundhara Branch.
28/07/2025	• Mr. Chowdhury MAQ Sarwar • Ms. Farzana Ahmed • Dr. Zahid Hussain • Ms. Lila Rashid	1. To review and recommend the Un-Audited Half Yearly (H1) Financial Statements ended on June 30, 2025 of BRAC Bank PLC.
07/08/2025	• Mr. Chowdhury MAQ Sarwar • Ms. Farzana Ahmed • Dr. Zahid Hussain • Ms. Lila Rashid	1. To review of Annual Integrated Health Report of BRAC Bank PLC for the year 2024. 2. To review overall Effectiveness of Internal Control of BRAC Bank PLC for the year 2024. 3. Discussion on issues referred by Bangladesh Bank Inspection on Head Office as on 31.12.2023 4. Discussion on the Audit updates for the Year 2024 and H1 2025. 5. Discussion on Compliance updates for the Year 2024 and H1 2025. 6. To review and approve revised ICC Policy, Internal Audit Policy, Compliance Policy, Concurrent Audit Policy, Internal Audit Charter, and Manual of Internal Audit Procedures. 7. Discussion on summary of reports on Fraud and Forgery
23/10/2025	• Mr. Chowdhury MAQ Sarwar • Dr. Zahid Hussain • Ms. Lila Rashid	1. To review and recommend the Third Quarter (Q3) Un-Audited Financial Statements ended on September 30, 2025 of BRAC Bank PLC.
13/11/2025	• Mr. Chowdhury MAQ Sarwar • Ms. Farzana Ahmed • Dr. Zahid Hussain	1. Discussion on Bangladesh Bank Inspection (DCM) Report on Ghorashal Branch base date 11/09/2025.

CERTIFICATE OF DUE DILIGENCE BY CEO AND CFO

Declaration on the financial statements for the year ended December 31, 2025

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we hereby declare that:

- The financial statements of BRAC Bank PLC for the year ended December 31, 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, and any departure therefrom has been adequately disclosed;
- The estimates and judgments related to the financial statements were made on a prudent and reasonable basis in order for the financial statements to reveal a true and fair view;
- The form and substance of transactions and the bank's state of affairs have been reasonably and fairly presented in its financial statements;
- To ensure the above, the bank has taken proper and adequate care in installing a robust system of internal control and maintenance of accounting records;
- Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the bank were consistently followed; and
- The management's use of the going concern basis of accounting in preparing the financial statements is appropriate, and there exists no material uncertainty related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern.

In this regard, we also certify that:

- We have reviewed the financial statements for the year ended December 31, 2025 and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- These statements collectively present a true and fair view of the bank's affairs and are in compliance with existing accounting standards and applicable laws.
- There are, to the best of our knowledge and belief, no transactions entered into by the bank during the year which are fraudulent, illegal or in violation of the code of conduct of the bank's Board of Directors or its members.

Sincerely,

Tareq Refat Ullah Khan
Managing Director & CEO

M. Masud Rana, FCA
Additional Managing Director & CFO

COMMUNICATION AND ENGAGEMENT WITH SHAREHOLDERS

Strengthening shareholder relations via transparent, consistent, and proactive outreach.

BRAC Bank prioritizes transparency, regulatory compliance, and open communication to foster a stable capital market and protect shareholder interests. This commitment is central to the banks strategy for building strong relationships and delivering long-term value to our shareholders.

BRAC Bank's Share department fosters shareholder trust by supporting stakeholders, liaising with regulators, and enhancing services through features like online dividend applications and automated email notifications. The bank prioritizes transparent information sharing via its corporate website, promptly updating reports and announcements, and ensures comprehensive AGM notifications through multiple channels in adherence to stock exchanges and Bangladesh Securities and Exchange Commission (BSEC) rules, thereby encouraging active shareholder participation and feedback at well-attended Annual General Meetings. For further details on the proceedings of the 26th AGM, referring to the AGM section of the Annual Report.

BRAC Bank has implemented two automation systems to improve communication speed and efficiency with shareholders:

Automated Dividend Notices: Immediately following the Annual General Meeting (AGM), the system distributes notices to shareholders detailing their dividend information.

Automated Tax Certificates: This automation provides tax certificates for cash dividends, which shareholders can use for their annual tax return purposes.

Unpaid/Unclaimed Dividend

As per BSEC Notification no. BSEC/CMRRCD/2021-391/20/Admin/121, BRAC Bank provides a year-by-year list of unclaimed or unpaid dividends in the Investor Relations section of its website. To claim these funds, the bank follows the guidelines set by the Capital Market Stabilization Fund (CMSF) Rules, 2021.

Unpaid/Unclaimed Dividend claim form

Scan the QR code and download the form

Key mechanisms for fostering shareholder engagement at BRAC Bank are highlighted below.

How We Engage With Our Shareholders

Annual Report
Provides a balanced account of the Bank's financial and non-financial performance for the financial year.

Annual General Meeting
A forum for shareholders to interact with the Board of Directors and engage in key matters requiring shareholder input.

Corporate Disclosures
Mandatory and voluntary communications of the Bank's financial, operational and governance information to shareholders to facilitate informed decisions.

Press Releases and Social Media
Convey price sencitive and material information about the Bank to the public.

Investor Meetings
Virtual meetings of earnings Disclosure programs enable shareholders and investors to gain insights into the Bank's performance, strategies and governance.

Corporate Website
comprehensive platform designed to communicate a brand's identity, values, and overall structure to diverse stakeholders.

REDRESS OF INVESTOR COMPLAINTS

BRAC Bank's 25-Year Commitment to Shareholder Rights and Service Excellence

BRAC Bank has maintained an investor-centric approach dedicated to meeting shareholder needs and safeguarding their fundamental rights to foster long-term trust. The Bank prioritizes the monitoring and prompt resolution of all investor complaints to ensure a reliable and transparent relationship with its stakeholders.

Empowering Shareholder Participation

BRAC Bank actively encourages shareholder participation in its Annual General Meetings (AGMs). To facilitate this, the Bank issues a formal notice to all shareholders at least 21 days before the meeting, detailing the date, time, and all necessary information. The AGM notice is also disseminated through the Bank's website and newspaper publications. Furthermore, relevant documents, including the annual report and attendance or voting instructions, are made easily accessible via website links sent to shareholders through email and SMS.

In 2025, BRAC Bank successfully held its 26th AGM using an efficient and inclusive digital platform.

Shareholder Participation at BRAC Bank

BRAC Bank facilitates shareholder participation by allowing individuals/Corporate to vote on their behalf at the Annual General Meeting (AGM). The website also serves as a comprehensive resource for financial data, business profiles, and meeting details. For further assistance regarding proxy voting or AGM access, shareholders can contact the bank directly at *sharedept@bracbank.com*.

Mechanism for settling investor issues

Commitment to Transparency:
The system reinforces the bank's commitment to transparency, accountability, and building trust with investors.

Robust Grievance Redress System:
A robust system is in place with a designated person monitoring complaints daily.

Multiple Submission Channels:
Investors can submit complaints via email, phone, or the bank's website.

Dedicated Investor Relations Team:
BRAC Bank has a dedicated team for efficiently addressing investor complaints.

Timely Updates:
Investors receive timely updates throughout the resolution process.

Regular Shareholder Communication:
The bank maintains regular communication by sharing performance reports and addressing relevant issues promptly.

Contact details of Share Department of BRAC Bank PLC.

SHARE OFFICE	PHONE	E-MAIL
BRAC Bank PLC., Anik Tower, Ground Floor, 220/B, Tejgaon, Gulshan Link Road, Tejgaon I/A, Dhaka-1208.	09677555124 09677555125	sharedept@bracbank.com

REGULATORY COMPLIANCE AND ENFORCEMENT INTEGRITY

Regulatory penalties or sanctions • Compliance with laws, listing rules & standards • Disclosure of regulatory investigations • Timeliness of statutory filings • Corrective actions taken after non-compliance

Regulatory Penalties or Sanctions

BRAC Bank PLC has consistently demonstrated its commitment to regulatory compliance and ethical governance. In 2025, the Bank maintained a clean record with no major regulatory sanctions or penalties, underscoring its strong compliance culture and proactive risk management framework.

Compliance with Laws, Listing Rules & Standards

The Bank adheres strictly to the laws, listing rules, and standards set forth by Bank Company Act, 1991, Bangladesh Bank circulars, the Bangladesh Securities and Exchange Commission (BSEC) listing regulations, and Dhaka Stock Exchange (DSE) listing rules and others regulatory directives. All statutory filings, including quarterly and annual disclosures, were submitted in a timely manner, reflecting the Bank's dedication to transparency and accountability.

Disclosure of Regulatory Investigations

In line with best practices, BRAC Bank ensures that any regulatory investigations or queries are disclosed promptly and addressed with full cooperation. Corrective actions, where minor compliance gaps have been identified in the past, have been implemented swiftly, strengthening internal controls and reinforcing stakeholder confidence. Price Sensitive Information (PSI) and material developments are instantly communicated to the capital market authorities and shareholders via statutory channels.

Timeliness of Statutory Filings

BRAC Bank continuously demonstrates reporting compliance through the punctual submission of all financial and regulatory filings:

- **Interim and Annual Financials:** Audited financial reports and quarterly un-audited reports are submitted to the BSEC, DSE, and Bangladesh Bank well within designated legal windows.
- **Taxation and Duties:** Corporate tax returns, value-added tax (VAT) filings, and statutory withholding reports are processed punctually with the National Board of Revenue (NBR).
- **Credit Information:** Credit data is routed to the Credit Information Bureau (CIB) of the central bank on an ongoing, daily operational basis.

For details please refer to page 50.

Corrective Actions Taken After Non-Compliance

Supported by an independent Internal Control & Compliance Division (ICCD), the bank uses systemic root-cause tracking to address internal audit observations. When operational anomalies or branch-level procedural gaps are identified, the bank deploys real-time corrective actions.

BOARD MEETINGS AND ATTENDANCE

Board Meetings and Attendance (as on December 31, 2025)

SL No	Name of the Director	Designation	Presence of the Director in the meeting during their tenure			Remuneration per meeting (BDT)
			No. of meetings	Present	Absent	
1	**Mr. Meheriar M. Hasan**	Chairperson	16	14	2	10,000
2	**Mr. Faruq M. Ahmed**	Vice-Chairperson & Independent Director	16	14	2	10,000
3	**Mr. Asif Saleh**	Director	8	6	2	10,000
4	**Ms. Farzana Ahmed**	Independent Director	16	9	7	10,000
5	**Dr. Zahid Hussain**	Independent Director	16	16	-	10,000
6	**Mr. Salek Ahmed Abul Masrur**	Independent Director	16	12	4	10,000
7	**Ms. Anita Ghazi Rahman**	Independent Director	16	13	3	10,000
8	**Mr. Chowdhury MAQ Sarwar**	Independent Director	16	16	-	10,000
9	**Ms. Lila Rashid**	Independent Director	16	16	-	10,000

NB: Mr. Asif Saleh retired from the Board on June 19, 2025

Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

DISCLOSURE ON CREDIT RATING

External credit rating status & trend • Rating outlook disclosure • Analyst recommendations & market assessment • Financial risk evaluation by rating agencies • Consistency between reported performance and analyst expectations

Overview

In compliance with Bangladesh Bank's BRPD circular No. 06, dated July 05, 2006, and with a view to assure investors and other stakeholders of the sustainable operating positions of the bank and to safeguard stakeholder interests, BRAC Bank has completed its credit rating conducted by Credit Rating Agency of Bangladesh Limited (CRAB), S&P Global Ratings and Moody's Investors Service based on the audited financial statements for the year ended December 31, 2025.

Credit Rating of Brac Bank

DOMESTIC	Long-Term	Short-Term
CRAB	AAA	ST-1

INTERNATIONAL	Long-Term	Short-Term
S&P Global Ratings	B+	B
MOODY'S Investors Service	B2	NP

Feature Rating by domestic credit rating agency	
Rating basis	Audited financial statements as of December 31, 2025
Validity	**June 30, 2027**
Outlook	**Stable***

* Stable indicates that a rating is likely to remain unchanged.

Rating by international credit rating agencies	
Rating basis	Audited financial statements as of December 31, 2024, and Interim Report in 2025
Outlook	**S&P: Stable, Moody's: Negative (aligned with country outlook)**

Credit rating on financial Instruments:

Affordable housing bond	BRAC Bank 2nd subordinated bond	BRAC Bank Social Sub-bond
Long-Term	Long-Term	Long-Term
AAA	AA_1(Hyb)	AA_1(Hyb)

Rating by domestic credit rating agency for Financial Instruments	
Rating basis	Audited financial statements as of December 31, 2025
Validity	**June, 2026**
Outlook	**Stable***

We are pleased to inform you that all the major credit rating agencies have reaffirmed their long- and short-term credit ratings of the bank. These are indicative of sustainable and well-diversified operations, robust management quality, wide distribution network, state of the art digital platform, strong liquidity positions, access to diverse fund sources, and prudent financial management strategies, that collectively ensure that the bank enjoys a favorable ratings outlook.

Analyst Recommendations & Market Assessment

Sell-side analysts and investment institutions maintain a highly favorable investment thesis on BRAC Bank share performance (DSE: BRACBANK):

- **Market Capitalization Supremacy:** BRAC Bank preserves its slot as the highest market-capitalized banking stock on the DSE.
- **Investor Returns:** High investor sentiment is anchored by a newly proposed 15% cash and 15% stock dividend configuration for the fiscal year ended December 31, 2025.

Financial Risk Evaluation by Rating Agencies

- **Capital Adequacy:** Well above regulatory minimums, supporting CRAB's AAA rating.
- **Asset Quality:** Non-performing loan (NPL) ratios remain contained relative to peers, aided by prudent risk management.
- **Liquidity Position:** Strong deposit base and diversified funding sources.
- **Profitability:** Stable net interest margins, though pressured by inflation and currency volatility.

Consistency Between Performance & Analyst Expectations

The bank's reported financial outcomes have surpassed local and regional banking analyst projections:

- **Accelerated Revenue and EPS Outperformance:** In 2025, the bank announced an audited Consolidated EPS of Tk. 9.12 against Tk. 6.18 in 2024, hitting a massive 57% net profit growth (totaling BDT 2,251 crore).
- **Consolidated Net Asset Value Expansion:** Consolidated NAV per share expanded swiftly to Tk. 51.56 by year-end 2025 (up from Tk. 39.38 in 2024). It reached Tk. 56.12 in the first quarter ended March 31, 2026.
- **Q1-2026 Momentum Execution:** In its un-audited Q1-2026 financial report, BRAC Bank registered a Consolidated EPS of Tk. 2.90 compared to Tk. 2.02 in Q1-2025.

CORPORATE GOVERNANCE VIGILANCE

• Board Independence • Auditor Change • Related Party Transparency • Internal Control Disclosure

BRAC Bank PLC remains committed to upholding the highest standards of corporate governance, ensuring that its board, management, and oversight mechanisms operate with integrity and transparency. In 2025, the Bank maintained a governance framework designed to proactively identify and mitigate potential red flags.

Board Independence & Effectiveness

The Board of Directors continues to operate with a balanced composition of independent and non-executive members, ensuring objective oversight and effective decision-making. Regular evaluations of board performance reinforce accountability and strategic alignment.

Frequency of Auditor Change/Resignation

The Bank's external auditors are appointed and rotated in full compliance with the statutory tenure limits mandated by the BSEC and Bangladesh Bank. Every auditor transition is handled through planned rotations at the Annual General Meeting (AGM) with seamless handover procedures, guaranteeing zero disruption to the disclosure timeline.

Related Party Transparency

All related party transactions are disclosed in accordance with Bangladesh Bank regulations and IFRS standards. These disclosures are reviewed by the Audit Committee to ensure fairness, transparency, and compliance.

Internal Control Strength

Internal control systems are regularly assessed, with findings disclosed in the annual report. No material weaknesses were identified in 2025, and minor process improvements were promptly addressed to reinforce operational resilience.

Through these measures, BRAC Bank demonstrates vigilance in governance practices, ensuring that potential risks are mitigated and stakeholder trust is preserved. The Bank's proactive stance on governance red flags underscores its commitment to ethical leadership, transparency, and sustainable growth.

STATEMENT OF THE BOARD AUDIT COMMITTEE

Statement on Audit Committee's oversight role in maintaining integrated internal controls

The Board Audit Committee (BAC) of BRAC Bank receives reasonable assurance from its independent Audit Department that the strategic objectives set by the Board, including operational efficiency, disclosure, integrity of financial/non-financial information and compliance with applicable laws and regulations are consistently maintained. Nurturing a culture of compliance and fostering awareness of responsibilities among all levels of coworkers comprise the key drivers that enable BAC to achieve its strategic objectives. Within this purview, BAC's oversight role comprises a consultative process in helping the bank to overcome systemic gaps as well as initiating appropriate course of actions in case of compliance failures.

During the year 2025, BAC conducted 09 (nine) meetings including 01 (one) Special Audit Committee Meeting to review summary reports on:

- Internal audits
- External/Statutory audits
- Regulatory inspections
- Investigations
- Surprise/spot inspections
- Thematic Audits

Through a detailed review of these reports, the committee suggested various measures to strengthen control, enforce supervisory vigilance, and articulated fresh directives to address process violations.

Statement on Audit Committee's role in ensuring compliance with applicable laws and regulations

Regulatory compliance is directly related to appropriate interpretation, proper dissemination and embedding relevant controls in the processes, BAC evaluates these actions by the bank through review of internal audit reports, while recommending changes or transfers, or training of human resources. Moreover, as per the suggested regulatory guidelines, BAC reviews internal policies prior to their adoption or update to ensure those are relevant and compliant. BAC is also regularly briefed by Internal Control & Compliance Division (ICCD) on regulatory updates.

Statement on Audit Committee's supervisory role in facilitation of statutory audit

Integrity in financial reporting is a fundamental part of our culture, ensuring transparency, while reenforcing our entity as a going concern. In this remit, BAC places emphasis on independent reviews and responsible statutory audit services. As part of this focus, BAC, during 2025, conducted the following activities:

- Reviewed performance of external auditor
- Reviewed the management letter from statutory auditor and management responses provided against them
- Recommended appointment or reappointment of statutory auditor(s)

Statement on Audit Committee's activities to ensure integrity in financial reporting and associated disclosures

Aligned with its supervisory role of ensuring integrity in financial reporting and disclosures, BAC adopts applicable financial reporting standards and ensures consistency in application. In doing so, BAC carried out the following tasks during 2025:

- Reviewed the quarterly, half-yearly and annual financial statements, their accuracy and consistency with financial reporting standards recommended by regulatory authorities
- Reviewed issues with potential impact on the integrity of financial/non-financial reporting and disclosures
- Discussed summary reports on internal audits, investigations, surprise/spot inspections, thematic audits, regulatory inspections, and statutory audits. These enabled early identification of risk of any fraud or irregularities in operations.
- Reviewed financial statements with statutory auditor and regulatory inspection teams in tripartite meetings prior to finalization
- Reviewed statement on significant related-party transactions, as forwarded by the management

Statement on Audit Committee's other responsibilities

Beyond these responsibilities, BAC also reviewed reports on fraud and forgery.

BAC also reviewed ICC Policy, Internal Audit Policy, Compliance Policy, Concurrent Audit Policy, Internal Audit Charter, and Manual of Internal Audit Procedures. These policy documents are also recommended for Board approval and subsequently placed for Board approval. BAC also advises further actions in critical investigations, process/ policy reviews, evaluation of operations, etc., depending on the materiality of the gaps/control failures.

In 2025, ICCD focused on continuous professional development. As part of the development program, various technical and professional training were arranged for ICC officials.

Through these activities, BAC fulfilled its role and responsibilities, as mandated by the regulator, during the year 2025.

On behalf of the Audit Committee.

Chowdhury MAQ Sarwar
Chairperson, Audit Committee

SUSTAINABILITY & BRAC BANK

SUSTAINABILITY AT A GLANCE

Sustainability Overview: Advancing Sustainable Growth Through Responsible Banking

At BRAC Bank, sustainability is integrated into our strategy, operations, and financing decisions through a strong focus on People, Planet, and Prosperity. ESG considerations are embedded across our business to support long-term resilience, responsible growth, and sustainable value creation.

The Bank applies robust Environmental and Social Due Diligence (ESDD) and Environmental and Social Risk Management (ESRM) frameworks to manage ESG risks while supporting clients through green and transition finance initiatives. Environmental stewardship remains a key priority through the measurement and disclosure of Scope 1, Scope 2, Scope 3, and financed emissions, alongside the expansion of the Bank's green finance portfolio.

BRAC Bank also continues to promote social inclusion through financing support for SMEs, women entrepreneurs, affordable housing, and inclusive finance initiatives that contribute to socioeconomic development. Strong governance, independent oversight, robust risk management, and transparent disclosures aligned with IFRS S1 and S2 standards further reinforce the Bank's commitment to sustainable and responsible banking practices..

ESG Highlights in 2025

Environment

- Rated by Bloomberg as the top sustainable bank in Bangladesh **with a score of 3.94.**
- Recognized by the central bank as one of the top sustainable banks in Bangladesh for **five consecutive years.**
- Scope 1 Emission: **1,984.64 tCO_2**
- Scope 2 Emission: **18,986 tCO_2**
- Scope 3 Emission: **1,520,634.70 tCO_2**
- Green Finance Portfolio: **14%** (of total term loan portfolio)
- Climate-Related Physical Risk at Portfolio Level: **4.7%**
- Climate-Related Transition Risk at Portfolio Level: **9%**
- Transition Finance Portfolio: **6.9%**

Social

- The largest social financing portfolio in the country.
- **48%** of total financing is directed toward Small and Medium Enterprises (SMEs).
- Financing for women entrepreneurs represents **22%** of the total industry financing for Women-Owned SMEs (WSMEs).
- Through Affordable Housing Financing, we have positively impacted the lives of **3,150 individuals**.
- Successfully issued the **country's first Social Bond** of BDT 10,000 million in alignment with **ICMA Principles**.
- Socially Responsible Finance Portfolio: **8.9%**
- Socioeconomic Advancement & Empowerment Financing: **5.8%**

Governance

- 87% of the board is comprised of independent directors, the highest percentage in the country.
- 37% female representation on the board.
- A commitment to prudent risk management policies.
- A robust information security system is in place to safeguard data and operations.
- Published country's first IFRS S1 & S2 report aligned with ISSB principles

Integrating ESG for Sustainable Growth

At BRAC Bank, Environmental, Social and Governance (ESG) principles are integrated into financing and operational practices to support responsible growth, sustainable impact and long-term resilience. The Bank promotes sustainable and climate-resilient business practices through responsible financing, strong Environmental and Social Risk Management (ESRM) and targeted support for SMEs and women-led enterprises.

To strengthen access to sustainable finance, BRAC Bank has established 50 Sustainable Finance Help Desks nationwide, providing guidance on sustainable financing solutions and environmentally responsible business practices. Through these initiatives, the Bank continues to advance inclusive development, environmental stewardship and responsible banking while creating long-term value for communities and the economy.

Responsible lending

Lending practices that prioritize environmental and social impact, as well as financial return.

Stakeholder engagement

Engaging with customers, employees, investors, development partners and other stakeholders to understand and respond to their sustainability needs and expectations.

Internal sustainability practices

Adopting sustainable practices internally, such as reducing the bank's carbon footprint, increasing diversity and inclusion in the workplace, and managing waste and energy usage.

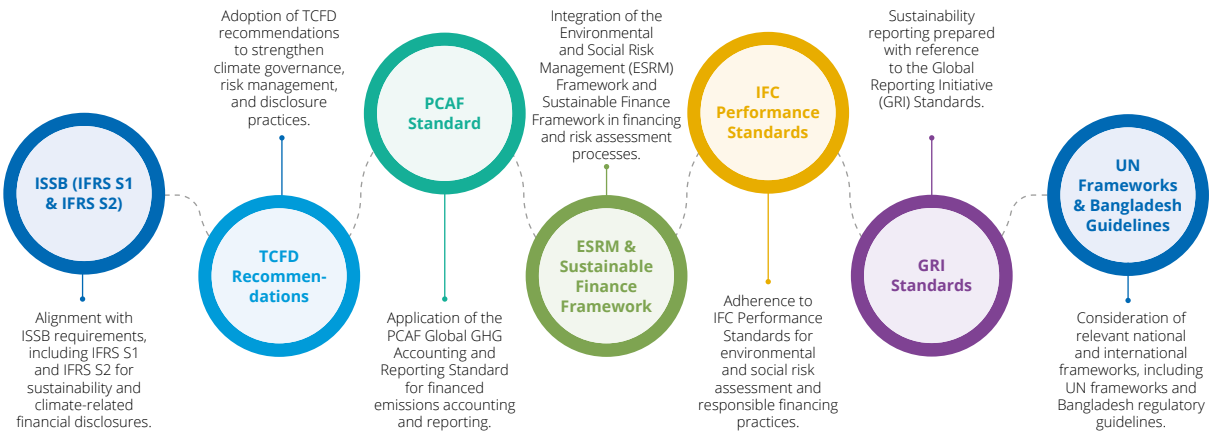
Sustainable investments

Investing in sustainable initiatives, such as green industry, waste management initiatives and energy-efficient projects that have both positive financial returns and positive environmental and social impacts.

Transparent communication

Communicating the bank's sustainability performance and policies, including thorough regular regulatory reports and ESG ratings coming from credit rating agencies.

Standards, Frameworks & Assurance Alignment Followed By BRAC Bank



SUSTAINABILITY & CLIMATE RELATED FINANCIAL DISCLOSURE

In accordance with International Financial Reporting Standards (IFRS) S1 and S2

Strengthening BRAC bank's Sustainability Disclosure in Line with IFRS S1 and IFRS S2

BRAC Bank is progressively strengthening its sustainability disclosure framework in alignment with the International Sustainability Standards Board (ISSB) standards, specifically IFRS S1 and IFRS S2. These standards provide a globally recognised framework for disclosing sustainability-related and climate-related risks and opportunities that may influence financial performance and long-term value creation.

To support enhanced disclosure practices, the Bank is strengthening governance structures, internal controls and data management systems, with increased focus on sustainability-related financial risks, climate risk assessment and sustainable finance portfolios. Following its initial voluntary reference to IFRS S1 and IFRS S2 in the 2023 Sustainability Report, BRAC Bank is further enhancing the depth and quality of disclosures in the 2025 reporting cycle.

IFRS S1 guides the disclosure of sustainability-related risks and opportunities across governance, strategy, risk management and metrics and targets, while IFRS S2 focuses specifically on climate-related financial disclosures. In alignment with these standards, BRAC Bank continues to strengthen climate-risk governance, portfolio-level risk assessment and climate-related reporting practices to support transparency, resilience and informed decision-making. Through this structured approach, the Bank reinforces its commitment to responsible banking and internationally aligned sustainability reporting.

Governance

Sustainability is embedded in BRAC Bank's strategic direction and long-term value creation framework. It guides responsible banking, risk management and stakeholder engagement across all levels of the organization.

The Bank's ESG governance structure is designed in alignment with Bangladesh Bank's Sustainable Finance Guidelines and internationally recognized frameworks for sustainability and risk governance. It ensures effective oversight, accountability, and integration of environmental, social, and governance (ESG) considerations into decision-making processes.

ESG governance is structured across four levels:

- Board of Directors
- Board Risk Management Committee (BRMC)
- Sustainable Finance Committee (SFC)
- Sustainable Finance Department

This layered governance model ensures clear accountability from strategic oversight to operational execution.

Board Oversight and ESG Leadership

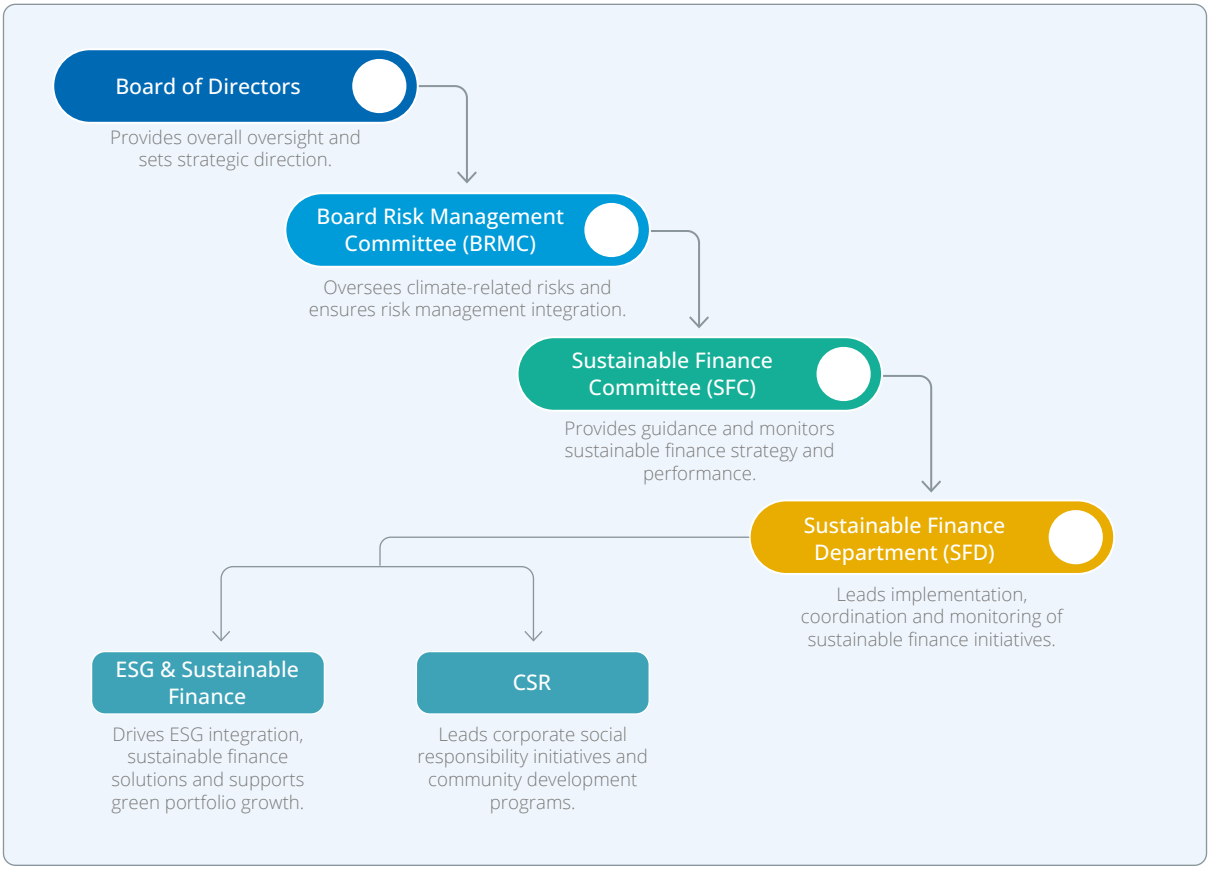
The Board of Directors holds ultimate responsibility for ESG strategy and oversight. It ensures that sustainability priorities are integrated into the Bank's strategic objectives, risk appetite, and long-term business planning.

The Board is responsible for:

- Approving ESG and sustainability strategy
- Ensuring alignment of ESG objectives with corporate strategy
- Overseeing allocation of resources for sustainability initiatives
- Monitoring ESG performance and disclosures
- Ensuring transparency and accountability to stakeholders

Through this oversight, the Board ensures that ESG considerations are embedded into enterprise-wide decision-making and long-term value creation.

Sustainable Financie Governance Structure



Members of Board Risk Management Committee (BRMC)

Name	Age	Years of Experience	Professional Background	Educational Background
Mr. Salek Ahmed Abul Masrur (Chairperson)	67	41	Chief Executive Officer of 'The Consolidated Tea & Lands Co. (Bangladesh) Limited	MBA
Dr. Zahid Hussain	71	49	Director of BRAC EPL Investment Limited and BRAC EPL Stock Brokerage Limited.	Ph.D. in Economics, Master of Arts in Political Economy, MBA
Ms. Lila Rashid	64	36	Former Executive Director of Bangladesh Bank	PhD, MBA

Sustainable Finance Committee (SFC)

In accordance with Bangladesh Bank guidelines, BRAC Bank has established a Sustainable Finance Committee (SFC) to provide structured oversight of ESG and sustainable finance initiatives.

The Committee is chaired by the Managing Director & CEO and operates under the supervision of the BRMC.

Mandate

The SFC is responsible for:

- Setting and reviewing ESG strategy and priorities
- Overseeing implementation of sustainable finance initiatives
- Integrating ESG into business and operational functions
- Monitoring ESG performance against defined KPIs
- Ensuring coordination across business divisions

The SFC provides a cross-functional platform that ensures ESG integration across all key business areas, including risk, finance, operations, technology, and human resources.

Members of Sustainable Finance Committee (SFC)

No.	Name	Designation	Place within the committee	Years of Experience	Educational Background
1	**Tareq Refat Ullah Khan**	MD & CEO	Chairman	29	M.Com, MBA
2	**Syed Abdul Momen**	AMD & Head of SME Banking	Member	27	BSc. in Computer Communications
3	**Mohammod Masud Rana FCA**	AMD & CFO	Member	28	Fellow Chartered Accountant, Master of Accounting
4	**Md. Shaheen Iqbal, CFA**	AMD and Head of Wholesale Banking	Member	26	B.Sc. in Engineering (Mechanical), MBA, CFA
5	**Ahmed Rashid Joy**	AMD & Chief Risk Officer	Member	27	Masters in Bank Management (MBM)
6	**A.S.M. Wasi Noman**	AMD & Chief Information Officer	Member	25	MBA, B.Sc. in Computer Science Engineering (CSE)
7	**Md. Asif Bin Idrish**	DMD & Head of Corporate, Commercial, & Institutional Banking	Member	22	Masters in Bank Management (MBM)
8	**Md. Mahiul Islam**	DMD & Head of Retail Banking	Member	27	BBA in Finance
9	**Sheikh Mohammad Ashfaque**	DMD & Head of Branches	Member	19	MBA in Finance
10	**Abdullah Al Mamun**	DMD and Head of Internal Control and Compliance	Member	28	MA in Public Administration
11	**Monzula Morshed**	DMD and Chief Human Resources Officer	Member	25	Master's in business administration
12	**Ekram Kabir**	Chief Communication Officer	Member	33	MA in English
13	**Indraneel Chattopadhyay**	Chief Marketing Officer	Member	19	Master of fine arts
14	**Nazmul Ahsan, CFA**	Head of Treasury	Member	18	BBA in Finance
15	**Tashmeem Muntazir Chowdhury**	Head of ESG & Sustainable	Member Secretary	14	MBA, B.Sc. in Engineering (EEE), Yale Climate Fellow

Role of the Sustainable Finance Department

To advance its sustainability objectives, BRAC Bank has established the Sustainable Finance Department (SFD), which serves as the central coordinating body for sustainability-related activities under the guidance of the Sustainable Finance Committee. The Department operates through two dedicated wings:

- ESG & Sustainable Finance
- Corporate Social Responsibility (CSR)

ESG & Sustainable Finance Wing

The ESG & Sustainable Finance Wing integrates Environmental, Social and Governance (ESG) considerations into the Bank's financing, risk management and reporting processes. The Wing oversees Green, Sustainable and Transition Finance portfolios, strengthens Environmental and Social Risk Management (ESRM) practices and supports climate risk assessment and greenhouse gas (GHG) emissions measurement using internationally recognised methodologies such as PCAF.

The Wing also coordinates sustainability disclosures, including the Sustainability Report and IFRS S1 & S2 aligned reporting, facilitates Bangladesh Bank refinancing schemes and concessional financing for green projects and supports the development of sustainable finance instruments, including Social Bonds.

Corporate Social Responsibility (CSR) Wing

The CSR Wing oversees the Bank's corporate social responsibility initiatives, focusing on community development, financial inclusion and social impact. The Wing implements programmes aligned with national development priorities and the Bank's broader sustainability strategy while ensuring responsible utilisation and transparent reporting of CSR initiatives.

Through the Sustainable Finance Department and Committee, BRAC Bank ensures that sustainability is systematically integrated into strategy, operations, risk management and stakeholder engagement, reinforcing its commitment to responsible and sustainable banking.

STRATEGY

Overview

Sustainability is a core element of BRAC Bank PLC's strategy, operations, and decision-making processes, supporting long-term value creation for stakeholders. The Bank's sustainability approach is guided by key Environmental, Social, and Governance (ESG) priorities focused on sustainable growth, responsible financing, risk management, financial inclusion, and positive social impact.

BRAC Bank's strategy is aligned with global and national frameworks, including the United Nations Sustainable Development Goals (SDGs), Bangladesh Vision 2041, and Bangladesh Bank's Green Finance Policy. Through this approach, the Bank continues to support low-carbon transition initiatives, strengthen sustainability reporting, promote innovation and inclusive finance, and maintain strong governance practices to drive sustainable economic development and long-term societal value.

Sustainability and Climate related Strategy and Focus themes

- Financing Transition – (Green Finance)
- Enhancing Disclosures – (Corporate Governance and Ethics)
- Digital Innovation and Customer-Centric Transformation
- Climate-Related Risk Management
- Fostering Social Value and Inclusion
- Pioneering Social Impact through Thematic Bond Issuance

1. Financing Transition – (Green Finance)

BRAC Bank supports the transition toward a sustainable and low-carbon economy through financing initiatives aligned with the Paris Agreement, Bangladesh's Nationally Determined Contributions (NDCs), Bangladesh Vision 2041, and Bangladesh Bank's Green Finance Policy. Through its Sustainable Finance Framework, the Bank channels financing toward renewable energy generation, energy efficiency and resource optimization, sustainable transportation, circular economy initiatives, waste management, green-certified buildings, and environmentally responsible industrial development. These initiatives contribute to climate resilience, reduced environmental impact, and long-term sustainable economic growth.

2 Enhancing Disclosures – (Corporate Governance and Ethics)

BRAC Bank continues to strengthen ESG governance, ethical banking practices, and sustainability disclosures through strong oversight from the Board and Senior Management. The Bank has achieved leading ESG recognition nationally and internationally while maintaining transparent reporting practices aligned with global standards, including IFRS S1 and S2. In 2025, the Bank published its third Sustainability & Impact Report with comprehensive greenhouse gas (GHG) emissions disclosure using the PCAF methodology, reinforcing accountability, transparency, and responsible banking practices.

3.Digital Innovation and Customer-Centric Transformation

The Bank leverages digital transformation and technology-driven banking solutions to enhance operational efficiency, customer experience, and financial accessibility. Advanced digital platforms including Astha App, CorpNet, core banking systems, and digital card management solutions support seamless omnichannel banking services. Digitalization initiatives contribute to reduced paper usage, lower operational carbon footprint, improved customer convenience, enhanced cybersecurity, and data privacy, and expanded financial inclusion through accessible and customer-centric banking solutions.

4. Climate-Related Risk Management at BRAC Bank

Climate-related risk management remains an integral part of BRAC Bank's sustainability strategy. The Bank addresses both physical risks arising from climate events and transition risks associated with the shift toward a low-carbon economy by integrating climate considerations into operations, lending, investment decisions, and business continuity planning. The Bank evaluates climate-related exposure across branches, infrastructure, data centers, and climate-sensitive sectors including agriculture, manufacturing, and real estate, while increasing financing for renewable energy, energy efficiency, clean transportation, and green infrastructure to support long-term resilience and sustainable growth.

5. Fostering Social Value and Inclusion

BRAC Bank promotes inclusive economic development and social value creation through responsible financing and financial inclusion initiatives. Nearly half of the Bank's lending portfolio is dedicated to SMEs to support employment generation and entrepreneurship. Through agent banking, collateral-free microloans, women-focused financing initiatives, affordable housing support, and inclusive financial services, the Bank continues to expand access to finance for underserved and rural communities. ESG considerations remain integrated across financing, governance, operations, and risk management practices to strengthen community resilience and long-term social impact.

6. Pioneering Social Impact through Thematic Bond Issuance

BRAC Bank continues to pioneer sustainable finance initiatives through thematic bond issuances aligned with international standards. The Bank issued Bangladesh's first Social Subordinated Bond worth BDT 1,000 crore, approved by Bangladesh Bank and BSEC and aligned with the ICMA Social Bond Principles 2025. Supported by a Second Party Opinion from S&P Global Ratings, the bond framework focuses on financing CMSMEs, women-owned businesses, agriculture, affordable housing, healthcare, sanitation, and food security initiatives. The issuance supports financial inclusion, employment generation, rural development, and inclusive economic growth while establishing a benchmark for future sustainable bond issuances in Bangladesh.

BRAC Bank defines its short, medium, and long-term planning horizons in alignment with its overarching strategic objectives, ensuring that sustainability, ESG integration, and risk management are embedded across all decision-making processes..

Short-Term Horizon

- Integration of ESRM and ESDD into lending decisions in line with Bangladesh Bank guidelines and IFC Performance Standards
- Initiation of climate scenario analysis and climate stress testing aligned with global temperature pathways (1.5°C / 2°C scenarios)
- Strengthening climate risk integration within enterprise risk management and strategic planning
- Enhancing internal energy efficiency and ESG integration across operations

Medium-Term Horizon

- Expansion of green and climate-resilient financing initiatives
- Transition toward renewable energy within the Bank's own infrastructure
- Launch of Bangladesh's first thematic Social Bond to support women-led businesses, SMEs, and financial inclusion
- Strengthening gender inclusion and ESG governance practices

Long-Term Horizon

- Full ESG integration across strategic planning and operations
- Focus on institutional resilience and balanced gender representation
- Development of realistic, data-driven sustainability and climate targets
- Long-term vision to become a leading sustainable financial institution in Bangladesh

Risk management

BRAC Bank integrates ESG and climate-related risks into its overall risk management framework to ensure consistent identification, assessment, and mitigation across the value chain.

Sustainability risks are embedded within existing governance structures, including the Risk Management Framework and Risk Appetite Statement. This enables alignment between financial risk management and environmental and social considerations.

Climate-related risks are treated as a core component of sustainability risk, with dedicated processes to assess their potential impact on credit exposure,

operations, and long-term financial stability. The Bank's approach is aligned with IFRS S2 principles, ensuring structured and transparent risk disclosure.

Upstream Sustainability Risks

Upstream risks relate to the Bank's ability to maintain stable access to capital and stakeholder confidence.

BRAC Bank manages these risks through a strong compliance and governance framework:

- Continuous alignment with regulatory requirements and evolving standards
- Robust anti-money laundering (AML) and sanctions compliance programs
- Regular updates and targeted training for employees across business functions

These controls reduce exposure to regulatory, reputational, and financial risks while reinforcing trust among depositors, investors, and regulators.

Risk Management Across Internal Operations

Employee Well-being and Workplace Risk

The Bank maintains a structured approach to employee health, safety, and engagement to ensure operational continuity and workforce stability.

- Health and wellness programs, including insurance and screenings
- Mandatory safety training and awareness initiatives
- Zero-tolerance policies on discrimination and harassment
- Continuous professional development and leadership programs

This supports a resilient workforce and reduces operational and reputational risks.

Information Security and Data Privacy

Data security is a critical operational risk area, given the Bank's reliance on digital systems and real-time data.

BRAC Bank applies a multi-layered cybersecurity framework:

- Alignment with international standards
- Dedicated Information Security Division with certified professionals
- Real-time threat detection, response, and recovery mechanisms
- Regular audits and compliance monitoring
- Employee and customer awareness programs

These measures protect data integrity, ensure regulatory compliance, and maintain customer trust.

Operational Risk Management

Operational resilience focuses on maintaining critical services during disruptions.

- Integration of risk controls across business processes
- Continuous monitoring of operational risks
- Preparedness for system, process, and external disruptions

This ensures continuity of services and minimizes financial and reputational impact.

Downstream Sustainability Risks

Downstream risks arise from financing activities and client operations, where environmental and social impacts are most significant.

BRAC Bank manages these risks through structured frameworks:

- Mandatory Environmental and Social Due Diligence (ESDD) for lending
- Integration of ESG criteria into credit risk assessment
- Application of exclusion lists to restrict high-risk activities
- Ongoing monitoring of client compliance throughout the loan lifecycle

The Bank also aligns its practices with Bangladesh Bank guidelines and international standards, including IFC Performance Standards where applicable.

This approach enables early identification of risks, supports responsible financing, and enhances overall portfolio quality.

Overall Risk Positioning

By integrating upstream, internal, and downstream risk management, BRAC Bank ensures that ESG risks are systematically addressed across its operations and financing activities.

This integrated approach strengthens resilience, supports regulatory compliance, and enables sustainable long-term growth

METRICS: MEASURING OUR CLIMATE IMPACT

Introduction

As sustainability and climate responsibility become increasingly important, measuring and managing greenhouse gas (GHG) emissions is essential for supporting long-term resilience and the transition to a low-carbon economy.

Demonstrating leadership in the Bangladeshi banking sector, BRAC Bank began reporting financed emissions (Scope 3) from its business loan portfolio in 2022. Over time, the reporting boundary expanded to include operational emissions under Scopes 1 and 2, as well as additional financed emission categories such as retail home and auto loans. The Bank now discloses emissions across Scopes 1, 2, and 3, covering 100% of its operational and financed emissions.

BRAC Bank continues to strengthen its climate impact measurement framework by adopting internationally recognised methodologies, including the Partnership for Carbon Accounting Financials (PCAF), enhancing transparency, data quality, and climate risk management in line with evolving global standards.

Carbon Footprint

A carbon footprint represents the total greenhouse gas emissions generated directly and indirectly by an organisation's activities. Measuring this footprint enables BRAC Bank to assess its environmental impact, identify emission-intensive areas and implement targeted mitigation strategies. This structured approach supports informed decision-making, strengthens accountability and aligns the Bank's operations with global climate objectives.

Understanding Scope 1, 2, & 3 Emissions

Scope 1
Direct emissions

Direct emissions that are owned or controlled by a company.

EXAMPLE

From burning fuel in the company's fleet of vehicles (if they're not electrically powered).

Scope 2
Indirect emissions

Indirect emissions that are a consequence of a company's activities but occur from sources not owned or controlled by it.

EXAMPLE

The emissions caused by the generation of electricity that's used in the company's buildings.

Scope 3
Indirect emissions

All emissions not covered in scope 1 or 2, created by a company's value chain.

EXAMPLE

When the company buys, uses and disposes of products from suppliers.

Direct Greenhouse Gas Emissions

Scope 1: Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources owned or controlled by BRAC Bank. These mainly arise from fuel consumption in generators, boilers, and bank-operated vehicles, as well as fugitive emissions from refrigeration and air-conditioning systems. These emissions represent the Bank's direct operational carbon footprint and are managed as part of its sustainability and climate-risk strategy.

Indirect Greenhouse Gas Emissions

Scope 2: Scope 2 emissions refer to indirect GHG emissions from purchased energy consumption, primarily electricity used across BRAC Bank's branches, offices, and operational facilities. Although

generated externally, these emissions are attributed to the Bank due to its energy usage.

Scope 3: Scope 3 emissions include all other indirect emissions across BRAC Bank's value chain, including purchased goods and services, transportation, employee commuting and business travel, waste management, and financed emissions (Category 15). For financial institutions, financed emissions form a significant portion of the overall carbon footprint, representing emissions linked to loans and investments. Measuring these emissions supports transparency, climate-risk management, and sustainable financing decisions. Scope 3 emissions can be categorized into several key areas, including:

- **Purchased Goods and Services:** Emissions from procured goods and services such as IT equipment, office supplies, and outsourced activities.
- **Capital Goods:** Emissions from manufacturing long-term assets including office equipment, furniture, and banking infrastructure.
- **Fuel- and Energy-Related Activities:** Emissions from the production and transmission of purchased fuels and energy not included in Scopes 1 and 2.
- **Transportation and Distribution:** Emissions from upstream and downstream transportation of goods, materials, and services.
- **Waste Generated in Operations:** Emissions from waste disposal, recycling, and landfill activities.
- **Business Travel and Employee Commuting:** Emissions from employee travel for business purposes and daily commuting.
- **Leased Assets:** Emissions from upstream and downstream leased assets used or provided by the organization.
- **Processing, Use, and End-of-Life of Sold Products:** Emissions linked to the processing, use, disposal, and recycling of sold products.
- **Franchises:** Emissions generated from franchise operations associated with the organization.
- **Investments / Financed Emissions:** Emissions associated with loans, investments, and other financial services, including home, auto, and business financing, representing a key emission category for banks.

By measuring and disclosing emissions across these categories, BRAC Bank ensures a comprehensive understanding of its indirect carbon footprint, informs sustainable financing decisions and aligns with global standards such as the IFRS S1 and S2 frameworks.

Baseline Recalculation Procedure

To ensure the long-term accuracy, consistency and comparability of its greenhouse gas (GHG) emissions reporting, the Bank maintains a rigorous data management policy. This includes the provision to recalculate base-year (2023) financed emissions whenever material changes occur that could significantly impact the integrity or relevance of reported data.

Such recalculations are typically prompted by advancements in data quality, the acquisition of more granular portfolio-level information, or the adoption of country-specific emission factors and refined methodologies. By maintaining this disciplined approach, the Bank ensures that its emissions disclosures remain transparent and fully aligned with evolving international sustainability reporting standards and climate-related financial best practices.

Internal Emissions

BRAC Bank applies recognized greenhouse gas accounting principles consistent with ISO 14064 (2006) and PAS 2050, developed through collaboration among the British Standards Institution (BSI), DEFRA and the Carbon Trust for internal operations. These standards provide a structured approach to measuring and managing emissions associated with organizational activities.

The Bank's internal carbon footprint is calculated in accordance with the Greenhouse Gas Protocol Corporate Standard (2001), developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). This internationally accepted framework ensures a consistent and transparent methodology for quantifying and reporting greenhouse gas emissions across operations.

GHG Calculation Methodology

BRAC Bank measures its greenhouse gas (GHG) emissions using two internationally recognized frameworks: the PCAF Global GHG Accounting and Reporting Standard for financed emissions and the Greenhouse Gas Protocol (GHG Protocol) for emissions generated from internal operations. These standards ensure a consistent and transparent approach to emissions accounting across the Bank's activities.

For the 2025 GHG inventory, BRAC Bank has continued to use the "Emerging Economies" dataset to estimate emissions related to business loans and project finance portfolios. In the absence of fully developed country-level datasets for all segments, Bangladesh-

specific data has been applied for motor vehicle loans, while regional proxy data from the Asia-Pacific (India) dataset has been used for home loans. This methodology reflects the Bank's effort to maintain accuracy and methodological consistency while working within existing data availability constraints. The equation used to calculate internal emission is,

GHG emissions = Activity X Emission Factors

Business Loan

We have followed the PCAF 2019 methodology for calculating GHG emission from Business Loan. A brief detail of the methodology has given below,

Source Name	Exiobase Assets
Classification Type	Exiobase Sector Classification
Methodology Option	Option 3b
Activity Variable	Asset
Country	Emerging Economies (Regional Average) Emission Factors data as Bangladesh specific data are not available.
Emission Factor Source/ Year	PCAF Database 2019
Data Quality	5

The formula used to calculate business loan emission is,

$$\sum_{C} \text{Outstanding amount}_{c} \quad \mathbf{X} \quad \frac{\text{GHG emissions}_{s}}{\text{Assets}_{s}}$$

Project Finance

Project financing is basically the purpose driven investments mostly term loans. We have followed the PCAF 2019 methodology for calculating GHG emission from Project Financed. A brief detail of the methodology has given below,

Source Name	Exiobase Assets
Classification Type	Exiobase Sector Classification
Methodology Option	Option 3b
Activity Variable	Asset
Country	Emerging Economies (Regional Average) Emission Factors data as Bangladesh specific data are not available.
Emission Factor Source/ Year	PCAF Database 2019
Data Quality	5

The formula used to calculate business loan emission is,

$$\sum_{C} \text{Outstanding amount}_{c} \quad \mathbf{X} \quad \frac{\text{GHG emissions}_{s}}{\text{Assets}_{s}}$$

Motor vehicle Loan

PCAF 2020 methodology was followed for calculating GHG emission from Motor Vehicle Loan. Some relevant information of the methodology are as follows,

Source Name	EEA Passenger Vehicles
Methodology Option	Option 3a
Activity Variable	Distance Driven
Country	Bangladesh
Emission Factor Source/ Year	PCAF Database 2020
Vehicle Type	Octane: Toyota Corolla, Hybrid: Toyota Prius
Data Quality	4

The formula used to calculate Motor Vehicle emission is,

$$\sum_{t,f} \frac{\text{Outstanding amount}_v}{\text{Total value at origination}_v} \times \text{Distance traveled}_s \times \text{Efficiency}_{t,f} \times \text{Emission factors}_f$$

Home Loan

The source was PCAF Database 2023 for measuring GHG emission from Home/Mortgage Loan. Particulars of the methodology are disclosed below.

Source name	PCAF Global Buildings Dataset
Methodology Option	Option 2b
Activity Variable	Floor Area
Country	Asia Pacific (India) Emission Factors data as Bangladesh specific data are not available.
Building Type	Residential Buildings (Single Family House)
Emission Factor Source/ Year	PCAF Database 2023
Data Quality	4

The formula used to calculate Home Loan emission is,

$$\sum_{b,e} \frac{\text{Outstanding amount}_v}{\text{Property value at origination}_b} \times \text{Estimated energy consumption from statistics}_{b,e} \times \text{Floor area}_b \times \text{Average emission factor}_e$$

Other Including Personal Loan and Credit Card

The source was PCAF Database 2023 for measuring GHG emission from sectoral average of public administration; education; health; recreation; other services of business loan. Particulars of the methodology are disclosed below.

Source Name	Exiobase Assets
Classification Type	Exiobase Sector Classification
Methodology Option	Option 3b
Activity Variable	Asset
Country	Emerging Economies (Regional Average) Emission Factors data as Bangladesh specific data are not available.
Emission Factor Source/ Year	PCAF Database 2019
Data Quality	5

The formula used to calculate business loan emission is,

$$\sum_{C} \text{Outstanding amount}_{c} \quad X \quad \frac{\text{GHG emissions}_{s}}{\text{Assets}_{s}}$$

Data Quality Score

In this report, our disclosure ranges from data quality 4 to 5 for scope 3 (financed emission) calculation. The weighted data quality score for the calculation is 4.97; where score of 1 indicates high data quality and score of 5 indicates low data quality. For other calculations including scope 1, scope 2, and Scope 3 (internal emission), the data quality score is 2.

Certain ↑	Score 1	Attribution factor and verified emissions for the activity carried out with the loan are known.
	Score 2	Attribution factor and unverified emissions for the activity carried out with the loan are known.
	Score 3	Attribution factor is known, and the primary physical activity data of the loan is used to calculate emissions (e.g. electricity consumption).
	Score 4	Attribution factor is known and average data for the sector activity in the region is used for the emission factor.
Uncertain	Score 5	Estimated data is used for attribution and emission factors.

Approach For Financed Emission

BRAC Bank has used the Financial Control Approach for measuring and reporting the GHG emissions for financed portfolio as per PCAF standard.

Asset Class Coverage

BRAC Bank's financing portfolio spans multiple asset classes, including business loans, mortgage financing, motor vehicle loans, personal loans and credit cards, each requiring distinct approaches for estimating financed emissions. The PCAF Standard provides methodologies for several asset classes such as listed equity and corporate bonds, project finance, commercial real estate and sovereign debt. However, BRAC Bank's exposure to these categories remains relatively limited.

Conversely, the Bank maintains significant exposure in retail asset classes such as personal loans and credit cards, for which globally accepted methodologies for financed-emissions measurements are not yet available. As a result, emissions accounting currently focuses on asset classes where recognized standards and reliable data sources exist, while the Bank continues to monitor methodological developments to expand coverage in the future.

SL.	Asset Class	Percentage of Portfolio	Disclosure Coverage (Yes/No)	Remarks
1	Listed equity and corporate bonds	0%	No	The activities are insignificant to the bank's total financed emissions.
2	Business loans and unlisted equity	36%	Yes (100%)	The financing in business other than project financing.
3	Project finance	48%	Yes (100%)	The investment that is purpose driven
4	Commercial real estate	0%	No	The activities are insignificant to the bank's total financed emissions.
5	Mortgages	2%	Yes (100%)	-
6	Motor vehicle loans	1%	Yes (100%)	-
7	Sovereign debt	0%	No	The activities are insignificant to the bank's total financed emissions.
8	Personal Loan, Credit Card and Other Retail Facilities	14%	Yes (100%)	-
8	Personal Loan, Credit Card and Other Retail Facilities	14%	Yes (100%)	-

The Reason for Choosing Emission Factors of "Emerging Economies" for Business Loans

Bangladesh is widely recognized as a developing market economy, ranking as the second-largest economy in South Asia and among the top global economies in terms of nominal GDP. The country is often identified by international financial institutions as part of the "Next Eleven" economies, reflecting its strong growth potential and gradual transition from a frontier market toward an emerging market economy.

Given that Bangladesh-specific emission factors are not yet available in the PCAF database, BRAC Bank has applied emission factors for Emerging Economies as the most appropriate proxy for estimating financed emissions within the business loan portfolio. Considering Bangladesh's economic structure and data limitations, this approach represents the best available methodology for ensuring reasonable accuracy and consistency in GHG emissions estimation for the reporting year, while the Bank continues to monitor the availability of more country-specific datasets in the future.

BRAC Bank PLC GHG emission accounting

GHG emissions BRAC Bank PLC

Indicator	Note	Year 2025		Year 2024	
		Attributed emissions (Ton CO2eq)	Attributed emissions share (%)	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)
Scope 1	1	**1,984.64**	**0.13%**	**1,630.20**	**0.11%**
Diesel & Lubricants		376.60	0.02%	396.37	0.03%
Owned vehicle		199.74	0.01%	192.30	0.01%
Refrigerant		1,408.30	0.09%	1,041.53	0.07%
Scope 2		**18,986.86**	**1.23%**	**16,671.15**	**1.13%**
Purchased Electricity		18,986.86	1.23%	16,671.15	1.13%
Scope 3		**1,520,634.70**	**98.64%**	**1,459,165.87**	**98.76%**
Direct Emission	3	**57,262.24**	**3.71%**	**35,686.81**	**2.42%**
water use		40.17	0.00%	39.49	0.00%
Business travel		52,445.82	3.40%	29,685.97	2.01%
Emplotee commuting		4,094.26	0.27%	3,536.68	0.24%
Material Used		518.41	0.03%	2,274.10	0.15%
Waste Disposal		115.16	0.01%	106.30	0.01%
Hotel Stay		48.41	0.00%	44.28	0.00%
Financed Emission (Category:15)	4	1,463,372.46	94.93%	1,423,479.06	96.35%
Business loans	5	995,344	64.57%	967,509	65.48%
Project finance	6	425,684	27.61%	423,156	28.64%
Mortgages1		1,096	0.07%	1,042	0.07%
Motor Vehicle Loans		1,832	0.12%	1,530	0.10%
Other retail finance including personal loan, credit card etc.		39,417	2.56%	30,242	2.05%
Gross Total GHG emission		**1,541,606.20**	**100.00%**	**1,477,467.22**	**100.00%**
Avoided emissions					
Avoided internal emissions (Scope 2)	7	93.83	0.49%	72.36	0.43%
Avoided financed emissions (Scope 3, Category 15)*	8	26,018.00	1.78%	18,039.19	1.27%
Net Internal emission (Scope 2)		18,893	1.25%	16,599	1.14%
Total net internal emission		78,140	5.16%	53,916	3.69%
Net financed emission (Scope 3-Category 15)		1,437,354	94.84%	1,405,440	96.31%
Net Total GHG emission		**1,515,494.37**		**1,459,355.67**	

* *BRAC Bank has financed various green projects (for example: energy-efficient machinery, Solar Power Plant etc.) which avoids carbon emissions. We have calculated the financed carbon avoidance be 14,946.92 tCO2 based on available energy audit reports. Additionally, a Grid tied Solar project was financed through which 11,071.08 tCO2 was avoided There are further green projects whose energy audit is not conducted. So, the actual number is much bigger.

The Bank demonstrated a strengthened commitment to renewable energy as avoided Scope 2 emissions rose from 72.36 to 93.83 tons of CO2 equivalent. This improvement reflects the strategic integration of solar power across its branch and ATM networks, further reducing the Bank's operational carbon footprint.

1. Avoided internal emissions (Scope 2)

A total of 140.048 MWh of electricity has been generated by BRAC Bank's solar power panels, installed at the Ho office and various branch locations. This generation has contributed to the avoidance of 93.83 tons of CO2.

2. Avoided financed emissions (Scope 3)

Through energy audits conducted across various green projects, we have calculated an avoided emission of 26,018.00 tons of CO2. This reduction in emissions is primarily attributed to the financing of energy-efficient machinery. There are further green projects whose energy audit is not conducted. So, the actual number is much bigger.

Notes regarding the GHG emissions statements:

3. Scope 1 Emission Details

Indicator	Year 2025		Year 2024	
	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)
Scope 1	1,984.64	100%	1,630.20	100%
Diesel & Lubricants	376.60	18.98%	396.37	24.31%
Owned Vehicle	199.74	10.06%	192.30	11.80%
Refrigerant	1,408.30	70.96%	1,041.53	63.89%

4. Scope 2 Emission Details

BRAC Bank's scope-2 emission refers to the consumption of electricity that they purchase and are not controlled by the Bank.

Consumption Year	GHG Emission (tCO2e)	Emission Factor Reference
2025	18,986.86	BD GEF 2022
2024	16,671.15	BD GEF 2022

5. Scope 3 Internal emission

Indicator	Category	Year 2025		Year 2024	
		Attributed emissions (Ton CO2eq)	Attributed emissions share (%)	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)
Internal Emission		57,262.24	100%	35,686.81	100%
Water Use	Category 1	40.17	0.07%	39.49	0.11%
Business Travel	Category 6	52,445.82	91.59%	29,685.97	83.18%
Emplotee Commuting	Category 7	4,094.26	7.15%	3,536.68	9.91%
Material Used	Category 1	518.41	0.91%	2,274.10	6.37%
Waste Disposal	Category 5	115.16	0.20%	106.30	0.30%
Hotel Stay	Category 6	48.41	0.08%	44.28	0.12%

** The increase in emissions can be primarily attributed to a significant rise in business travel, which accounts for the majority of the scope 3 Internal emissions compared to the previous year.

6. Financed emission:

Financed emissions (Scope 3, Category 15) represent the greenhouse gas (GHG) emissions associated with the financial products and services provided by an organization, including loans, investments and other financing activities. In the case of financed emissions, the Scope 1 and Scope 2 emissions of the financed entities or borrowers are typically considered, as these emissions result from activities supported by the financial institution's capital. Although indirect

in nature, financed emissions often represent a significant share of a financial institution's overall carbon footprint.

For banks such as BRAC Bank, financed emissions capture the environmental impact linked to lending and financing portfolios, making them a critical component of climate-related risk assessment and sustainability reporting. Measuring these emissions helps the Bank better understand the carbon intensity of its portfolio, identify high-emitting sectors and support the transition toward more sustainable and low-carbon financing practices.

7. Business loan

GHG emissions of Business Loan portfolio by sector activity

Indicator	Year 2025		Year 2024	
Sector activity	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)
Petroleum, chemicals & non-metallic mineral products	262,875	26.41%	329,683	34.08%
Metal & metal products	195,519	19.64%	200,668	20.74%
Food production, beverages & tobacco	309,630	31.11%	219,576	22.69%
Sale, maintenance & repair of vehicles; fuel; trade; hotels & restaurants	17,470	1.76%	22,204	2.29%
Textiles, leather & wearing apparel	87,640	8.80%	93,095	9.62%
Electricity, gas & water	98,348	9.88%	78,446	8.11%
Manufacturing & recycling	8,084	0.81%	6,770	0.70%
Agriculture, hunting, forestry & fishing	3,554	0.36%	2,460	0.25%
Wood, paper & publishing	1,452	0.15%	4,966	0.51%
Public administration; education; health; recreation; other services	2,197	0.22%	1,519	0.16%
Electrical & machinery	4,944	0.50%	4,440	0.46%
Transport	117	0.01%	225	0.02%
Financial intermediation & business activity	2,094	0.21%	1,915	0.20%
Construction	722	0.07%	888	0.09%
Post & telecommunications	690	0.07%	643	0.07%
Mining & quarrying	0	0.00%	10	0.00%
Transport equipment	9	0.00%	0	0.00%
No sector	0	n/a	0	n/a
Total	**995,344**	**100.00%**	**967,509**	**100.00%**

Previously emissions from the Petroleum, chemicals & non-metallic mineral products", "Metal & metal products sector contributed a notable share to the overall emissions profile, this year recorded a visible decline from 43.43% to 37.43% in emissions from these sectors. This reduction reflects improved operational efficiency, better resource management practice and possible shift towards cleaner energy use and production process.

8. Project Financed:

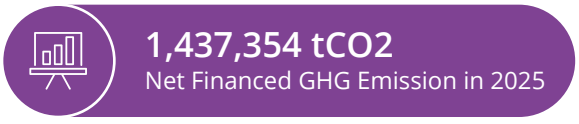
GHG emissions of Project Finance portfolio by sector activity

Indicator	Year 2025		Year 2024	
Sector activity	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)	Attributed emissions (Ton CO2eq)	Attributed emissions share (%)
Petroleum, chemicals & non-metallic mineral products	28,668	6.73%	23,432	5.54%
Metal & metal products	44,880	10.54%	50,229	11.87%
Food production, beverages & tobacco	30,248	7.11%	27,719	6.55%
Sale, maintenance & repair of vehicles; fuel; trade; hotels & restaurants	178,603	41.96%	172,734	40.82%
Textiles, leather & wearing apparel	39,370	9.25%	47,606	11.25%
Electricity, gas & water	39,500	9.28%	42,800	10.11%
Manufacturing & recycling	23,959	5.63%	21,952	5.19%
Agriculture, hunting, forestry & fishing	18,065	4.24%	15,395	3.64%
Wood, paper & publishing	3,910	0.92%	4,787	1.13%
Public administration; education; health; recreation; other services	7,934	1.86%	7,985	1.89%
Electrical & machinery	2,674	0.63%	1,308	0.31%
Transport	4,735	1.11%	3,843	0.91%
Financial intermediation & business activity	1,690	0.40%	1,949	0.46%
Construction	655	0.15%	356	0.08%
Post & telecommunications	427	0.10%	582	0.14%
Mining & quarrying	264	0.06%	363	0.09%
Transport equipment	101	0.02%	116	0.03%
No sector	0	0.00%	0	0.00%
Total	**425,683**	**100.00%**	**423,156**	**100.00%**

Net tCO_2e of financed loan is calculated as 1,437,354 tons wherein, three major sectors "Petroleum, chemicals & non-metallic mineral products", "Metal & metal products", & "Food production, beverages & tobacco" are reported to have the higher emission intensity. These three segments alone comprise of about 61.35 % of total CO_2 emissions whereas they share only 22 % of Business Loan Portfolio.

Additional Disclosure:

As per PCAF guidelines, the financial institutions separately disclose the absolute scope 3 of borrowers and investees following a phase-in approach. In "Listed equity and corporate bonds" chapter of PCAF standard, scope 3 emission of borrowers at least in energy (oil & gas) & mining, transportation, construction, buildings, materials and industrial activities must be disclosed in the reports published in 2024 onwards. However, we have calculated the scope 3 GHG emission of all our business loans and project financed. And the total emission is 2,240,685.97 tCO_2 where project financed contributes 1,121,922 tCO_2e and business loan contributes 1,118,763 tCO_2e.



BRAC Bank will be mindful in monitoring these high emission sectors and work on possible solutions to minimize them.

Our bank is focusing more to facilitate green and climate financing opportunities with priority to attain national targets set by the Government of Bangladesh, such as Vision 2041, Intended Nationally Determined Contributions (INDCs), Delta Plan 2100 and other international goals.

BRAC BANK'S IMPACT THROUGH SOCIAL INITIATIVES

Healthcare

BRAC Bank actively invests in improving healthcare access and quality across Bangladesh, particularly in underserved communities. By strengthening medical facilities, supporting healthcare services, and addressing critical health challenges, the Bank contributes to SDG 3 – Good Health and Well-being, ensuring better health outcomes and resilience for communities nationwide.

Education

Recognizing education as a cornerstone of development, BRAC Bank supports initiatives that expand opportunities for quality learning, provide scholarships, and enhance educational infrastructure. These efforts align with SDG 4 – Quality Education, empowering students from diverse backgrounds and fostering a skilled, knowledgeable generation to drive Bangladesh's future growth.

Affordable Housing

Through targeted housing programs, BRAC Bank has improved living conditions for over 3,150 individuals, supporting access to secure and affordable homes. This initiative contributes to SDG 11 – Sustainable Cities and Communities, promoting inclusive, resilient, and sustainable living environments.

SME Financing & Microfinance

Nearly half of BRAC Bank's lending portfolio is dedicated to small and medium enterprises, providing tailored financing solutions that stimulate entrepreneurship, create employment, and strengthen local economies. These initiatives advance SDG 8 – Decent Work and Economic Growth, while fostering economic resilience and long-term development.

Socioeconomic Advancement & Empowerment

Through programs such as TARA, BRAC Bank empowers women entrepreneurs, small businesses, and low-income households, advancing SDG 5 – Gender Equality, SDG 1 – No Poverty, and SDG 10 – Reduced Inequalities. With 22% of industry financing directed to Women-Owned SMEs (WSMEs), the Bank promotes inclusive economic participation, equal opportunities, equal opportunities, and sustainable community development.

Social Bond

In 2025, BRAC Bank PLC strengthened its commitment to inclusive and sustainable development through the issuance of a BDT 10 billion Social Bond aligned with the ICMA Social Bond Principles (SBP) 2025. The initiative supports national development priorities and key United Nations Sustainable Development Goals (SDGs), including poverty reduction, gender equality, decent work, reduced inequalities, and sustainable communities.

The Social Bond proceeds are allocated to finance and/or refinance eligible social projects focused on CMSME financing, women-led enterprises, affordable housing, food security, sustainable livelihoods, healthcare, clean water, sanitation, and financial inclusion for underserved communities. These initiatives support inclusive economic participation and community resilience across Bangladesh.

The g Framework is supported by a robust Environmental and Social Management System (ESMS), exclusion list, and structured project evaluation processes aligned with national regulations and international best practices. The framework received a Second Party Opinion from S&P Global Ratings, while annual allocation and impact reporting ensure transparency and accountability in the use of proceeds and social outcomes.

ENVIRONMENTAL INITIATIVES: OPERATIONAL PRACTICES AND GREEN FINANCING

BRAC Bank follows a structured approach to environmental sustainability by integrating operational environmental management with green financing and investment activities. These initiatives are designed to reduce environmental impact, improve resource efficiency, and support climate-resilient economic development.

The Bank's environmental initiatives are categorized into two main components:

1. Environmental Management in Operations (Resource Efficiency & 3R Practices)

BRAC Bank implements the Reduce, Reuse, and Recycle (3R) approach across its operations, supported by systematic management of key environmental aspects, including materials, energy, water, emissions, and waste.

- **Materials Consumption Management:** The Bank promotes reduced paper usage through digital transformation, efficient procurement practices, and minimization of single-use materials across branches, ATMs, and agent banking outlets.
- **Energy Consumption Management:** Energy efficiency is ensured through optimized lighting systems, use of energy-efficient equipment, and improved operational practices. The Bank also explores renewable energy adoption where feasible.
- **Water Consumption Management:** Water usage is managed through awareness initiatives and operational controls aimed at reducing unnecessary consumption across facilities.
- **Emissions Management:** The Bank focuses on reducing greenhouse gas emissions through process digitization, operational efficiency improvements, and promotion of low-carbon practices.
- **Waste Management:** Structured waste management practices are in place, including waste reduction at source, segregation of recyclable materials, and responsible disposal methods.

2. Concessional Financing to Support Green Initiatives

BRAC Bank supports environmental sustainability beyond its operations by financing green, climate-resilient, and environmentally sustainable projects.

To accelerate sustainable practices, BRAC Bank offers concessional financing aligned with Bangladesh Bank's refinancing schemes for green finance. Programs such as the Refinancing Scheme for Green Products/Projects/Initiatives, the Technology Development Fund (TDF), and the Green Transformation Fund (GTF) provide low-cost financing to organizations adopting energy-efficient technologies and environmentally responsible operations.

These initiatives support renewable energy projects, sustainable technologies, and large-scale industrial transformations, helping businesses reduce environmental impact and advance toward a low-carbon economy. Through these concessional financing programs, BRAC Bank actively promotes sustainable development while contributing to a greener and more resilient future.

3. Environmental Sustainability in Operational Infrastructure

Environmental considerations are embedded across BRAC Bank's physical infrastructure, including branches, ATMs, and agent banking outlets.

Key focus areas include:

- Efficient energy management systems
- Reduced material consumption through digitization
- Responsible water usage practices
- Emissions reduction through operational improvements
- Structured waste management and recycling systems

These integrated practices demonstrate BRAC Bank's commitment to maintaining strong environmental governance and aligning with recognized sustainability and ESG reporting standards.

Key Highlights

Number of Solar-Powered Branches
56

Number of Solar-Powered ATM Booths
36

Number of Solar-Powered Agent Outlets
50

Number of Online Branches
194

Number of Branches with Rainwater Harvesting
3

DRIVING SUSTAINABILITY THROUGH ADVANCED TECHNOLOGY AND INNOVATIVE IDEAS

At BRAC Bank, digital innovation is closely aligned with sustainability, financial inclusion and responsible banking. Through technology-driven solutions, the Bank continues to enhance customer convenience, expand access to finance and reduce environmental impact through paperless and low-carbon banking practices.

Key Sustainability Impacts through Digital Innovation

- **Astha Digital Banking Platform**
  - More than 1.2 million users
  - Processes over BDT 200 billion monthly transactions
  - In 2025, digital transactions through Astha surpassed physical counter transactions for the first time, supporting reduced paper usage and lower operational carbon footprint
- **CORPnet Corporate Banking Platform**
  - Processed BDT 227,321 crore through approximately 80 lakh transactions in 2025
  - Achieved 43% year-on-year growth
  - Enhanced digital efficiency and reduced dependency on physical banking processes
- **Shafollo Instant Digital Loan Platform**
  - Bangladesh's first instant digital loan platform
  - Provides collateral-free loans up to BDT 500,000 within 10 minutes
  - More than 19,000 loans disbursed
  - Expands access to finance for entrepreneurs and small businesses
- **Shubidha Digital Agri-Lending Platform**
  - Supported over 10,000 farming families
  - Disbursed approximately BDT 706 million in financing in 2025
  - Enables loan approvals within 20 minutes
  - Promotes financial inclusion, rural development and climate resilience in agriculture
- **Women Entrepreneur Empowerment**
  - Conducted an AI Skill Development Workshop for 350 women entrepreneurs
  - Provided training on digital branding, marketing automation and product innovation
  - The Amrai TARA Programme, implemented with the Bangladesh Open Source Network, empowered 30 women entrepreneurs through digital and business management training
- **Recognition and Awards**
  - Received the Qorus Reinvention Awards Gold Award for innovation in digital banking
  - Honoured with the Best Digital Signature User Award by the Ministry of ICT for advancing secure and paperless banking practices

Through these initiatives, BRAC Bank continues to integrate digital transformation with sustainability and inclusion, supporting long-term economic resilience and responsible banking in Bangladesh.

ENVIRONMENTAL RESOURCE CONSUMPTION AND MANAGEMENT OF MATERIALS

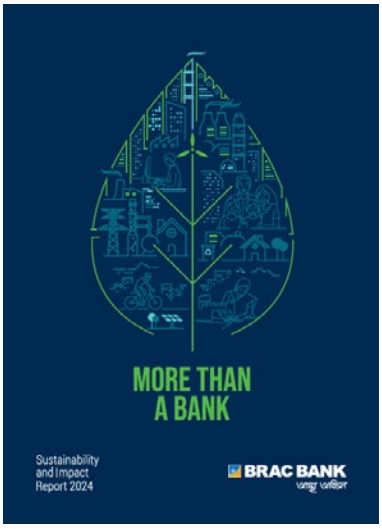
As part of its commitment to sustainable and responsible banking, BRAC Bank continuously monitors and manages its environmental footprint through responsible resource management, emissions monitoring and operational efficiency initiatives. Key environmental performance indicators for the reporting year are outlined below:

- Total Energy Consumption: 14.47 thousand megawatt hours across branches, offices and digital infrastructure
- Total Water Consumption: Approximately 270 thousand cubic meters
- Water Recycling: Recycled water accounted for 0.43% of total water use, reflecting ongoing resource efficiency efforts
- Scope 1 GHG Emissions: 1,984.64 tCO_2
- Scope 2 GHG Emissions: 18,986.86 tCO_2
- Scope 3 GHG Emissions: 1,520,634.70 tCO_2, primarily driven by financed emissions and operational activities
- Waste-related Scope 3 Emissions: 115.16 thousand metric tonnes CO_2e
- Waste Utilised for Energy Recovery: None during the reporting year

Through continued digitalisation, energy efficiency initiatives and strengthened climate-related reporting aligned with internationally recognised sustainability frameworks, BRAC Bank continues to enhance environmental stewardship and support the transition toward a low-carbon and climate-resilient future.

Highlights of 2025

Bloomberg has recognized BRAC Bank as the leading bank in Bangladesh, awarding it a top score of 3.94



Bangladesh Bank has recognized BRAC Bank as one of the top sustainable banks in the country for Five consecutive years (2020, 2021, 2022, 2023 and 2024)

BRAC Bank's Head of ESG & Sustainable Finance has named as the Yale Climate fellow 2026

DISCLOSURE ON RELATED CERTIFICATION (ISO)

Elevating Standards, Empowering Trust

At BRAC Bank, our journey toward becoming the "Best Bank in Bangladesh" is anchored in our unwavering commitment to international benchmarks of quality, security, and resilience. As of 2025, our adherence to International Organization for Standardization (ISO) frameworks ensures that we provide a secure and seamless banking experience for our 1.5 million+ customers.

Our ISO Portfolio

ISO 27001:2013 (Information Security Management System - ISMS)

As the first local bank in Bangladesh to achieve this certification, we maintain the "gold standard" for data protection. This framework governs our approach to managing sensitive customer information, ensuring confidentiality, integrity, and availability across all digital touchpoints.

ISO 18788:2015 (Management System for Private Security Operations)

BRAC Bank stands as a pioneer in the industry with the ISO 18788 accreditation for our Security Operations and Cyber Fusion Centre. This certification validates our ability to manage complex security operations while meeting the highest ethical and professional standards.

PCI DSS (Payment Card Industry Data Security Standard)

Complementing our ISO suite, our recertification in PCI DSS ensures the highest level of security for our cardholders, protecting against fraud and securing transaction data across our extensive ATM and POS network.

SOVEREIGN SECURE

February 16, 2026

Sovereign Secure Limited
79 Market St, Farnworth,
Bolton, Lancashire, BL4 7NS,
United Kingdom

TO WHOM IT MAY CONCERN

This is to certify that Sovereign Secure Limited, UK is PCI SSC authorized QSA Company for the PCI DSS, PCI P2PE, PCI PIN Security and PCI Card Production Security standards of the PCI SSC, USA.

Sovereign Secure is also the authorized Certification Body (CB) of the NCSC, UK's Cyber Essential and Cyber Essential Plus scheme designed to protect the SMEs in the UK from the cyberattacks.

BRAC Bank has engaged Sovereign Secure, UK for their PCI DSS v4.0.1 Recertification. Sovereign Secure's QSAs are actively working with the BRAC Bank personnel to validate the policies, procedure and evidences to make sure all the controls outlined in the PCI DSS 4.0.1 standard are in place.

As of today, no major non-compliance found and we are expecting that BRAC Bank will pass the certification audit for its PCI DSS v4.0.1 Compliance.

If any person has any concern about this letter, please feel free to contact the undersigned.

Sincerely Yours,

Omar F Khandaker
Regional Director
email: omar.khandaker@sovereignsecure.co.uk
Tel.: +44(0) 7384 390223

Certification No : DB32/BRAC7U
Initial Certification Date : 08.06.2023
Recertification Date : -
Issue Date : 08.06.2023
Expiration Date : 07.06.2024
Revision Date / No : 08.06.2023/00

This is to certify that the Management System of:

BRAC BANK LIMITED

Anik Tower, 220/B, Tejgaon Industrial Area, Dhaka -1208, Bangladesh.

has been assessed and found to be in accordance with the requirements of:

ISO/IEC 27001:2022
Information Technology- Security Techniques- Information Security Management System

Scope: Provision of Cyber Security to all aspects of the bank's business operations that involve the handling, processing, or storage of sensitive information, including customer data, financial information, and confidential business data that covering Information Security Management System & Information Technology Function.

SOA Rev: 02

General Manager
Chris Markopolo

IAF UAF

FRENCH CERT AB-CAB ACCREDITED

CERTIFICATE OF REGISTRATION

This is to certify that

BRAC Bank Limited

INFORMATION SECURITY DEPARTMENT
ANIK TOWER, 220/B, GULSHAN-TEJGOAN LINK ROAD,
DHAKA - 1208, BANGLADESH

has been assessed and registered by Frenchcert as conforming to the requirements of:

ISO 18788 : 2015

(Management System For Private Security Operations - Requirements With Guidance For Use)

For the following Scope

"SECURITY OPERATIONS & CYBER FUSION CENTER"

Certificate Number : 2306130805OH1
Issue Date: 13th Jun. 2023
Valid Until: 12th Jun. 2026
1st Surveillance on or before: 13th May. 2024
2nd Surveillance on or before: 13th May. 2025
Revision: 00

FrenchCert UK Ltd.

Strategic Impact of Our Certifications

Our commitment to these standards goes beyond compliance; it is a strategic driver for our digital transformation:

Customer Confidence

Proving that our infrastructure is resilient against global cyber threats.

Operational Excellence

Streamlining internal processes to reduce errors and improve service delivery speed.

Regulatory Alignment

Proactively meeting and exceeding the cybersecurity mandates set by Bangladesh Bank.

SUSTAINABLE FINANCE OVERVIEW

Green & Sustainable Finance

Promotes green and sustainable finance to support environmental protection, climate resilience, inclusive development, and responsible economic growth.

- **Green Finance:** Supports renewable energy, energy-efficient technologies, and eco-friendly infrastructure to reduce carbon emissions and promote a low-carbon economy.
- **Sustainable Finance:** Integrates Environmental, Social, and Governance (ESG) considerations into financing decisions to encourage responsible business practices, social inclusion, and long-term resilience.
- **Alignment with Global & National Goals:** Supports the Paris Agreement, United Nations Sustainable Development Goals (SDGs), and Bangladesh's Nationally Determined Contributions (NDCs) through climate-resilient and sustainable financing initiatives.

Sustainable Finance Unit Journey

BRAC Bank is committed to driving sustainable finance, creating long-term value for society, the environment and our stakeholders. This infographic highlights key milestones in our sustainability journey, showcasing our efforts in green financing, strategic partnerships and impactful initiatives. Each achievement reflects our dedication to a more inclusive, resilient and environmentally responsible future.

Building a sustainable future, milestone by milestone

2016
Partnership with IFC PaCT & Launched "Planet Solution"

2019
Become a signatory to UN Global Compact

2019
Climate Change commitment with GABV, became a signatory of PCAF

2019
Become the Executing Entity of USD 150 Mn Green Climate Fund Project

2019
Piloted First Ever UNGC SME Toolkit

2021
Partnership with ADB to Launch New ESRM Tool for Trade Finance

2022
Issued Affordable Housing Bond of USD 50M Subscribed by IFC

2023
Received USD 100 million green finance Citi-JICA Facility which is its first-ever private sector financing in Bangladesh

2023
Published First Ever Sustainability Report of BRAC Bank PLC.

2024
Top sustainable bank for 4th consecutive time rated by Bangladesh Bank

2024
Established 50 sustainable finance help desk

2025
Top sustainable bank of the country rated by Bloomberg

2025
Issued Country's first Social Bond in accordance with ICMA Principles

2025
Published country's first independent IFRS S1 and S2 Report aligned with ISSB Standard

2025
Top sustainable bank for 5th consecutive time rated by Bangladesh Bank

Driving Sustainable Development through Banking

BRAC Bank PLC aligns its sustainable finance strategy with the United Nations Sustainable Development Goals (SDGs) and Bangladesh Bank's Sustainable Finance Policy and Taxonomy to generate positive environmental and social impact alongside financial returns.

- Supports renewable energy, energy efficiency, and climate-resilient infrastructure, contributing to SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action)
- Promotes sustainable industries and innovation aligned with SDG 9 (Industry, Innovation and Infrastructure) and SDG 12 (Responsible Consumption and Production)
- Strengthens SME financing and entrepreneurship to support SDG 8 (Decent Work and Economic Growth)
- Expands women-led financing and inclusive banking initiatives aligned with SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities)
- Supports sustainable agriculture and rural development initiatives contributing to SDG 2 (Zero Hunger)

Through these initiatives, BRAC Bank continues to promote inclusive, climate-resilient, and sustainable economic development.

SDG Mapping of Sustainable Finance of BRAC Bank PLC.

Sectors	Portfolio (BDT Million)	Major Categories	SDG Mapping
Green Finance	**61,991**	Renewable Energy	
		Energy & Resource Efficiency	
		Circular Economy & Eco-Projects Financing	
		Lithium Battery Manufacturing	
		Green/Environment Friendly Establishments	
		Green Agriculture	
		Green CMSME	
		Green Socially Responsible Financing (SRF)	
		Green Shipyard	
		Information and Communication Technology	

Sectors	Portfolio (BDT Million)	Major Categories	SDG Mapping
Sustainable Agriculture	**4,180**	Crops	
		Pisciculture	
		Livestock	
Sustainable MSME	**253,337**	Micro	
		Small	
		Medium	
Socially Responsible Financing	**58,452**	Financing in Green/Clean transportation projects	
		Digital Loan/credit using MFS or other digital medium	
		Financing/Investment through MFI (MRA Regulated)/NGO (Govt. Approved) Linkage Mode for capacity building, Education, employment generation including self-employment	
		Financing in trading of green and agro products using ICT/online/e-business platform	
Other Sustainable Linked Finance	**226,599**	Low Risk Rated Projects/Initiatives using ESDD checklist	
		Working capital and demand loan of Green Products/projects/initiatives	

Overview of Sustainable Finance Portfolio

Bangladesh Bank has recently updated the reporting framework for green and sustainable finance to align with global best practices. In line with this guideline, BRAC Bank has developed a robust approach to track and manage its green and sustainable finance initiatives. By embedding sustainability principles into lending and investment decisions, BRAC Bank ensures that its financial support drives positive environmental and social impact while fostering responsible growth in alignment with national and global sustainability objectives. The portfolio of Green and Sustainable Finance as of 31 December 2025 is as below,

Regulatory Requirement on Portfolio (As per latest Guideline of Bangladesh Bank)

Index	Requirement	Achievement (%) in 2025	Amount in BDT Million
Green Finance	5%	9%	61,991
Sustainable Finance	40%	83%	604,561

*** Note: The above portfolio figures are prepared in accordance with SFD Circular Letter No. 01/2026 dated 13 January 2026 issued by Bangladesh Bank. Due to revisions in the reporting framework, the reported figures reflect adjustments under the updated guideline.*

Driving Sustainability: Responding to Climate Risks and Harnessing Opportunities

At BRAC Bank, sustainability is a responsibility we take seriously, not just a trend. We recognize climate change as a pressing challenge that brings both risks and opportunities. As a responsible financial institution, we integrate sustainable practices across our operations, ensuring that our decisions promote economic resilience, environmental stewardship, and social progress. Below is an overview of our approach to managing climate-related risks while creating long-term value.

Physical Climate Risk Management: Strengthening Resilience

Extreme weather events and shifting climate patterns pose significant physical risks to industries, communities, and our investment portfolio. Floods, storms, and other climate-related disruptions could affect operations and financial stability. Currently, BRAC Bank's exposure to physical climate risks represents 4.75% of our total portfolio.

To address these risks, we systematically assess the vulnerability of sectors and clients to physical climate hazards. Based on these insights, we implement measures to safeguard assets and support businesses in adopting adaptive, resilient practices. This proactive approach ensures our portfolio remains sustainable while contributing to environmental protection and community resilience.

Managing Transition Risks: Navigating the Shift to a Green Economy

The global economy is moving toward a low-carbon, sustainable future, creating both challenges and opportunities. Transition risks—arising from evolving regulations, changing market dynamics, and new technologies—currently account for 9.05% of our total portfolio.

BRAC Bank actively monitors these risks and supports industries adopting clean technologies and low-carbon practices. By engaging with businesses to align with global sustainability standards and emerging trends, we help mitigate transition risks, encourage innovation, and foster growth in environmentally responsible sectors.

Empowering Communities Through Socially Responsible Finance

Finance has the power to transform lives and strengthen communities. In 2025, BRAC Bank allocated BDT 64,572 million to socially responsible financing through microfinance institutions (MFIs). These initiatives focus on improving access to education, healthcare, and affordable housing—critical areas that uplift underserved populations.

By integrating social objectives into our financial strategies, we promote inclusive growth, reduce inequality, and support sustainable development across Bangladesh. Socially responsible finance enables us to generate meaningful social and economic impact for communities today and in the future.

Advancing Socioeconomic Empowerment

Financial inclusion is central to BRAC Bank's mission of fostering sustainable socioeconomic development. In 2025, we invested BDT 42,184 million in initiatives designed to empower underserved individuals and enterprises, with a focus on women entrepreneurs, small businesses, and low-income households.

Women-led enterprises play a key role in this effort, with 22% of industry financing directed to Women-Owned Small and Medium Enterprises (WSMEs). Our support goes beyond capital, creating equitable opportunities and removing barriers to economic participation.

By enabling financial independence, skill development, and entrepreneurship, we help communities break cycles of poverty and improve living standards. These initiatives not only drive economic growth and job creation but also foster a more inclusive and equitable economy.

Transition Finance: Supporting the Green Revolution

As the world shifts toward sustainable business practices, BRAC Bank actively contributes to this transformation. In 2025, we committed BDT 50,453 million to transition finance, supporting companies and projects focused on reducing environmental impact, improving energy efficiency, and adopting renewable energy solutions.

Through transition finance, we empower businesses to modernize operations, implement sustainable technologies, and align with global climate goals. These efforts advance low-carbon solutions while strengthening long-term environmental sustainability and economic stability.

Disclosure on Third-party Assurance on Sustainability Report

GHG Emissions Assessment, PCAF Alignment and Endorsement

BRAC Bank PLC is a proud member of the Global Alliance for Banking on Values (GABV) and a signatory of the Partnership for Carbon Accounting Financials (PCAF), a global initiative that standardizes the measurement and disclosure of greenhouse gas (GHG) emissions associated with financial activities.

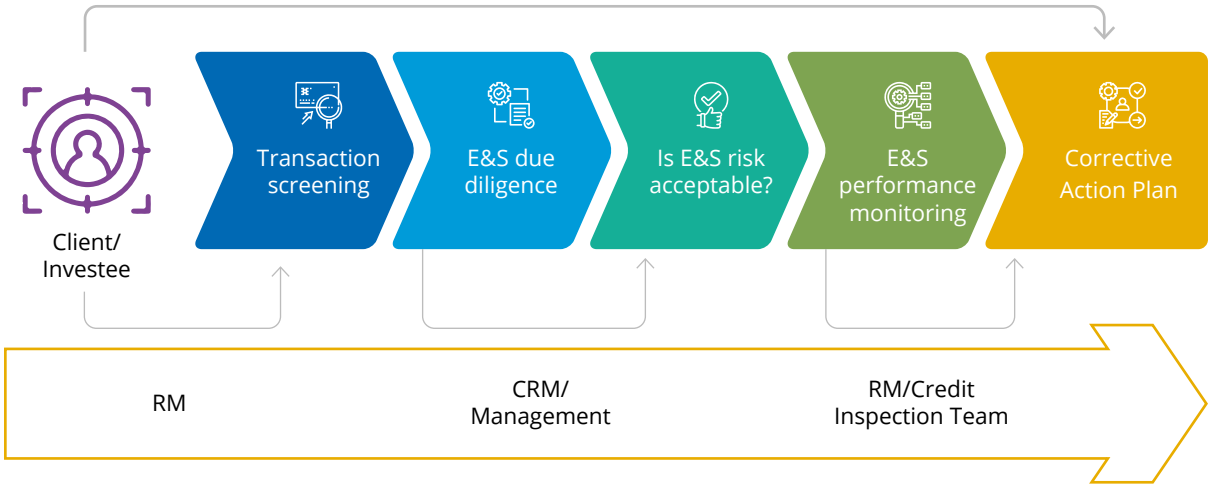
In line with the PCAF methodology, the Bank systematically measures and reports Scope 1, Scope 2, and financed emissions, ensuring transparency and comparability in climate-related disclosures. This enables effective monitoring and management of the Bank's carbon footprint across both operations and lending portfolios. The Bank's emissions disclosures are aligned with the Paris Climate Agreement and relevant global reporting standards.

BRAC Bank's carbon accounting disclosures have received PCAF recognition, and detailed results are publicly available on the PCAF platform. The related sustainability and climate impact disclosures are also presented in the Bank's Sustainability and Impact Report 2024, available here:

https://carbonaccountingfinancials.com/files/institutions_downloads/Sustainability-and-Impact-Report-2024.pdf

Together, PCAF alignment and endorsement reinforce BRAC Bank's commitment to transparent, credible, and globally benchmarked climate disclosures.

Environmental and Social Risk Management (ESRM)



Overview

Environmental and Social Risk Management (ESRM) is a structured framework that enables financial institutions to identify, assess, mitigate and monitor environmental and social risks associated with lending and investment activities. In response to increasing regulatory expectations and stakeholder focus on responsible financing, BRAC Bank has embedded ESRM as a core component of its risk management framework. Our ESRM includes:

ESRM Framework

BRAC Bank has established a comprehensive ESRM framework to systematically integrate environmental and social considerations into financing decisions. The framework covers key risk areas, including:·
Climate change and environmental impact

- Natural resource use
- Labour and human rights
- Occupational health and safety
- Community and social impacts

By incorporating these factors into credit evaluation processes, the Bank promotes responsible financing while safeguarding long-term portfolio quality.

Integration into Credit Processes

The ESRM framework is fully integrated into the Bank's credit risk assessment and approval procedures. Environmental and Social Due Diligence (ESDD) is conducted for relevant loan proposals prior to disbursement to identify potential risks and define appropriate mitigation measures.

Environmental and social performance is monitored throughout the loan lifecycle by Relationship Managers and credit officials to ensure ongoing compliance. Independent oversight is provided through the Credit Inspection function, strengthening accountability and adherence to established standards.

Alignment with the United Nations Global Compact (UNGC) Principles

UN Global Compact Principles & BRAC Bank's Alignment

6: Elimination of discrimination in respect of employment and occupation

- Respect for human rights
- Fair & meritocratic workplace
- Inclusion & diversity

3: Freedom of association & right to collective bargaining

- Education brings life transformation
- Education for underprivileged communities
- Focus on girl child education

3: Freedom of association & right to collective bargaining

- Partnerships for social responsibility
- Collaborative approach for sustainable impact

6: Elimination of discrimination with respect to employment

- Workplace inclusion
- Zero tolerance on discrimination
- Women-centric initiatives & gender sensitization
- Internal TARA (Women) forum

8: Environmental responsibility / 9: Environmentally friendly practices

- Sustainable finance desk at branches
- Measure carbon footprint

8: Environmental responsibility / 9: Environmentally friendly technologies

- Sustainable finance for renewable energy
- Sustainable finance desk at branches
- Promote digital banking

3: Freedom of association & right to collective bargaining / 10: Work against corruption

- Open & meritocratic work culture
- Strong code of conduct & anti-bribery policies
- Workplace flexibility

7: Prevent environmental degradation / 9: Environmentally friendly technologies

- e-communication (Digital correspondence)
- Digital banking
- Reduce plastic use
- Save electricity, paper & water

7: Prevent environmental degradation / 8: Environmental responsibility

- Prioritize lending to clean & green energy businesses
- Credit preference to environmental protection asset builders

Alignment with the GABV Principles

BRAC Bank's business model is aligned with the principles of the Global Alliance for Banking on Values (GABV), which promote values-based banking centred on social and environmental impact.

Principle 1: Social and Environmental Impact at the Core

BRAC Bank integrates social and environmental considerations into its financing decisions and refrains from financing environmentally harmful activities such as tobacco production and other high-impact sectors inconsistent with responsible banking values.

Principle 2: Grounded in Communities and the Real Economy

The Bank focuses on serving the real economy by prioritizing financing for productive sectors, particularly manufacturing and SMEs, which generate employment and long-term societal impact. It maintains enduring relationships with clients, often providing repeat financing to support sustainable business growth.

Principle 3: Long-Term Client Relationships

Relationship Managers maintain close engagement with clients through regular visits and direct interaction, enabling a clear understanding of business operations, associated risks, and long-term growth potential.

Principle 4: Long-Term Resilience and Self-Sustainability

BRAC Bank maintains a diversified asset and liability portfolio across SME, Corporate, and Retail segments to mitigate concentration risks. Continuous updates to business continuity planning and risk management frameworks enhance resilience against external disruptions.

Principle 5: Transparency and Inclusiveness

Strong corporate governance, ethical conduct, and regulatory compliance are foundational to the Bank's operations. Transparent reporting and inclusive stakeholder engagement reinforce institutional accountability.

Principle 6: Values Embedded in Institutional Culture

The GABV principles are embedded within the Bank's value system and guide strategic decision-making, risk management, and operational practices, ensuring consistency between institutional purpose and day-to-day business activities.

BRAC Bank's Exclusion List

1. **Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international ban**s, such as pharmaceuticals, pesticides/ herbicides, ozone depleting substances, PCB's, wildlife or regulated under the Convention on International Trade in Endangered Species (CITES). (Links: United Nations (UN) list of banned chemicals and products; http://www.un.org/esa/coordination/Consolidated.list-13FinalFinal.pdf and CITES list of endangered species: http://www.cites.org/eng/app/E-Apr27.pdf)

2. **Forced Labour or Child Labour in Hazardous Working Conditions**

- Forced Labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions, UNGC Principles and/or local legislations.
- To address the issue of Child Labour, persons may only be employees if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

3. **Any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:**
   - Ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, and unauthorized manufacturing of pesticides/ herbicides or chemicals.
   - Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
   - Unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets more than 2.5 km in length, deep sea bottom trawling, or fishing with the use of explosives or cyanide).
   - Operations impacting UNESCO World Heritage Site and/or Ramsar site.

4. **Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.**

5. **Financing in Coal Power and Mining activities such as**

- Coal power.
- Power generation from any power plant the energy source of which, whether in whole or in part, is coal which delivers its power to the transmission or distribution grid.
- Coal mining.

6. **Destruction of High Conservation Value areas.**

Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.

7. Radioactive materials.

This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any other equipment where the radioactive source is understood to be trivial and/or adequately shielded.

8. Unbounded asbestos fibres.

This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

9. Pornography or prostitution.

10. Racist and anti-democratic media

11. Commercial logging operations for use in primary tropical moist forest

- Illegal logging, and logging operations or conversion of land for plantation use in primary tropical moist forests.

12. Production or trade in wood or other forestry products other than from sustainably managed forests

13. Production of trade in radioactive materials and unbounded asbestos fibres.

14. Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples.

15. Ship breaking/ trading activities which include:

- Ships with prevalent asbestos use (for e.g. passenger cruise)
- Ships listed on the Greenpeace blacklist*
- Ships not certified "gas free" for hot work.

16. In the event of any of the following products form a substantial part of a company's primary operations, or a financial institution, investment fund or company's financed business activities.

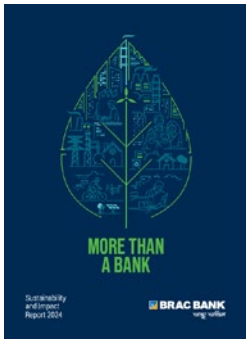
- Alcoholic beverages (excluding beer and wine)
- Tobacco
- Weapons and munitions
- Gambling, casinos, and equivalent enterprises.

17. Financing in any activities which is related to Brick production through Fixed Chimney Kiln (FCK).

Green Office Guideline

BRAC Bank has established a Green Office Guideline to strengthen ethical business practices and internal environmental management, focusing on water conservation, energy efficiency, paper reduction, and workplace hygiene.

The Bank has introduced a Green Code of Conduct, developed eco-friendly Green Offices, implemented sustainable technologies, and conducted regular employee awareness and training programs to promote sustainable workplace practices and reduce environmental impact.



Sustainability & Impact Report

In 2024, BRAC Bank PLC published its third Sustainability and Impact Report, reinforcing its commitment to transparency, accountability, and responsible banking. The report aligns with internationally recognized frameworks including PCAF, GRI, and ISSB, and highlights the Bank's focus on People, Planet, and Prosperity.

The report showcases progress in sustainable finance, climate risk management, green banking, financial inclusion, and support for SMEs, women entrepreneurs, and underserved communities. It also includes greenhouse gas (GHG) emissions disclosures aligned with global reporting standards and independently endorsed by PCAF.

IFRS S1 and S2 Report

In 2024, BRAC Bank PLC became the first financial institution in Bangladesh to publish an independent IFRS S1 and IFRS S2 report aligned with ISSB standards. These frameworks support transparent disclosure of sustainability- and climate-related risks and opportunities affecting long-term value creation.

The Bank strengthened its governance, internal controls, and data management systems to improve ESG and climate risk identification, assessment, and reporting. IFRS S1 covers governance, strategy, risk management, and performance metrics, while IFRS S2 focuses on climate-related physical and transition risks. Through these initiatives, BRAC Bank integrates sustainability considerations into strategic planning, credit risk assessment, portfolio management, and enterprise risk management, reinforcing transparency, accountability, and long-term resilience.

BLOOMBERG INDEXING

Sl.	Pillar	Theme	Description	Unit	Response
1	Environmental	Climate Change	GHG Scope 1 & 2 Location-Based	T CO2e	20,971.50
2	Environmental	Climate Change	GHG Scope 1 & 2 Market-Based	T CO2e	20,971.50
3	Environmental	Climate Change	GHG Scope 1	T CO2e	1,997.11
4	Environmental	Climate Change	GHG Scope 2 Location-Based	T CO2e	18,986.86
5	Environmental	Climate Change	GHG Scope 2 Market-Based	T CO2e	18,986.86
6	Environmental	Climate Change	GHG Scope 3	T CO2e	1,520,072.12
7	Environmental	Climate Change	Scope 3 Purchased Goods and Services Emissions	T CO2e	105,841.29
8	Environmental	Climate Change	Scope 3 Fuel & Energy Related Activities Emissions	T CO2e	23,299.12
9	Environmental	Climate Change	Scope 3 Waste Generated in Operations Emissions	T CO2e	115.16
10	Environmental	Climate Change	Scope 3 Business Travel Emissions	T CO2e	52,445.82
11	Environmental	Climate Change	Scope 3 Employee Commuting Emissions	T CO2e	3,536.68
12	Environmental	Climate Change	Scope 3 Emissions from Investments	T CO2e	1,463,371.60
13	Environmental	Climate Change	CO2 Scope 1 & 2 Location-Based	T CO2e	20,971.50
14	Environmental	Climate Change	CO2 Scope 1 & 2 Market-Based	T CO2e	20,971.50
15	Environmental	Climate Change	CO2 Scope 1	T CO2e	1,997.11
16	Environmental	Climate Change	CO2 Scope 2 Location-Based	T CO2e	18,986.86
17	Environmental	Climate Change	CO2 Scope 2 Market-Based	T CO2e	18,986.86
18	Environmental	Climate Change	Carbon Offsets	T CO2e	15,040.75
19	Environmental	Climate Change	Climate Change Policy	Y/N	N
20	Environmental	Climate Change	Percent of Disclosure	Percentage	100%
21	Environmental	Climate Change	Climate Change Opportunities Discussed	Y/N	Y
22	Environmental	Climate Change	Risks of Climate Change Discussed	Y/N	Y
23	Environmental	Climate Change	Climate Scenario Analysis	Y/N	Y
24	Environmental	Climate Change	GHG Emissions Reduction Policy	Y/N	Y
25	Environmental	Climate Change	Physical Risk Identified	Y/N	Y
26	Environmental	Climate Change	Carbon Per Employee	Tonnes CO2e/ Employee	2.04
27	Environmental	Climate Change	Air Pollutants Emissions (NOx, SOx, etc.)	Y/N	N/A
28	Environmental	Climate Change	Climate Change Strategy	Y/N	N
29	Environmental	Climate Change	Green Bond Issuance	Y/N	N
30	Environmental	Climate Change	Environmental Certifications (ISO 14001, LEED)	Y/N	N
31	Environmental	Climate Change	Paper and Plastic Reduction Programs	Y/N	Y
32	Environmental	Climate Change	Habitats Protected or Restored.	Y/N	N/A
33	Environmental	Energy	Renewable Electricity Target Policy	Y/N	N
34	Environmental	General	Financed Emissions - Scope 1,2,3	Metric Tonnes CO2e	3,661,716.80
35	Environmental	General	Incorporates ESG Into the Investment Process	Y/N	Y
36	Environmental	General	ESG Risks Incorporated in Underwriting	Y/N	Y
37	Environmental	General	Attrib Lending to Env and Climate Solutions	BDT million	8,479.74
38	Environmental	General	Attributable Lending to Renewable Energy	BDT million	1,933.32
39	Environmental	General	Attributable Lending to Sustainable Transport	BDT million	16,838.86
40	Environmental	General	Attributable Lending to Green Buildings	BDT million	8,479.74

Sl.	Pillar	Theme	Description	Unit	Response
41	Environmental	General	Financed Scope 1+2 Emissions - Agriculture	T CO2e	23,868.76
42	Environmental	General	Financed Scope 1+2 Emissions - Chemicals	T CO2e	21,153.28
43	Environmental	General	Financed Scope 1+2 Emissions - Real Estate	T CO2e	3.14
44	Environmental	General	Financed Scope 1+2 Emissions - Steel & Iron	T CO2e	240,399.00
45	Environmental	General	Financed Scope 1+2 Emissions - Oil & Gas	T CO2e	290,391.43
46	Environmental	General	Financed Scope 1+2 Emiss - Utilities & Pwr Gen	T CO2e	121,158.70
47	Environmental	General	Financed Scope 1+2 Emissions - Mining	T CO2e	264.31
48	Environmental	General	Financed Scope 1+2 Emissions - Transportation	T CO2e	4,852.46
49	Environmental	General	Financed Scope 1+2 Emissions - Autos	T CO2e	1,832.07
50	Environmental	General	Financed Scope 3 Emissions - Coal	T CO2e	0
51	Environmental	General	Financed Scope 3 Emissions - Mining	T CO2e	0
52	Environmental	General	Financed Scope 3 Emissions - Oil & Gas	T CO2e	38,771.03
53	Environmental	General	Financed Emissions Reported - Scope 1+2	T CO2e	1,421,028.06
54	Environmental	General	Financed Emissions Reported - Scope 3	T CO2e	1,520,072.12
55	Environmental	General	Target Year to Exclude Coal Finance	2023	2023
56	Environmental	General	Value of Agriculture Lending	million BDT	17,388.49
57	Environmental	General	Value of Cement & Concrete Lending	million BDT	5,913.99
58	Environmental	General	Value of Chemicals Lending	million BDT	5,075.51
59	Environmental	General	Value of Coal Lending	million BDT	0
60	Environmental	General	Value of Real Estate Lending	million BDT	49.18
61	Environmental	General	Value of Steel & Iron Lending	million BDT	5,949.99
62	Environmental	General	Value of Oil and Gas Lending	million BDT	4,100.07
63	Environmental	General	Value of Utilities & Pwr Generation Lending	million BDT	8,486.16
64	Environmental	General	Value of Mining Lending	million BDT	133.29
65	Environmental	General	Value of Transportation Lending	million BDT	1,935.83
66	Environmental	General	Value of Aviation Lending	million BDT	0
67	Environmental	General	Value of Shipping Lending	million BDT	0
68	Environmental	General	Value of Autos Lending	million BDT	2,452.58
69	Environmental	General	Attributable Lending to Energy Efficiency	million BDT	15,336.32
70	Environmental	General	Attributable Lending to Social Impact	million BDT	429.64
71	Environmental	General	Sustainable/ESG Lending	million BDT	604,561.16
72	Environmental	General	Incorporates ESG Screening Into Lend Process	Y/N	Y
73	Environmental	General	Net Zero Financed or Underwriting Emiss Target	Y/N	N
74	Environmental	General	Net Zero Financed Emissions Target Year	N/A	Yet to take a net zero target
75	Environmental	General	GHG/CO2 per Lending	million BDT	254.85
76	Environmental	General	GFANZ Signatory	Y/N	N
77	Environmental	General	PCAF Signatory	Y/N	Y
78	Environmental	General	Poseidon Signatory	Y/N	N
79	Environmental	General	Financial Climate Stress/Scenario Testing	Y/N	Y
80	Environmental	General	Mortgage Port with Physical Risk Exposure Pct	Percentage	2%
81	Environmental	General	Paris Agreement Capital Transition Assessment	Y/N	N
82	Environmental	General	Sustainable/ESG Underwriting	million BDT	716,176.02
83	Environmental	General	Exclusion of Coal Investments	Y/N	Y
84	Environmental	General	Target Year to Exclude Coal Investments	Year	Already Excluded

Sl.	Pillar	Theme	Description	Unit	Response
85	Environmental	General	Exclusion of Oil & Gas Investments	Y/N	Y
86	Environmental	General	Exclusion of Coal Underwriting	Y/N	Y
87	Environmental	General	Target Year to Exclude Coal Underwriting	Year	Already Excluded in 2023
88	Environmental	General	Exclusion of Oil & Gas Underwriting	Y/N	Y
89	Environmental	General	Target Year to Exclude Oil & Gas Underwriting	Year	Already Excluded
90	Environmental	Natural Capital	Hazardous Waste	Metric Tonnes	0
91	Environmental	Natural Capital	Total Waste	Metric Tonnes	108.36
92	Environmental	Natural Capital	Waste Recycled	Metric Tonnes	0
93	Environmental	Natural Capital	Paper Recycled	Metric Tonnes	0
94	Environmental	Natural Capital	Raw Materials Used	Metric Tonnes	0
95	Environmental	Natural Capital	Number of Environmental Fines	Count	0
96	Environmental	Natural Capital	Amount of Environmental Fines	Million Reporting Currency	0
97	Environmental	Natural Capital	Waste Reduction Policy	Y/N	N
98	Environmental	Natural Capital	Total Water Discharged	Thousand Cubic Meters	269,623.36
99	Environmental	Natural Capital	Biodiversity Policy	Y/N	N
100	Environmental	Natural Capital	Water Policy	Y/N	N
101	Environmental	Natural Capital	Percentage of Hazardous Waste	Percentage	0.00
102	Environmental	Natural Capital	Hazardous Waste Recycled	Thousand Metric Tonnes	0.00
103	Environmental	Natural Capital	Percentage of Hazardous Waste Recycled	Percentage	0.00
104	Environmental	Natural Capital	Number of Significant Environmental Incidents	Count	0
105	Environmental	Natural Capital	Hazardous Waste Management Policy	Y/N	N
106	Environmental	Natural Capital	Number of Significant Environmental Fines	Count	0.00
107	Environmental	Natural Capital	Amount of Significant Environmental Fines	Million Reporting Currency	0.00
108	Environmental	Climate Change	Emissions Reduction Initiatives	Y/N	Y
109	Environmental	Climate Change	New Products - Climate Change	Y/N	Y
110	Environmental	Climate Change	Scope of Disclosure	Nominal (1-3)	1,2
111	Environmental	Climate Change	Investment in Sustainable Products	Million Reporting Currency	604,561.16
112	Environmental	Climate Change	Carbon Pricing	Y/N	N
113	Environmental	Climate Change	Adopts TCFD Recommendations	Y/N	Y
114	Environmental	Energy	Energy Efficiency Policy	Y/N	N
115	Environmental	Energy	Green Building Policy	Y/N	N
116	Environmental	General	Environmental Quality Management Policy	Y/N	Y
117	Environmental	General	Verification Type	Y/N	Y
118	Environmental	General	Equator Principles Signatory	Y/N	N
119	Environmental	General	SASB Reporting Company	Y/N	N
120	Environmental	General	Offers Green Mortgage	Y/N	Y
121	Environmental	General	Targets for Sustainable/ESG Finance	Y/N	Y
122	Environmental	General	Exclusion of Oil Sands Finance	Y/N	N
123	Environmental	General	PRI Report Verified by Third Party	Y/N	N
124	Environmental	General	Sustainable/ESG Assets Under Management Pct	Percentage	83%

Sl.	Pillar	Theme	Description	Unit	Response
125	Environmental	General	Financed Scope 1+2 Emissions - Coal	Thousand Metric Tonnes CO2e	0
126	Environmental	General	Exclusion of Arctic Drilling Finance	Y/N	Y
127	Environmental	General	Value of Aluminum Lending	Million Reporting Currency	0.00
128	Environmental	General	UNEP Finance Initiative Principles for Sustainable Insurance signatory		N
129	Environmental	General	Target Year to Exclude Oil & Gas Investments	Year	N/A
130	Environmental	General	Exclusion of Oil Sands Investments	Y/N	N
131	Environmental	General	Exclusion of Non-Certif Palm Oil Investments	Y/N	N
132	Environmental	General	Exclusion of Arctic Drilling Investments	Y/N	N
133	Environmental	General	Exclusion of Oil Sands Underwriting	Y/N	N
134	Environmental	General	Exclusion of Arctic Drilling Underwriting	Y/N	N
135	Environmental	General	GHG Verification Statement (External assurance for the report)	Y/N	Y
136	Environmental	Natural Capital	Environmental Accounting Cost	Million Reporting Currency	0
137	Environmental	Natural Capital	Total Water Recycled	Thousand Cubic Meters	0
138	Environmental	Natural Capital	Total Water Withdrawal	Thousand Cubic Meters	269.62
139	Environmental	Natural Capital	Number of Environmental Incidents	Count	0
140	Environmental	Natural Capital	Wastewater Management Policy	Y/N	N
141	Environmental	Value Chain	Sustainable Packaging	Y/N	N
142	Environmental	Value Chain	Energy-efficient Product Offerings	Y/N	Y
143	Environmental	Value Chain	Product Lifecycle Design	Y/N	N
144	Environmental	Energy	Total Energy Consumption	Thousand Megawatt Hours	14,471,397
145	Environmental	Energy	Renewable Energy Use	Thousand Megawatt Hours	140,048
146	Environmental	Energy	Electricity Used	Thousand Megawatt Hours	14,331,349
147	Environmental	Energy	Fuel Used - Natural Gas	Thousand Cubic Meters	0.00
148	Environmental	Energy	Self Generated Renewable Electricity	Thousand Megawatt Hours	140,048
149	Environmental	Energy	Total Fuel Consumed	Thousand Megawatt Hours	137,872.15
150	Environmental	Energy	Percentage Natural Gas of Total Fuel Consumed	Percentage	0.00
151	Environmental	Energy	Self-Generated Total Energy	Thousand Megawatt Hours	140,048
152	Environmental	Energy	Grid Electricity Used	Thousand Megawatt Hours	141,831
153	Environmental	Natural Capital	Total Water Use	Thousand Cubic Meters	20

Sl.	Pillar	Theme	Description	Unit	Response
154	Environmental	Natural Capital	Pct Water Recycled	Percentage	0.43%
155	Environmental	Natural Capital	Paper Consumption	Thousand Metric Tonnes	0.10836
156	Environmental	Natural Capital	Waste Used for Energy	Thousand Metric Tonnes	515
157	Environmental	Natural Capital	Air Pollution Reduction Policy	Y/N	0
158	Environmental	Natural Capital	Water Consumption	Thousand Cubic Meters	269,623
159	Environmental	Natural Capital	Rainwater Harvested	Thousand Cubic Meters	4
160	Environmental	Energy	Fuel Used - Crude Oil/Diesel	Thousand Cubic Meters	136.49
161	Environmental	Energy	Percentage Electricity of Total Energy Consumed	Percentage	100%
162	Environmental	Energy	Percentage Renewable Energy Consumed	Percentage	0.93%
163	Environmental	Energy	Percentage Coal of Total Fuel Consumed	Percentage	0.00
164	Environmental	Energy	Fleet Fuel Used	Thousand of cubic meters	236.13
165	Environmental	Energy	Liquefied Petroleum Gas (LPG) Used	Thousand Cubic Meters	0.00
166	Environmental	Energy	Self-Generated Energy (Non-Renewable)	Thousand Megawatt Hours	0.14
167	Environmental	Energy	Percentage of Grid Electricity Used	Percentage	99.07%
168	Environmental	General	Investments in Operational Sustainability	Million Reporting Currency	N/A
169	Environmental	Natural Capital	Municipal Water	Thousand Cubic Meters	517
170	Environmental	Natural Capital	Reclaimed Water	Thousand Cubic Meters	2
171	Environmental	General	GRI Criteria Compliance	Y/N	Y
172	Environmental	Value Chain	Customer Efficiency Initiatives	Y/N	Y
173	Environmental	General	Active Ownership/Engagement/Stewardship Policy	Y/N	Y
174	Social	General	Social Bond Issuance	Y/N	Y
175	Social	General	UN Global Compact Signatory	Y/N	Y
176	Social	Business Practices	Political Donations	Amount	0
177	Social	Business Practices	Intellectual Property Rights Protection Policy	Y/N	N
178	Social	Business Practices	Political Involvement Policy	Y/N	N
179	Social	Community & Customers	Quality Assurance and Recall Policy	Y/N	N
180	Social	Community & Customers	Number of Recalls	Count	0
181	Social	Community & Customers	Total Units Recalled	Count	0
182	Social	General	Sustainable Development Goals Target Policy	Y/N	N
183	Social	Community & Customers	Number of Partcpnts in Financial Literacy Programs	Count	17,071
184	Social	Business Practices	Business Ethics Policy	Y/N	Y
185	Social	Business Practices	Anti-Bribery Ethics Policy	Y/N	Y
186	Social	Business Practices	Amount of Anti - Competition Fines	Million Reporting Currency	0

Sl.	Pillar	Theme	Description	Unit	Response
187	Social	Business Practices	Number of Fines for Anti - Competition	Count	0
188	Social	Business Practices	Number of Fines For Bribery And Corruption	Count	0
189	Social	Business Practices	Amount Of Fines For Bribery And Corruption	Million Reporting Currency	0
190	Social	Community & Customers	Number of Fines For Data Breaches	Count	0
191	Social	Community & Customers	Amount of Fines For Data Breaches	Million Reporting Currency	0
192	Social	Human Capital	Number of Fines for Health and Safety	Count	0
193	Social	Human Capital	Amount Of Fines For Health And Safety	Million Reporting Currency	0
194	Social	Business Practices	Percentage of Company Facilities Non-Compliance	Percentage	0
195	Social	Human Capital	Number of Contractors	Count	255
196	Social	Business Practices	Cybersecurity Risk Management	Y/N	Y
197	Social	Community & Customers	Consumer Data Protection Policy	Y/N	Y
198	Social	Community & Customers	Number of Data Breaches	Count	0
199	Social	Community & Customers	Product Data Security Policy	Y/N	Y
200	Social	Community & Customers	Data Security Risks Discussed	Y/N	Y
201	Social	Community & Customers	Executive with Responsibility for Data Security	Y/N	Y
202	Social	Community & Customers	Pct Data Breaches Personal Id Info	Percentage	0
203	Social	Community & Customers	Number of Customers Affected By Data Breaches	Count	0
204	Social	Community & Customers	Human Rights Policy	Y/N	Y
205	Social	Human Capital	Number of Employees - CSR	Count	6
206	Social	Human Capital	Employee Turnover Pct	Percentage	9%
207	Social	Human Capital	Pct Employees Unionized	Percentage	0.00
208	Social	Human Capital	Pct Women in Management	Percentage	8%
209	Social	Human Capital	Pct Women in Workforce	Percentage	16%
210	Social	Human Capital	Pct Minorities in Management	Percentage	0%
211	Social	Human Capital	Pct Minorities in Workforce	Percentage	15%
212	Social	Human Capital	Workforce Accidents - Employees	Count	0.00
213	Social	Human Capital	Lost Time from Accidents	Hours	0.00
214	Social	Human Capital	Fatalities - Employees	Count	0.00
215	Social	Human Capital	Fatalities - Total	Count	0.00
216	Social	Human Capital	Health and Safety Policy	Y/N	Y
217	Social	Human Capital	Equal Opportunity Policy	Y/N	Y
218	Social	Human Capital	Training Policy	Y/N	Y
219	Social	Human Capital	Fair Remuneration Policy	Y/N	Y
220	Social	Human Capital	Employee Average Age	Years	36.35
221	Social	Human Capital	Pct Disabled in Workforce	Percentage	0%

Sl.	Pillar	Theme	Description	Unit	Response
222	Social	Human Capital	Lost Time Incident Rate - Employees	Lost Time Incidents / 200,000 Hours Worked or 100 Full Time Employees	0.00
223	Social	Human Capital	Employee CSR Training	Y/N	Y
224	Social	Human Capital	Employee Training Cost	Million Reporting Currency	108
225	Social	Human Capital	Employee Protection / Whistle Blower Policy	Y/N	Y
226	Social	Human Capital	Total Hours Spent by Firm - Employee Training	Hours	391,116
227	Social	Human Capital	Number of Part-Time Employees	Count	3.00
228	Social	Human Capital	Number of Temporary Employees	Count	2
229	Social	Human Capital	Policy Against Child Labor	Y/N	Y
230	Social	Human Capital	Pct Women in Middle and or Other Management	Percentage	7%
231	Social	Human Capital	Average Employee Training Hours	Hours	36.38
232	Social	Human Capital	Number of Strikes and Lockouts	Count	0.00
233	Social	Human Capital	Total Workforce	Count	12,724
234	Social	Human Capital	Percentage Minorities IT Engineering	Percentage	19%
235	Social	Community & Customers	Human Rights Due Diligence Process	Y/N	Y-as per Government directives
236	Social	Community & Customers	Human Rights Remediation Process	Y/N	Y
237	Social	Human Capital	Voluntary Turnover Pct	Percentage	8%
238	Social	Human Capital	Involuntary Turnover Pct	Percentage	1%
239	Social	Human Capital	Gender Pay Gap Breakout	Y/N	N
240	Social	Human Capital	Percentage Gender Pay Gap for Senior Management	Percentage	0.06
241	Social	Human Capital	Percentage Gender Pay Gap Mid & Other Management	Percentage	0.14
242	Social	Human Capital	Percentage Gender Pay Gap Employees Ex Management	Percentage	0.07
243	Social	Human Capital	% Gender Pay Gap Tot Empl Including Management	Percentage	0.15
244	Social	Human Capital	Percentage of Contractors in Total Workforce	Percentage	0.00
245	Social	Human Capital	Company Discloses Employee Engagement Score	Y/N	Y (in terms of conducting a Pan-bank employee engagement survey) N (survey result
246	Social	Human Capital	Company Diversity Target Indicator	Y/N	Y
247	Social	Community & Customers	Number of Customers	Count	2.3 Million
248	Social	Community & Customers	Num of New Custmrs with First Time Accss to Finance	Count	144,036.00
249	Social	Community & Customers	Number of Customer Complaints	Count	3,345
250	Social	Community & Customers	Financial Inclusion Policy	Y/N	N

Sl.	Pillar	Theme	Description	Unit	Response
251	Social	Community & Customers	Financial Literacy Programs	Y/N	Y
252	Social	Community & Customers	Financial Products Transparency Policy	Y/N	Yes
253	Governance	Board Composition	CSR/Sustainability Committee	Y/N	Y
254	Governance	Board Composition	Size of CSR Sustainability Committee	Count	13
255	Governance	Board Composition	Number of CSR Sustainability Committee Meetings	Count	3
256	Governance	Board Composition	Percent of CSR Sustainability Committee Attendance	Percentage	76.9%
257	Governance	Board Composition	CEO Duality	Y/N	N
258	Governance	Executive Structure	CEO or Equivalent Appointed from Within	Y/N	Y
259	Governance	Executive Structure	Female Chief Executive Officer or Equivalent	Y/N	N
260	Governance	General	Company Reported a Material Restatement	Y/N	N
261	Governance	Board Composition	Number of Executives / Company Managers	Count	10,293
262	Governance	Executive Structure	Number of Female Executives	Count	1,657
263	Governance	Executive Structure	Percentage of Female Executives	Percentage	16%
264	Governance	Compensation	Executive Compensation Linked to ESG	Y/N	N
265	Governance	Compensation	Say On Pay Provision	Y/N	N
266	Governance	Compensation	Outside Compensation Advisors Appointed	Y/N	N
267	Governance	Compensation	Fees Paid to Compensation Consultants	Units Reporting Currency	USD
268	Governance	Compensation	ESG Linked Compensation for Board	Y/N	N
269	Governance	Compensation	Clawback Provision for Executive Compensation	Y/N	N
270	Governance	Compensation	Executive Compensation Consultant Srvcs Provided	Nominal (0-3)	0.00
271	Governance	Compensation	Executive Comp Advisory Fees Pd to Comp Adv	Units Reporting Currency	USD
272	Governance	Compensation	Pct of Compensation Advisory Fees Paid to Comp Adv	Percentage	0.00
273	Governance	Compensation	Chg of Ctrl Benefits/Golden Parachute Agreements	Y/N	N
274	Governance	Compensation	Say on Pay Number of Votes FOR	Count	0.00
275	Governance	Compensation	Say on Pay Number of Votes AGAINST	Count	0.00
276	Governance	Compensation	Say on Pay Support Level	Percentage	0.00
277	Governance	Compensation	Say On Pay Number of Votes - ABSTAIN	Count	0.00
278	Governance	Compensation	Say On Pay Number of Votes - BROKER NON VOTE	Count	0.00
279	Governance	Compensation	Comp Discloses CEO or Equivalent Pay Ratio Flg	Y/N	N
280	Governance	Compensation	CEO or Equivalent Pay Ratio (Median Employee)	Ratio	1.88
281	Governance	Compensation	CEO or Equivalent Pay Ratio (Average Employee)	Ratio	29.48:1
282	Governance	Compensation	CEO Pay Ratio Median Employee Compensation	Reporting Currency	BDT

Sl.	Pillar	Theme	Description	Unit	Response
283	Governance	Compensation	CEO Pay Ratio Average Employee Compensation	Reporting Currency	BDT
284	Governance	Compensation	CEO Pay Ratio CEO or Equivalent Total Comp	Reporting Currency	BDT
285	Governance	Audit & Oversight	Years Auditor Employed	Years	25
286	Governance	Board Composition	Audit Financial Expert	Y/N	Y
287	Governance	Board Composition	Board Size	Count	Total 8 Directors including 7 Independent Directors
288	Governance	Board Composition	Number of Independent Directors	Count	7 Independent Directors
289	Governance	Board Composition	Percentage of Independent Directors	Percentage	87.50%
290	Governance	Board Composition	Board Duration (Years)	Years	For Independent Directors: 6 Years For Nominated Directors: 12 Years as per regulatory guideline
291	Governance	Board Composition	Number of Board Meetings for the Year	Count	16 board meetings held in the year of 2025
292	Governance	Board Composition	Board Meeting Attendance Pct	Percentage	85.29%
293	Governance	Board Composition	% Women on Board	Percentage	37.50%
294	Governance	Board Composition	Board Average Age	Years	65
295	Governance	Board Composition	Board Age Limit	Years	Age Limit for Independent Directors: 45-75 years, Minimum Age limit for Nominated Directors & Shareholder Directors is 30 years
296	Governance	Board Composition	Audit Committee Meetings	Count	9
297	Governance	Board Composition	Independent Lead Director	Y/N	Yes
298	Governance	Board Composition	Independent Chairperson	Y/N	Yes
299	Governance	Board Composition	Former CEO or its Equivalent on Board	Y/N	Yes
300	Governance	Board Composition	Female Chairperson or Equivalent	Y/N	No
301	Governance	Board Composition	Num of Directors Attending less than 75 Pct of Mtg	Count	1

Sl.	Pillar	Theme	Description	Unit	Response
302	Governance	Board Composition	Number of Women on Board	Count	3
303	Governance	Board Composition	Number of Employee Representatives on the Board	Count	1
304	Governance	Board Composition	Age of the Youngest Director	Years	46
305	Governance	Board Composition	Age of the Oldest Director	Years	72
306	Governance	Board Composition	Board of Directors Age Range	Years	45 to 54 = 1 55 to 64 = 2 65 to 73 = 5
307	Governance	Board Composition	Independent Directors Board Meeting Attendance %	Percentage	85.71%
308	Governance	Board Composition	Size of Audit Committee	Count	4 Members
309	Governance	Board Composition	Number of Independent Directors on Audit Committee	Count	4
310	Governance	Board Composition	Pct of Independent Directors on Audit Committee	Percentage	100%
311	Governance	Board Composition	Independent Audit Committee Chairperson	Y/N	Yes
312	Governance	Board Composition	Number of Non-Exec Directors on Audit Committee	Count	4
313	Governance	Board Composition	Audit Committee Meeting Attendance Percentage	Percentage	86.11%
314	Governance	Board Composition	Non-Executive Director with Responsibility for CSR	Y/N	Yes
315	Governance	Board Composition	Executive Director with Responsibility for CSR	Y/N	No
316	Governance	Board Composition	Num Independent Directors on CSR Committee	Count	2
317	Governance	Board Composition	Pct Independent Directors on CSR Committee	Percentage	66.67%
318	Governance	Board Composition	CSR Committee Chairperson Independent	Y/N	Yes
319	Governance	Board Composition	Num of Non Exec Directors on CSR Committee	Count	3
320	Governance	Board Composition	Engagements/Proxy Voting Reslts Reported Published	Y/N	2
321	Governance	Board Composition	Presiding Director	Y/N	Yes
322	Governance	Board Composition	Classified Board System	Y/N	Yes
323	Governance	Board Composition	Unitary or Two Tier Board System	Nominal (1-2)	2
324	Governance	Board Composition	Number of Non Executive Directors on Board	Count	8
325	Governance	Board Composition	Percentage of Non-Executive Directors on Board	Percentage	100%
326	Governance	Board Composition	Executive Director Board Duration	Years	N/A
327	Governance	Board Composition	Number of Non-Exec Directors on Compensation Cmte	Count	0
328	Governance	Board Composition	Number of Compensation Committee Meetings	Count	0
329	Governance	Board Composition	Compensation Committee Meeting Attendance %	Percentage	0%

Sl.	Pillar	Theme	Description	Unit	Response
330	Governance	Board Composition	Size of Nomination Committee	Count	4
331	Governance	Board Composition	Num of Independent Directors on Nomination Cmte	Count	4
332	Governance	Board Composition	Pct of Ind Directors on Nomination Committee	Percentage	100%
333	Governance	Board Composition	Independent Nomination Committee Chairperson	Y/N	Yes
334	Governance	Board Composition	Number of Non-Exec Directors on Nomination Cmte	Count	4
335	Governance	Board Composition	Number of Nomination Committee Meetings	Count	2
336	Governance	Board Composition	Nomination Committee Meeting Attendance Percentage	Percentage	100%
337	Governance	Compensation	Frequency of Say on Pay Votes	Years	1 in a year
338	Governance	Compensation	Company Has Executive Share Ownership Guidelines	Y/N	Yes
339	Governance	Compensation	Director Share Ownership Guidelines	Y/N	Yes
340	Governance	Shareholder Rights	Poison Pill Plan	Y/N	Yes
341	Governance	Shareholder Rights	Shareholder Approved Poison Pill	Y/N	Yes
342	Governance	Shareholder Rights	Poison Pill TIDE Provision	Y/N	Yes
343	Governance	Shareholder Rights	Poison Pill Sunset Provision	Y/N	No
344	Governance	Shareholder Rights	Pct Poison Pill Trigger Threshold	Percentage	51%
345	Governance	Shareholder Rights	Blank Check Preferred Authorized	Y/N	No
346	Governance	Shareholder Rights	Dual Class Unequal Voting Rights - Common	Y/N	No
347	Governance	Shareholder Rights	Unequal Voting Rights Stocks Issued Includes Pfd	Y/N	No
348	Governance	Shareholder Rights	Cumulative Voting System	Y/N	No
349	Governance	Shareholder Rights	Poison Pill Expiration Date	N.A.	No
350	Governance	Shareholder Rights	Controlled Company	Y/N	Yes
351	Governance	Shareholder Rights	Director Election Vote Policy	Nominal (1-2)	1

CORPORATE SOCIAL RESPONSIBILITY AT BRAC BANK

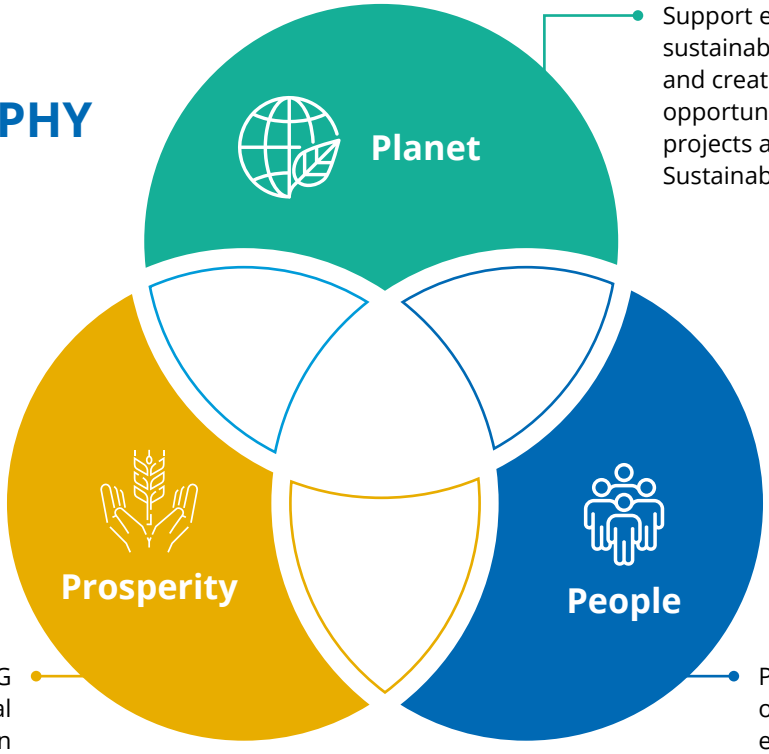
DRIVEN BY PURPOSE, TRUSTED BY IMPACT

The inception of BRAC Bank through the provision of small-ticket loans to the Cottage, Micro, Small and Medium Enterprises (CMSMEs), effectively connecting the missing middle to the formal economy, exemplifies the bank's commitment to corporate social responsibility (CSR). This initiative has made a substantial contribution to advancing financial inclusion in Bangladesh. It remains a crucial element of the bank's CSR strategy.

As inclusion is the core of BRAC Bank's existence and values, the bank is committed to promoting women's empowerment and equal access opportunities for all to create a just society. Sir Fazle Hasan Abed envisioned establishing the bank focused on this purpose, and it continues to honour his legacy by striving for inclusion in all aspects.

We follow the 3Ps philosophy - People, Planet, and Prosperity- to navigate and curate strategies for our CSR efforts.

3P PHILOSOPHY



Support environmental sustainability by funding and creating investment opportunities for relevant projects and initiatives as a Sustainable Bank

Integrate ESG focus in financial decisions, align financial services with SDG

Prioritise the needs of our customers, employees, and the broader community, their environment

OUR CSR AMBITION

BRAC Bank wants to break the financial barriers and social taboos, create opportunities and ensure access for people to realise their potential and live meaningful lives.

Our CSR – Commitment Towards Meaningful Lives

Guided by the vision of Sir Fazle Hasan Abed and BRAC's principles, BRAC Bank integrates sustainable and inclusive values into its CSR initiatives. As part of the BRAC family, the Bank is committed to creating meaningful impact in communities and contributing to national development.

BRAC Bank aligns its CSR practices with Bangladesh Bank guidelines, the UN Global Compact, and the Global Alliance for Banking on Values (GABV). By embedding social, environmental, ethical, human rights, and consumer considerations into its operations, the Bank ensures responsible business conduct in close collaboration with stakeholders.

We are a member/signatory of:

Strategic CSR Framework

BRAC Bank has a strategic framework based on the vision- 'Everyone should have the opportunity to live a meaningful life.' The bank has identified specific areas for its CSR initiatives that comply with Bangladesh Bank's policy guidelines on corporate social responsibility for banks and financial institutions (SFD Circular No. 01, issued on January 09, 2022).

BRAC Bank's CSR initiatives are targeted, focused, and measurable to ensure their effectiveness and scalability.

OWNABLE

Create (or co-create) transformational and deep-impact properties that are scalable.

STRATEGIC CSR FRAMEWORK

EFFECTUAL

Create opportunity, access, advancement and/or meaningful conversation.

TARGETED

Prioritise (where possible and pragmatic) women, third gender, persons with disabilities and/ or other minority and marginalised groups.

FOCUSED

Focus on specific areas within the larger sectors of education, health, climate & environment, and sports, music & literature.

QUANTIFIABLE

Measure with proper and quantifiable outcomes of efficacy and impact.

Corporate Social Responsibility (CSR) Policy

BRAC Bank established a CSR Policy in compliance with Bangladesh Bank's Policy Guidelines on Corporate Social Responsibility for Banks and FIs (SFD Circular No. 01, issued 09 January 2022) to ensure regulatory alignment, enhance governance, and adopt a more structured, transparent, and impact-driven approach to social contribution. The policy was revised in 2025.

We are also committed to supporting the Sustainable Development Goals (SDGs) and the principles of the United Nations Global Compact (UNGC) -- as a member of the Global Compact Local Network Bangladesh and of the Global Alliance for Banking on Values (GABV) -- as its founding member and the only representative from Bangladesh.

Scope of CSR Activities

The Bank may undertake CSR activities in the following areas:

1. Education

Adhering to the Bangladesh Bank CSR Guideline (SFD Circular No. 01, issued on 09 January 2022), BRAC Bank allocates a minimum of 30% of its total budget to education, including support for educational institutions, scholarships, learning materials, digital education, skills development, and initiatives for underprivileged female students.

2. Health

Adhering to the Bangladesh Bank CSR Guideline (SFD Circular No. 01; issued 09 January 2022), BRAC Bank allocates a minimum of 30% of its total CSR budget to health, which includes support for healthcare services, medical assistance, awareness programmes, emergency healthcare support, employee welfare and public health initiatives for the country's underprivileged population. BRAC Bank also supports the inclusion of persons with disabilities by creating meaningful discussions and addressing accessibility for marginalised groups and other socially vulnerable segments.

3. Climate Change and Environment

BRAC Bank allocates a minimum of 20% of its CSR budget to the Environment and Climate change mitigation and adaptation initiatives, including programmes related to environmental protection, tree planting, smart agriculture, climate resilience, renewable energy and climate change awareness.

4. Others

BRAC Bank allocates a minimum of 20% of its annual CSR budget to the 'Others' segment as per Bangladesh Bank Guidelines. The efforts include contributions to disaster management, supporting women's sports, and Bangla literature. Besides, the bank also promotes entrepreneurship, financial literacy, income-generating activities, women's empowerment, and access to financial services for underserved communities.

Selection and Screening Process

CSR proposals are evaluated on social impact, relevance, sustainability, compliance requirements, budget availability, and alignment with our CSR Strategy Framework. The Sustainable Finance Unit/ Committee, or any designated authority, shall review and recommend CSR initiatives for approval by the competent management authority in accordance with the bank's delegation of authority. A structured selection and screening process ensures transparency and accountability in CSR initiatives. This includes verification of purpose, identification of target groups, budget assessment, due diligence, compliance declarations, and approval by the Sustainable Finance Committee.

Budget and Implementation

CSR budget allocation shall be determined annually by the bank, taking into account regulatory requirements, profitability, and strategic priorities. Funds shall be utilised in a transparent and accountable manner with proper documentation and monitoring in compliance with the requirements of Bangladesh Bank's CSR Policy Guidelines.

Compliance with payment

The policy also mandates that all CSR transactions occur through proper banking channels and that duplication of benefits be avoided.

Prohibitions

The policy strictly prohibits CSR involvement in activities related to child labour, environmental degradation, terrorism financing, unlawful activities, branding or commercial promotion, and international sponsorships in sports or culture.

Mentoring and Reporting

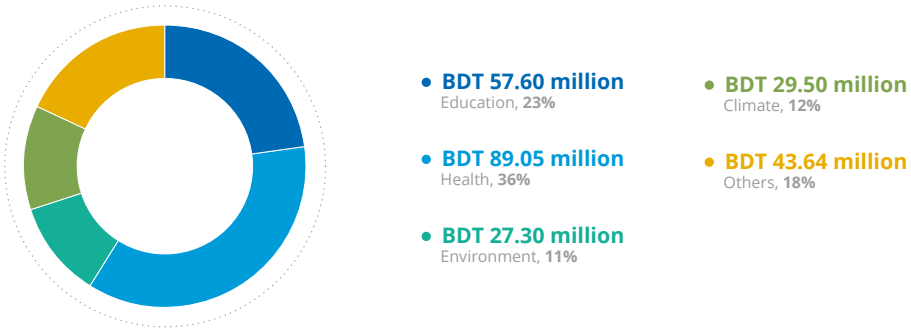
Monitoring mechanisms include oversight by internal audit teams and the Bangladesh Bank. Detailed reporting and disclosure requirements ensure transparency through annual reports, media disclosures, and half-yearly submissions to the regulator.

Overall, the CSR Policy reflects BRAC Bank's commitment to sustainable development, social inclusion, ethical banking, and long-term societal impact while supporting national priorities and global sustainability goals.

CSR expenditure

In 2025, BRAC Bank contributed BDT 247.09 million to its CSR programmes, which is 1.56% of its profit after tax (BDT 15,809 million).

Sector-wise CSR contribution in 2025



CSR initiatives in 2025:

Education

BRAC Bank Aporajeyo TARA Scholarship

In 2023, BRAC Bank launched Bangladesh's first female-only scholarship, Aporajeyo TARA, in partnership with the University of Dhaka, BRAC University, and Prothom Alo Trust. The programme empowers women from disadvantaged backgrounds to pursue higher education. To broaden its impact, Rajshahi University and Chittagong University joined as partners in 2025.

In 2025, BRAC Bank contributed **BDT 50.17 million** through the Aporajeyo TARA Scholarship to support **807 female students** pursuing higher education from more than 25 districts in Bangladesh.

Uddokta 101

In 2025, BRAC Bank expanded Uddokta 101 to East West University, joining BRAC University, Daffodil International University, and Chittagong Independent University. This 13-week programme equips women entrepreneurs with managerial and business skills to sustain and grow their ventures.

Now running across four universities, the initiative strengthens the ecosystem for women-led enterprises. A full-day entrepreneurship exposure visit, introduced in 2025, provides participants with practical insights into sourcing, operations, product delivery, and customer engagement.

In 2025, BRAC Bank contributed **BDT 5.38 million** in Uddokta 101, facilitating the graduation of **348** women entrepreneurs.

Employee Children Scholarship

In 2025, BRAC Bank introduced the Employee Children Scholarship to support inclusive education for employees' children with disabilities. The initiative fosters dignity, equity, and long-term social inclusion, reflecting the Bank's belief that social responsibility begins at home and extends to families, communities, and future generations.

In 2025, BRAC Bank provided scholarships to **35** children with disabilities from 33 co-workers.

BRAC Bank contributed **BDT 57.59 million** to **Education**, supporting higher studies for female students, accelerating the growth of aspiring women entrepreneurs, and supporting the children of its employees with disabilities.

Health

BRAC Bank "Aporajeyo Ami"

BRAC Bank launched its flagship CSR initiative, "Aporajeyo Ami," focused on health in 2024. The Aporajeyo Ami initiative aims to ensure that persons with disabilities are recognised, heard, and given the opportunities they need to contribute more to the country's economic development.

"Clear-vision Workplace" with VisionSpring

BRAC Bank partnered with VisionSpring in 2024 to provide free eye screenings, diagnoses, and corrective spectacles, improving vision and productivity for underprivileged workers and employees.

In 2025, the programme reached 43,042 factory workers, 2,994 SME clients, and 1,498 co-workers. Since inception, it has benefited 63,159 people across Bangladesh.

In 2025, BRAC Bank invested **BDT 29.22 million** that enabled **47,534** individuals to access essential eye screening services.

Eye care for the underserved communities with Grameen Healthcare Services Limited

BRAC Bank signed a partnership agreement with Grameen Healthcare Services Limited, a social business enterprise, to provide free eye screenings and care to over 42,000 underprivileged people in Bogura and Thakurgaon districts. By the end of 2025, this partnership had benefited 44,545 patients by delivering end-to-end eye care interventions.

In 2025, BRAC Bank invested **BDT 29.28 million** to fund eye camps and offer free treatment for cataracts and other complex eye conditions across **1,110 villages** in Thakurgaon and Bogura districts.

EmpowerAbility: Powering every ability

BRAC Bank's partnership with the Bangladesh Business and Disability Network (BBDN)

In 2025, BRAC Bank continued its partnership with BBDN to promote inclusive opportunities for people with disabilities. Through Disability Sensitization Workshops, 85 employees were trained to break myths and stigmas, fostering awareness of barriers faced by people with disabilities and highlighting practical approaches to create an enabling environment within financial services.

Together with BBDN, International Labour Organisation (ILO), and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), BRAC Bank co-hosted the second national conference "Empower Ability: Powering Every Ability", featuring panel discussions on lived experiences, disability-inclusive employment, and scalable solutions. During the event, MoUs were signed with BGMEA and BKMEA, reinforcing collaboration with two of Bangladesh's largest employer bodies to expand employment opportunities and advance inclusive skill development.

In 2025, BRAC Bank strengthened its commitment to inclusive growth by advancing employment, skills development, and workplace sensitisation for persons with disabilities, delivering measurable impact across key areas:

Programme Area	Intervention	Outcome in 2025
Employment Generation	Job Fair dedicated to Persons with Disabilities	50 individuals secured job placements in 15 or-ganisations
Capacity Building	Skills Development Training (Graphics Design and Digital Marketing)	75 individuals upskilled
Inclusion through policy	Empowerability: Powering every ability- a national level confer-ence	More than 20 organisations, with 240 partici-pants including associations, the private sector, and policymakers, came together on a platform to share best practices, foster collaboration, and promote policies that empower persons with disabilities across Bangladesh.
Workplace Inclusion	Disability Sensitisation Work-shops	85 employees sensitised

Strengthening healthcare access with Kidney Foundation Hospital, Sylhet

In 2024, BRAC Bank partnered with the Kidney Foundation Hospital, Sylhet, to enhance healthcare services, particularly dialysis for underprivileged patients. In 2025, the Bank contributed BDT 8 million to complete an oxygen plant at the Foundation's new premises and another BDT 8 million to the Sir Abed Kidney Dialysis Fund, ensuring free treatment for financially disadvantaged patients.

To honour Sir Fazle Hasan Abed's vision for equitable healthcare, the Foundation established the Sir Fazle Hasan Abed Dialysis Centre, providing lifesaving dialysis services to underserved communities.

In 2025, BRAC Bank contributed **BDT 16 million** to support **7,029** kidney dialysis sessions for free of cost, and completion of the Oxygen plant, benefitting the entire patient base of the hospital.

Supporting Persons with Disabilities with Artificial Limbs and Braces

In 2025, BRAC Bank continued its partnership with BLBC (BRAC Limb and Brace Centre), successfully providing BDT 5 million in assistance for artificial limbs and braces to 810 individuals. This initiative enabled people who could not otherwise afford such support to regain mobility, restore self-reliance, and work towards financial independence.

Supporting injured students from Milestone Tragedy

BRAC Bank has provided free treatment support for 27 students affected by the plane crash at the Milestone School and College, Diabari Campus, in 2025. The bank partnered with BLBC for their treatment, which will continue until they are fully recovered and ready to return to school.

Enabling organisations that support the deaf

In 2025, BRAC Bank facilitated sewing training for 78 persons with hearing impairments at the Bangladesh National Federation of the Deaf (BNFD), contributing BDT 1.34 million to the BRAC Bank-renovated training room at its head office in Bijoynagar.

Contributing to Bangladesh Eye Trust Hospital

BRAC Bank contributed two Phaco machines worth BDT 10 million to Bangladesh Eye Trust Hospital in 2024 to make cataract surgeries more accessible to underprivileged individuals.

In 2025, a total of 3,971 underprivileged people received free treatment using the two Phaco machines and underwent successful cataract surgeries.

BRAC Bank contributed BDT **89.05 million** to **Health**, supporting disability inclusion, employment generation for persons with disabilities, and access to eye care and healthcare.

Environment and Climate

BRAC Bank Aporajeyo Desh

Launched in 2025, the "Aporajeyo Desh" is BRAC Bank's flagship CSR programme aimed at strengthening environmental sustainability, climate resilience, and the livelihood security of vulnerable coastal communities in Bagerhat district. The bank partnered with the BRAC Climate Change Programme to cover four climate-vulnerable upazilas—Sarankhola, Morrelganj, Mongla, and Rampal. The project currently supports more than 45,000 underserved people.

In 2025, BRAC Bank contributed **BDT 56.00 million** to support more than 45,000 underserved people in the Bagerhat district.

BRAC Bank Aporajeyo Desh

In 2025, BRAC Bank partnered with Tarupallab to launch the "Dwijen Sharma Environment Award 2024," which recognised four individuals and initiatives for their outstanding contributions to environmental conservation and for inspiring collective responsibility to protect the environment.

In 2025, BRAC Bank rewarded a total of BDT 0.4 million to the winners of 2024.

Promoting climate-smart agriculture

In 2025, BRAC Bank partnered with the Department of Agricultural Extension (DAE) to assist 2,970 farmers and their families in adopting high-yield, climate-resilient crops and sustainable farming practices.

Through 78 cooperative groups and 2,970 demonstration plots, farmers received seeds, fertilizers, pesticides, and machinery. Additionally, 172 vermicompost plants were established, boosting land productivity and strengthening grassroots resilience.

Supporting farmers in remote char areas to grow high-value crops

In 2025, BRAC Bank and Gram Unnayan Karma (GUK) continued the strategic partnership to help farmers in remote char areas grow high-value crops using innovative agricultural technology and know-how.

Nail removal from trees campaign

BRAC Bank and the Forest Department of the Ministry of Environment, Forest and Climate Change ran a Nail Removal Campaign in eight districts. Through this engagement, the bank contributed to safeguarding trees from harmful practices, strengthening environmental protection efforts, and reinforcing collective action for preserving Bangladesh's natural resources.

BRAC Bank contributed a total of BDT 0.4 million to this initiative.

BRAC Bank contributed **BDT 56.80 million** to initiatives related to **Climate Change Adaptation and Mitigation, and Environment**.

Others

BRAC Bank - Samakal Literary Award 2023

In 2025, BRAC Bank and The Daily Samakal honoured books published in 2023, celebrating excellence in Bangla literature. Veteran writer Hasnat Abdul Hye received the Lifetime Achievement Award, while Aminul Islam Bhuiyan, Dhruba Esh, and Umme Farhana were recognised across categories including essay, poetry, novel, translation, and young writer.

The awards carried prizes ranging from BDT 0.1–0.5 million, along with crests and citations. A total of 467 books were submitted, with winners selected by a distinguished jury. BRAC Bank contributed BDT 3.48 million to support the successful implementation of the event.

BRAC Bank "Aporajeyo Alo"

BRAC Bank launched its flagship programme named “Aporajeyo Alo” to promote women’s hockey across Bangladesh and discover talented players for the national pipeline.

In partnership with the Bangladesh Hockey Federation (BHF), the bank organised a tournament in the second half of 2025, where 342 women hockey players from 18 districts and the BKSP (Bangladesh Krira Shikkha Protishthan) women’s hockey team competed to showcase their talent.

In 2025, BRAC Bank contributed BDT 18.46 million for winter clothing distribution.

Winter clothing distribution

BRAC Bank supported marginalised communities affected by severe winter conditions by distributing over 49,000 hoodies and 13,000 blankets across Bangladesh.

Contribution to Khalil Malik Foundation

In 2025, BRAC Bank contributed BDT 1 million to the Khalil Malik Foundation for strengthening the Khalil Malik Cancer and Kidney Screening Centre in Chuadanga. The screening centre is designed to ensure inclusive healthcare delivery, with a commitment to providing free treatment to 30% of underprivileged patients.

Humanitarian aid for BRAC Bank staff affected by the Korail fire

A devastating fire swept through Dhaka's sprawling Korail shantytown, destroying or damaging some 1,500 shanties and reducing tin-roofed dwellings to smouldering ruins in November 2025. BRAC Bank extended humanitarian assistance of BDT 0.6 million to six members of its cleaning staff who were severely affected by the fire incident.

Other contributions

BRAC Bank contributed BDT 10 million to the July Shaheed Smrity Foundation, an organisation founded in memory of the deceased protesters of the July uprising, supporting its efforts to promote social welfare and community development.

In addition, BRAC Bank continued to extend support to community-based humanitarian initiatives in 2025. The bank contributed BDT 0.2 million to the FR Foundation for supporting underprivileged children.

BRAC Bank contributed **BDT 43.64 million** to Others initiatives.

Our approach to women's empowerment

Through its CSR initiatives, the bank continues to empower women across all sectors, along with creating meaningful and measurable impact nationwide-

Through its CSR initiatives, the bank continues to empower women across all sectors, along with creating meaningful and measurable impact nationwide-

Aporajeyo TARA Scholarship

Focus Area:

Education

Impact on Women's Empowerment:

807 female students from economically dis-advantaged backgrounds received scholar-ships

Adamya Medhabi- Prothom Alo Trust

Focus Area:

Education

Impact on Women's Empowerment:

445 underprivileged female students received scholarships to continue their education till graduation.

Uddokta 101

Focus Area:

Education

Impact on Women's Empowerment:

348 aspiring women entrepreneurs are trained on the Entrepreneurship Acceleration programme.

Aporajeyo Alo Wom-en's Hockey Tourna-ment

Focus Area:

Sports and Empower-ment

Impact on Women's Empowerment:

342 female athletes from all eight divisions participated.

Aporajeyo Ami

Focus Area:

Healthcare and Skills development

Impact on Women's Empowerment:

- 44 women with hearing and speech impairments trained in sewing.
- 56 women with disabilities trained in digital and marketing skills,
- 24% of patients receiving free kidney dialysis are female.

Vision Care Support

Focus Area:

Healthcare

Impact on Women's Empowerment:

Over 40,000 women regained eyesight through free screenings, cataract surgeries, and optical services.

Aporajeyo Desh

Focus Area:

Environment- Climate Change and Mitigation

Impact on Women's Empowerment:

A total of 1,257 female farmers received high-value crop inputs out of a total of 1,601 farm-ers in 2025.

Key Highlights

- **BDT 24.70 crore allocated to CSR initiatives in 2025**, reinforcing BRAC Bank's commitment to sustainable, inclusive, and impact-driven development across Bangladesh.
- **Expanded access to healthcare for 47,534 individuals** through comprehensive eye care services, including screenings, treatment, and corrective support to enhance productivity and quality of life.
- **Facilitated 7,029 free dialysis sessions** for financially disadvantaged patients, alongside investments in healthcare infrastructure, including the establishment of an oxygen plant.
- **Strengthened climate resilience for over 45,000 vulnerable individuals** through the Aporajeyo Desh programme, promoting sustainable agriculture, water security, and adaptive livelihoods.
- **Introduced Employee Children Scholarship**, providing monthly financial support to 3**5 children with disabilities of employees**, reinforcing the Bank's commitment to internal inclusivity, employee well-being, and equitable access to education.
- **A total of 807 underprivileged female students are supported** through the Aporajeyo TARA Scholarship, extending benefits to over 2,400 family members across more than 25 districts.
- **Delivered critical eye care services to 44,545 patients across 1,110 villages** in Thakurgaon and Bogura, improving vision and reducing preventable blindness among underserved communities.
- **Advanced women's empowerment through capacity building and participation**, with 348 women entrepreneurs trained and 342 female athletes engaged through national-level platforms.
- **Promoted inclusive and equitable growth for persons with disabilities**, enabling 50 job placements in 15 organisations, upskilling 75 individuals, co-hosting a national-level conference for inclusivity with policymakers, 20+ organisational representatives, and sensitising 85 employees to foster an inclusive workplace culture.

Way forward

BRAC Bank's dedication to corporate social responsibility extends beyond conventional CSR. It employs a comprehensive and purpose-driven approach. The bank's strong emphasis on sustainability underpins meaningful social initiatives that foster lasting positive change. Its proactive and impact-oriented efforts showcase a genuine commitment to improving community welfare.

By aligning with the UN Sustainable Development Goals (SDGs) and the principles of the UN Global Compact, BRAC Bank continues to play a vital role in shaping a more inclusive and sustainable future.

BRAC Bank CSR Desk

In accordance with Bangladesh Bank guidelines, BRAC Bank has established a CSR Desk to enhance, streamline, and strengthen its social responsibility and citizenship initiatives. The desk assists the bank in focusing on various CSR programmes and ensuring transparency. Details about the bank's CSR initiatives are published on our website and are accessible to the public.

Anyone can submit a CSR proposal to BRAC Bank's CSR Desk, which can be contacted via email at **csr.sponsorship@bracbank.com.**

INFORMATION ON IMPORTANT POLICIES AND PRACTICES

At BRAC Bank, our "Banking with a Conscience" philosophy is operationalized through a robust suite of policies. These guidelines ensure that our growth remains inclusive, ethical, and aligned with international best practices.

Ethical Governance & Safeguarding

Whistleblowing (Speak Up) policy:

A "safety valve" for the organization, this policy provides secure, anonymous channels (such as dedicated helplines and secure emails) for reporting unethical acts, fraud, or policy breaches. We guarantee zero retaliation and absolute confidentiality for all good-faith whistleblowers.

Sexual Harassment Elimination (SHE):

We maintain a zero-tolerance stance against any form of harassment or exploitation. This victim-centric policy includes mandatory training for all staff and a specialized Complaint Committee to ensure swift, impartial investigations.

Code of Conduct:

Every employee is a custodian of the bank's reputation. Our code mandates honesty, professionalism, and strict adherence to conflict-of-interest guidelines.

Anti-Bribery & Corruption (ABC):

We operate with strong internal controls and automated monitoring to prevent unethical inducements. Our Third-Party Due Diligence process ensures that every vendor and partner undergoes rigorous integrity screening before onboarding.

Sustainability & ESG Integration

Environmental & Social Risk Management (ESRM):

We integrate national and international ESRM guidelines into every credit decision. Projects exceeding specific thresholds undergo rigorous social and environmental due diligence to mitigate climate-related risks.

Green Banking Policy:

Focused on the "Planet" pillar of our 3P philosophy, this policy drives financing toward renewable energy, waste management, and carbon-footprint reduction.

IFRS S1 and S2 Disclosure:

BRAC Bank is a pioneer in voluntarily adopting IFRS Sustainability Disclosure Standards, ensuring that our climate-related financial risks and opportunities are reported with the same rigor as our financial statements.

Operational & Data Resilience

Information Security & Privacy Policy:

Governed by ISO 27001 standards, this policy outlines strict protocols for data collection, usage, and retention. It ensures that customer data, whether via the Astha App or internal systems, is protected by high-grade encryption and procedural safeguards.

Dividend Distribution Policy:

Designed to balance shareholder returns with the bank's need for strategic capital. It ensures sustainable payouts while maintaining a robust Capital Adequacy Ratio (CAR) to support long-term growth.

AML & CFT Compliance:

We strictly adhere to Bangladesh Bank's mandates for Anti-Money Laundering and Combating the Financing of Terrorism, utilizing advanced transaction monitoring to prevent financial crime.

People & Human Capital

Equal Opportunity & Diversity:

We do not discriminate on grounds of gender, religion, or disability. Our HR practices focus on creating a diverse, high-performance environment.

Safeguarding Champions:

To ensure these policies are not just on paper, we maintain a pool of "Safeguarding Champions" across all functions to promote awareness and act as first-line responders for ethical concerns.

Employee well-being and engagement:

Through our "Apon" initiative, we provide 24/7 mental health support and dedicated forums like the Tara Network for female employees, resulting in a record 88% Employee Engagement Index.

INTERNAL CONTROL STRUCTURE COMPONENTS

BRAC Bank maintains a robust internal control environment designed to provide reasonable assurance regarding the achievement of objectives in operational efficiency, reliability of financial reporting, and compliance with applicable laws and regulations. Our internal control structure is built upon five integrated components:

Control Environment

- The Board of Directors and senior management set the "tone at the top" by emphasizing integrity, ethical values, and professional competence.
- The bank maintains a clear organizational structure with defined lines of responsibility and authority, overseen by the Audit Committee of the Board.
- Ongoing training on Safeguarding and Code of Conduct ensures employees are equipped to uphold these standards.

Risk Assessment

- The bank employs a dynamic process for identifying and assessing risks—including credit, market, operational, and climate-related risks—that could impact the achievement of its strategic goals.
- A specialized Sustainable Finance Committee (SFC) and Unit (SFU) specifically evaluate ESG and sustainability-related risks.

Control Activities

- Policies and procedures, such as the ICC Policy & Procedures Manual, are implemented across all levels to mitigate identified risks.
- Key activities include segregation of duties, physical safeguards, and strict authorization levels for all financial transactions.

Information and Communication

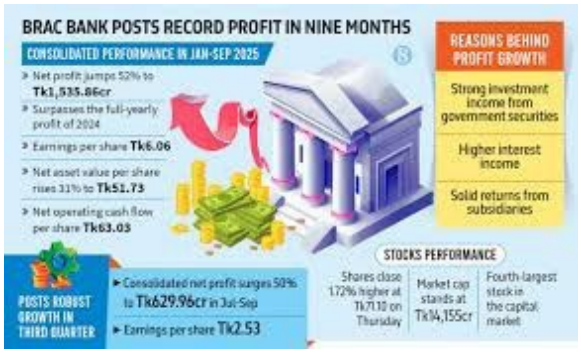
- BRAC Bank utilizes advanced IT solutions to ensure that relevant, accurate, and timely information is captured and communicated both internally and externally.
- Our reporting systems are designed to comply with IFRS standards, ensuring transparency for shareholders and regulators.

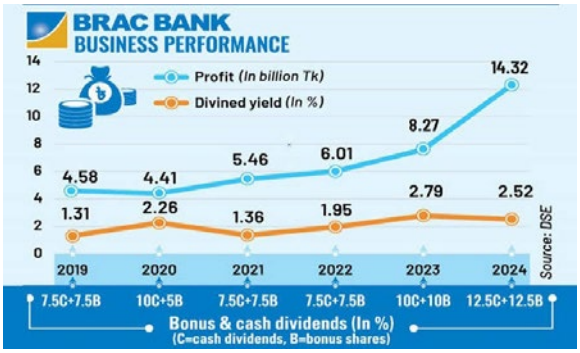
Monitoring Activities

- The Internal Control and Compliance (ICC) Division performs regular audits and inspections to assess the effectiveness of the control system.
- The Audit Committee reviews quarterly reports on internal and external audit findings to ensure timely remediation of any identified deficiencies.

REPORT ON THE GOING CONCERN ASSESSMENT

1. The Going Concern Concept & Board Declaration





Going Concern is the fundamental assumption that BRAC Bank PLC will continue its operations for the foreseeable future, defined as at least 12 months from the date of approval of these financial statements.

Following rigorous inquiries, the Board is convinced that the bank possesses adequate resources to meet its growth objectives and regulatory requirements. The management's assessment considers the following pillars:

Agile Strategic Planning

Long-term business plans adjusted for the 2025 economic landscape.

Profitability Projections

Sustained growth even amidst a tight monetary stance (10% policy rate).

Regulatory Resilience

Compliance with the Bank Resolution Ordinance 2025.

2. Financial Indicators: Performance and Payouts

In 2025, BRAC Bank achieved a historic milestone as the first local private bank to surpass BDT 2,251 crore in consolidated net profit during the year.

Key Performance Highlights 2025

Consolidated Net Profit

BDT 2,251 crore (57% year-on-year growth).

Earnings Per Share (EPS):

Increased to Tk 7.94 from Tk 6.10 in 2024.

Capital Adequacy (CRAR):

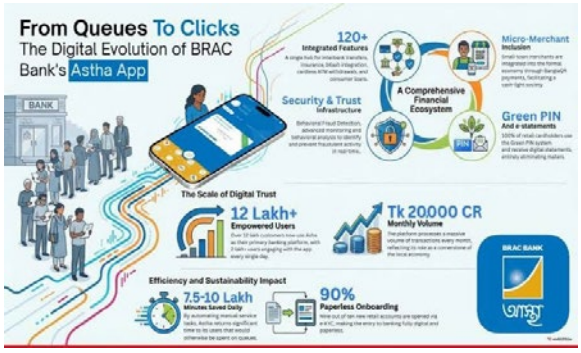
Maintained well above the 12.5% Basel-III requirement, bolstered by a Tk 1,000 crore Social Subordinated Bond issued in 2025 to strengthen Tier-II capital.

Dividend Strategy

Following a 25% dividend for 2024 (approved June 2025), investors anticipate a record year-end payout for 2025 based on surplus earnings.

Indicator	2025	2024	2023	2022
Consolidated NPAT	Tk 2,251 Cr	Tk 1,432 Cr	Tk 827.5 Cr	Tk 612 Cr
Dividend %	30% (Proposed)	25%	20%	15%
CRAR	15.63%	14.95%	13.99%	14.04%

2. Operational Indicators: Technology & Leadership



Technological Sovereignty

Digital technology has transitioned from a support tool to a deep competitive advantage. Key 2025 investments include:

PRANTIK Implementation

Launched in Nov 2025, this in-house agent banking system enhances financial inclusion across remote areas.

Core Banking Evolution

Continued automation of the Finacle platform to reduce manual intervention and improve security.

Digital Ecosystem

Expansion of the Astha app features and the launch of the WEB QR login facility for corporate clients.

Top Management Stability & Risk Governance

Despite the resignation of former CEO Selim R. F. Hussain in May 2025, the bank demonstrated organizational solidity. The appointment of Tareq Refat Ullah Khan as Managing Director & CEO (effective Sept 2, 2025) ensured a seamless transition.

Risk Culture

The Board maintains ultimate responsibility for risk management, embedding a culture of accountability across its 10,000+ person workforce.

Employee Retention

Average length of service remains stable at 7 years, with the bank honouring all health and pension perks despite global economic volatility.

4. Legal standing and Policy Outlook

Legal Clearance

The bank remains free from any major legal proceedings or penalties related to environmental or operational violations. A specific clarification was issued regarding a single branch-level case in early 2025, reaffirming the bank's commitment to ethical standards

Policy Environment

Management anticipates no significant legislative shifts that could hinder the bank. However, the bank is actively adapting to the Prompt Corrective Action (PCA) framework and Bank Resolution Ordinance 2025 introduced by Bangladesh Bank.

Forward Outlook

As the leading collateral-free SME financier, BRAC Bank PLC is positioned as a vital national asset for 2026. Its USD 2 billion remittance milestone in 2025 underscores its growing role in the global economy.

5. Stress Testing and Regulatory Resilience

BRAC Bank's Resilience Profile

Credit Rating

BRAC Bank PLC maintains a "AAA" long-term rating with a stable outlook, reflecting its high capacity for timely payment of financial commitments.

PCA Framework Readiness

Under the Prompt Corrective Action (PCA) framework effective March 31, 2025, BRAC Bank remains positioned in the "Green Zone" due to its low NPL ratio (2.27%) and strong CET1 capital.

Capital Shock Absorption

The bank's CRAR (above 12.5%) and strong retained earnings (NAV of Tk 50.08) provide a significant buffer against the central bank's tailored credit risk shocks.

RISK MANAGEMENT

FROM THE DESK OF CHIEF RISK OFFICER

Our low NPL ratio against the huge industry average is a testament to the power of disciplined risk management.

Ahmed Rashid Joy
Additional Managing Director & Chief Risk Officer

Global Outlook: Navigating a Rebalancing World Economy

The global economy continues to navigate a prolonged phase of recalibration, shaped by overlapping shocks and structural transitions. Recent assessments of International Monetary Fund (IMF) indicate that global growth has moderated as tighter financial conditions, subdued investment, and persistent geopolitical uncertainty dampen economic momentum. Although inflationary pressures have abated in several advanced economies, disinflationary progress is uneven, obliging central banks to retain a cautious, data-dependent policy stance.

Global trade is encountering renewed headwinds from resurgent protectionist impulses and shifting tariff regimes, prompting supply-chain realignment and increasing market fragmentation. In this milieu, demand for safe-haven assets has strengthened - evidenced by sustained gold prices - and signals continued risk aversion across financial markets. For emerging economies, these developments highlight the necessity of resilient balance sheets, ample external buffers, and rigorous risk-governance frameworks.

Against this backdrop, the global banking sector remains broadly stable, supported by higher capital adequacy and more robust risk management practices. Nonetheless, vulnerabilities persist - notably asset-quality deterioration, interest-rate sensitivity, and market volatility - underscoring the imperative for forward-looking risk identification and disciplined, proactive oversight.

Bangladesh: Reform Momentum and Macro-Economic Stabilization

Bangladesh's economic trajectory in 2025 has been marked by a deliberate adherence to macroeconomic discipline and the advancement of structural reforms. Coordinated monetary, fiscal and external-sector policies have collectively bolstered external balances and facilitated a gradual normalisation of market conditions. Concurrent financial-sector reforms are enhancing transparency, governance and institutional confidence, thereby establishing a firmer foundation for sustainable medium-term growth.

A consequential structural shift is the sector-wide adoption of Risk-Based Supervision (RBS), scheduled to commence in 2026. Moving away from a predominantly compliance-oriented approach toward a forward-looking, risk-centric supervisory framework constitutes a substantive evolution in regulatory expectations and institutional accountability.

BRAC Bank has engaged proactively throughout the RBS pilot phases, contributing to the refinement of regulatory reporting templates and sharing institutional expertise with peers. The Bank's designation as a mentor institution to assist the industry in interpreting and operationalising the new

supervisory expectations attests to our preparedness and our commitment to strengthening sector resilience.

As reforms deepen, the reinforced focus on prudent policy, elevated governance standards and enhanced supervisory frameworks is expected to improve the operating environment for banks and borrowers alike, thereby underpinning confidence in the long-term stability of financial system of Bangladesh.

Risk Management at BRAC Bank: Governance, Innovation, and Discipline

At BRAC Bank, risk management is embedded at the core of our institutional culture and governance architecture. The Board of Directors and the Board Risk Management Committee provide clear strategic direction and robust oversight, ensuring that risk considerations remain integral to decision-making at every level of the organisation. This tone from the top is reinforced through structured engagement across all business and functional units, strengthening ownership and accountability throughout.

Credit Quality and Portfolio Resilience

BRAC Bank's resilient credit quality continues to attest to the effectiveness of its risk governance and underwriting discipline. A well-diversified portfolio across Corporate, SME, and Retail segments — combined with prudent client selection and proactive monitoring — has enabled the Bank to maintain asset quality that remains considerably stronger than prevailing industry benchmarks. Granular portfolio oversight, robust early warning mechanisms, and timely corrective action have collectively contained delinquencies and sustained a low non-performing loan ratio of 2.27% at the end of 2025, even within a challenging operating environment; the industry NPL rate observed was 30.60%.

"Our low NPL ratio against the huge industry average is a testament to the power of disciplined risk management."

Digital Lending and Risk Intelligence

A defining characteristic of our risk architecture is the continued evolution of digital lending and risk intelligence capabilities. Over recent years, BRAC Bank has invested significantly in building an integrated digital ecosystem that unifies origination, analytics, documentation, and monitoring within a single framework. This approach has enabled more objective underwriting decisions, reduced operational and legal risk, and enhanced auditability through centralised digital records. Risk controls are increasingly embedded within processes — enabling growth to be driven by discipline rather than discretion.

> **BRAC Bank has been consistently recognised as a leading sustainable bank by the central bank.**

Sustainable Finance

Our focus on sustainable finance further strengthens the Bank's risk profile and long-term resilience. Environmental and social risk management has been fully integrated into the credit lifecycle, ensuring that sustainability considerations are assessed alongside financial risk. Transparent disclosures, alignment with evolving international standards, and disciplined governance over sustainable finance initiatives have enhanced stakeholder confidence while mitigating reputational and transition risks.

Cyber Security Management

Cyber security remains a critical pillar of operational resilience as the Bank continues to expand its digital footprint. We have strengthened our security posture through comprehensive Vulnerability Assessments and Penetration Testing (VAPT) across applications, systems, and digital channels, complemented by independent third-party assessments to validate control effectiveness. Continuous monitoring, proactive threat intelligence, and disciplined governance ensure the Bank remains well-positioned to manage evolving cyber risks while safeguarding customer trust and operational continuity.

Balance Sheet Strength

Our balance sheet strength is supported by disciplined asset-liability management, a diversified deposit base, and prudent foreign exchange risk practices. Investment exposures are governed through robust limit frameworks, while liquidity and solvency metrics are continuously monitored through both regulatory and internal stress-testing regimes. These practices ensure resilience across market cycles and provide the capacity to absorb external shocks effectively.

Risk Culture

A strong and deeply embedded risk culture underpins our overall resilience. The tone set by the Board and Senior Management is reinforced through regular, structured engagement across the organisation. The Bank continues to institutionalise risk awareness through initiatives such as the Annual Risk Conference, which convenes senior leaders, risk practitioners, and

business teams to align strategy, risk appetite, and execution. The successful completion of a surprise Business Continuity Planning (BCP) drill during the year further validated the Bank's operational readiness and its capacity to respond effectively under stress scenarios.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) remains an integral pillar of BRAC Bank's broader commitment to inclusive and sustainable development. During the year, the Bank's CSR initiatives reached more than 1,72,502 beneficiaries across education, health, environmental stewardship, and social inclusion. Key programmes supported underprivileged female students and aspiring women entrepreneurs, expanded access to healthcare services including eye care, dialysis, and disability support, and promoted environmental awareness through climate and conservation initiatives. The Bank also continued to invest in cultural, women's sports, and community resilience programmes, reaffirming its long-standing commitment to social well-being.

Recent Risk Management Initiatives and Key Developments

Throughout the year, BRAC Bank continued to advance its risk management capabilities through a series of targeted strategic initiatives:

Expected Credit Loss (ECL) Framework Enhancement:

Strengthened ECL governance, modelling infrastructure, and macroeconomic overlay mechanisms. The enhanced ECL methodology integrates borrower-level behavioural patterns, portfolio vintage dynamics, sectoral stress indicators, and macroeconomic variables into a cohesive, forward-looking loss estimation framework. The integrated loss estimation models (PD, LGD, EAD) were further enhanced through the incorporation of higher-frequency behavioural indicators and real-time transactional signals, improving the timeliness of risk recognition and the granularity of segmentation.

Macroeconomic Scenario Design and Overlay Mechanisms:

Refined macroeconomic scenario frameworks and overlay mechanisms to ensure appropriate responsiveness of ECL outcomes to external risk drivers and evolving economic conditions.

Early Warning and Behavioural Risk Analytics:

Expanded early warning systems and behavioural analytics capabilities to enable proactive identification of emerging stress in retail and SME portfolios, supporting timely risk mitigation.

Advanced Portfolio Monitoring and Risk Analytics:

Strengthened portfolio-level monitoring through dynamic dashboards and analytics, improving visibility over asset quality trends, concentration risks, and stress indicators.

ALM and Treasury Risk System Enhancements:

Advanced the implementation of sophisticated Asset Liability Management and treasury risk solutions to improve monitoring of liquidity, solvency, interest rate sensitivity, and market risk exposures under both regulatory and internal stress scenarios.

Scorecard Rollout — Personal Loans and Credit Cards:

Implemented data-driven credit scorecards to objectively assess borrower creditworthiness, improving consistency in lending decisions and reducing reliance on subjective judgement.

Scorecard Rollout — Small Credit:

Deployed scorecard-based underwriting for the Small Credit portfolio, enabling objective risk assessment and ensuring disciplined, consistent credit decision-making across the segment.

Digital Signature Implementation:

Introduced the country's first fully paperless loan and credit card journey using legally admissible digital signatures, significantly strengthening contract enforceability while reducing legal and operational risk.

End-to-End Digitisation of Loan Documentation:

Centralised the digital collection, storage, and retrieval of loan documents, substantially reducing operational risk, manual errors, and document loss while enhancing regulatory traceability and supervisory confidence.

Cyber Security Management:

Key initiatives during the year included:

- Independent Cyber Security Maturity Assessment conducted by a third-party specialist
- Security assessment and mitigation across 100+ web, API, and mobile applications
- Targeted risk assessments for web applications and APIs
- Updates to security benchmarks and Secure Coding Guidelines
- Preparation and formal sign-off of the Secure Software Development Lifecycle (SDLC) process
- Offensive security via 15 penetration tests across mobile and web applications
- Deployment of an in-house secure SMS portal for credential delivery
- Implementation of Dark Web Monitoring for sensitive bank information

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In parallel, advanced modelling, analytics, and automation initiatives have continued to enhance portfolio monitoring, early warning capabilities, and forward-looking risk assessment across credit, market, and liquidity risk domains.

Forward Looking Statement

As BRAC Bank marks **25 years of unwavering trust**, our approach to risk management continues to evolve in step with a changing financial landscape. Anchored in strong governance, empowered by technology, and guided by a long-term perspective, we remain steadfast in our commitment to safeguarding stakeholder interests while enabling sustainable growth. With disciplined execution and a resilient risk culture as our foundation, we stand confident in our ability to navigate future challenges and seize emerging opportunities.

REPORT OF THE BOARD RISK MANAGEMENT COMMITTEE

The Bank's Board of Directors has established the Board Risk Management Committee (BRMC) in accordance with Section 15Kha (3) of the Banking Companies Act, 1991 (as amended up to 2018) and Bangladesh Bank's BRPD Circular No. 11 dated October 27, 2013. This committee plays a crucial role in managing potential risks arising from the strategies and policies formulated by the Board.

At BRAC Bank PLC, the BRMC consists of a chairperson and two members, all nominated exclusively by the Board of Directors. The Board restructured the BRMC during its 364th meeting, held on May 28, 2024. The current composition of the BRMC is as follows:

Mr. Salek Ahmed Abul Masrur
Independent Director
Chairperson, BRMC

Dr. Zahid Hussain
Independent Director
Member, BRMC

Ms. Lila Rashid
Independent Director
Member, BRMC

NB: Ms. Farzana Ahmed retired from the Board after completion her 2nd tenure as Independent Director on January 28, 2026.

Participation of non-members

Members of the risk management team actively participated in BRMC meetings. The committee meetings were attended by the Managing Director, CRO, COO, CFO and Business Heads, along with other relevant members of management as specified or invited by the committee. The Company Secretary serves as the secretary of the Bank's Board Risk Management Committee.

Core Role and Responsibilities

The Board Risk Management Committee (BRMC) operates in alignment with BRPD Circular No. 11 (2013) and DOS Circular No. 04 (2018).

Vision and Strategy

Reviewing and upgrading risk management policies, strategies, Risk Appetite Statement and other plans before Board approval.

Structural Oversight

Establishing a robust risk framework and monitoring management-level committees (ERMC & others) to ensure compliance across all core risk areas, such as credit, forex, ICC, AML, and ICT.

Risk Mitigation

Analyzing existing and emerging threats to ensure effective prevention and control measures are implemented and followed up.

Compliance

Ensuring the bank strictly adheres to Bangladesh Bank's guidelines on core risk management and dynamic risk assessment.

BRMC meetings during the year

Bangladesh Bank has recommended that the BRMC conduct a minimum of four meetings annually. In 2025, a total of four Risk Management Committee meetings were convened, and their respective dates are as follows:

1st meeting of 2025	50th Meeting of BRMC	23rd February 2025
2nd meeting of 2025	51st Meeting of BRMC	22nd May 2025
3rd meeting of 2025	52nd Meeting of BRMC	21st August 2025
4th meeting of 2025	53rd Meeting of BRMC	17th December 2025

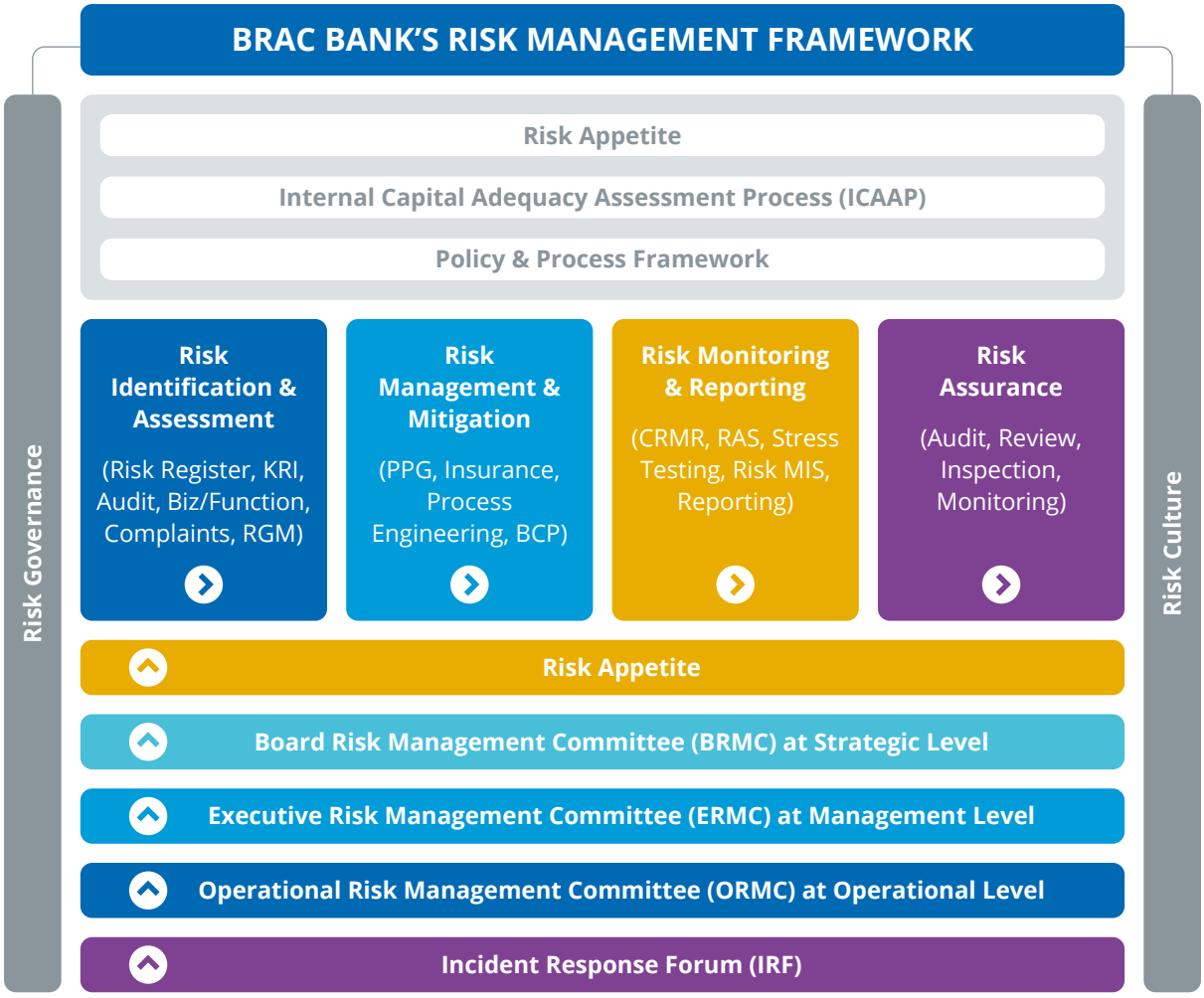
Extensive discussions and review sessions were held with management to address their findings, observations and recommendations related to areas of the bank's operations requiring enhancement. Throughout the year, while fulfilling its assigned responsibilities, the BRMC examined key issues across various risk categories.

Key areas covered in meetings of the BRMC

- Acknowledging the strategic importance of the 2026 transition to Risk-Based Supervision (RBS), the BRMC has actively overseen the bank's transition journey. Committee underwent comprehensive briefings in 2025 to internalize the shift from compliance-based monitoring to a more dynamic, forward-looking supervisory regime. BRMC reviewed bank's roadmap to full RBS implementation including alignment of internal policies, organogram, and Management Information Systems (MIS) with supervisory expectation.
- Reviewed the bank's Risk Appetite Statement (RAS) and provided recommendations for Board approval.
- Reviewed the report on risk management policies and the effectiveness of the bank's risk management functions, with a recommendation for approval by the Board.
- Reviewed the bank's Recovery Plan and provided recommendations for Board approval.
- Reviewed the quarterly risk limit monitoring report and proposed an action plan for enhancement.
- Reviewed and evaluated the risk pack, which includes the quality of the bank's portfolio and proposed an action plan to mitigate issues such as PAR, NPL, concentration risk, market risk, liquidity risk, economic outlook and other related concerns.
- Reviewed the bank's Post Import Financing Quarterly Progress Report and provided recommendations for Board approval. Also, committee reviewed the bank's credit inspection and monitoring report.
- Reviewed the bank's quarterly Stress Testing report and recommended it for Board approval.
- Reviewed the bank's Comprehensive Risk Management Rating (CRMR), with its findings and observations and recommended necessary actions to enhance the rating.
- Reviewed the Internal Capital Adequacy Assessment Process (ICAAP) report and recommended it for Board approval.
- Reviewed the Sustainable Finance Unit's quarterly activities report and proposed an action plan for enhancement.
- Reviewed the quarterly Quality Assessment Report of Customer Service and proposed an action plan for enhancement.
- Reviewed bank's Cyber Security Maturity Assessment conducted by external consultant and emphasized importance of operational level agreements between technology and information security.
- Thirteen risk relevant policies and strategies are reviewed annually to ensure the implementation of effective risk management practices.
- The monthly ERMC meeting minutes and quarterly KRI summary of the bank were discussed in detail and recommendations for necessary actions to enhance growth were made.
- Presented updates on the 2025 Annual Risk Conference and the 2025 Head Office BCP Drill to the Committee.

RISK MANAGEMENT FRAMEWORK

BRAC Bank's risk management framework (as demonstrated in the figure below) articulates a holistic agenda for always ensuring an effective and inclusive risk control throughout the organization. This framework provides adequate, timely, and continuous identification, assessment, measurement, monitoring, mitigation, reporting & assurance of risks posed by its activities at the business line and bank-wide levels.



RBS: Shift in the Overarching Supervisory Framework

In 2026, Bangladesh Bank officially transitioned to a Risk-Based Supervision (RBS) framework, moving away from traditional compliance-based oversight. This strategic shift enhances our risk management by prioritizing forward-looking assessments of material risks rather than historical data alone. Under this new regime, our bank benefits from a more tailored supervisory approach that aligns regulatory intensity with our specific risk profile and systemic importance. For stakeholders, this evolution signifies a more resilient banking environment where capital and resources are dynamically allocated to mitigate emerging threats, ensuring long-term stability and a more robust financial ecosystem.

RBS Implementation in the Bank

In alignment with Bangladesh Bank's transition toward a Risk-Based Supervision (RBS) framework—which shifts focus from traditional compliance to evaluating inherent risk profiles and the Quality of Risk Management (QRM)—BRAC Bank has demonstrated exceptional effectiveness and leadership. Since joining the pilot project in Phase 2, the Bank has played a pivotal role in refining the framework by

providing critical feedback on reporting templates and serving as the Lead Bank to guide 15 other financial institutions in their reporting obligations.

Internally, BRAC Bank has institutionalized this transition by establishing an RBS Coordination Committee and a dedicated RBS Coordination Unit under Enterprise Risk Management to ensure seamless data flows.

Our robust reporting infrastructure successfully facilitates the submission of complex quantitative data via Bangladesh Bank's Rationalized Input Template (RIT) alongside qualitative documentary packages, including includes Annual Health Report, Internal Audit reports (Branch wise and HQ division wise), management reports, audited financial statements, ICAAP Report, ALCO Report, Internal Audit Plan, internal guidelines and policies, meeting minutes of different Board and Management level committees, and ML/TF related reports.

By integrating diverse supervisory angles into a cohesive internal working group, BRAC Bank ensures that its financial, operational, and core risk parameters are transparently communicated, supporting the Central Bank's objective of optimized, risk-proportionate resource allocation.

Governance and Culture: Essence of Risk Management Framework

The Board has ultimate supervisory responsibility for the effective management of risk and approves our risk appetite. The Chief Risk Officer, supported by members of the different risk management committees including ERMC, holds executive accountability for the ongoing monitoring, assessment and management of the risk environment and the effectiveness of the risk management framework.

Day-to-day responsibility for risk management is delegated to senior managers with individual accountability for decision making. All our people have a role to play in risk management. These roles are defined using the three lines of defence model, which takes into account our business and functional structures, including regulatory compliance and financial crime. We use a defined executive risk governance structure to help ensure there is appropriate oversight and accountability of risk, which facilitates reporting and escalation to the risk management committees.

Comprehensive Governance

- Core integration with Basel III and Bangladesh Bank guidelines
- Supported by Board, Audit Committee, BASEL Steering Committee

Integrated Approach

- Enterprise-wide framework for all risk types
- Three lines of defence model

Regulatory Compliance

- Compliance with SREP, ICAAP, AML/CFT standards
- Alignment with Bangladesh Bank directives

Proactive Risk Assessment

- Data-driven tools for risk monitoring
- Periodic ICAAP for capital adequacy under scenarios

Operational Excellence

- Effective policies for credit, FX, operational risks
- Advanced ICT systems for monitoring and mitigation

Focus on Capacity Building

- Staff training on risk awareness and AML/CFT
- Resources for audits and risk evaluations

Risk Appetite

Risk Appetite Overview

Risk Appetite Statement (RAS) is the most essential tool for the Board to set the strategic direction for the year in measurable goals for the bank's management, which ensures the bank grows sustainably while maintaining the desired risk profile.

- Approved by Board of Directors
- Recommended by BRMC
- Implemented and Monitored by ERMC

- Developed by Risk Management Division and stakeholders

- Submitted to Bangladesh Bank

MAJOR PARAMETERS

Growth Appetite
- Funded Growth
- Non-Funded Growth
- Non-Funded to Funded

Asset Quality
- NPL Goals
- Rescheduling Goals
- Write Off Goals

Market & Liquidity
- Value at Risk
- Bucket wise Gap
- Interest Sensitivity Impact

Other Parameters
- Capital Adequacy
- Operational Losses
- Core Risk Ratings

Internal Capital Adequacy Assessment Process (ICAAP)

ICAAP Overview

Internal Capital Adequacy Assessment Process (ICAAP) is integral to the bank's processes and is embedded within the organization. It is a forward-looking assessment of capital needs and resources under both baseline and adverse conditions.

Capital Planning

ICAAP incorporates business models, strategy, risk profile and management, performance and planning, risks to capital, and the implications of stress testing.

Capital Maintenance

Risks are identified, mitigation measures are planned, and required capital levels (Tier 1 and Tier 2) are determined. Bank maintains surplus capital above requirements under Pillar I and II of Basel III.

Board & Management Oversight

Management, through Supervisory Review Process (SRP) team, supervises ICAAP outcomes and provides quarterly assessments on capital adequacy to the Board or its committees.

Bangladesh Bank's Role

Supervisory Review Evaluation Process (SREP) ensures regular dialogue with the bank's SRP team. Results or evaluations of ICAAP are disclosed as part of this process.

Policy and Process Framework

Policies and procedures define the minimum requirements for the controls required to manage our risks. The bank's risk management function actively reviews Policy, SOP, PPG developed by different teams to ensure these vital documents accommodate all necessary check and balance mechanisms to foster effective control and risk management. At BRAC Bank we have standardized the policy and procedures and as such reviewed as per set frequency.

BRAC Bank Board-approved policy is in effect for each core risk policy namely:

- Asset liability management policy & contingency funding plan.
- Credit risk management policy.
- Anti-Money laundering & terrorist financing management guideline.
- FX risk management policy.
- Internal control & compliance policy.
- ICT Security policy.

Besides these core policies we have devised and implemented a good number of risk management policies and Standard operating procedures to manage our risks.

- Operational Risk Management Policy
- Complaint Management Policy
- Deferral Management Policy
- Fraud Risk Management Policy
- ICT Cloud Security Policy
- Investment Policy
- Special Asset Management (SAM) Policy
- Procurement & Outsourcing Risk Management Policy

Risk Assessment, Escalation and Mitigation process

Our co-workers make every effort to identify risks within their own domains and resolve these in coordination with their supervisors. However, if the risk remains unresolved, it is escalated to Operational Risk Management Committee (ORMC) for resolution. Subsequently, issues that require the top management's guidance are placed at the Executive Risk Management Committee (ERMC). ORMC as well as ERMC convene as per schedule to identify, address and mitigate risk.

For expeditious risk mitigation, a high-level committee comprising senior management, the Incident Response Forum (IRF) has been instituted in the year 2022. Eventually, for Board's oversight and guidance, critical risk elements are highlighted in the Board Risk Management Committee (BRMC). This framework ensures holistic risk identification, management and mitigation process.

Risk Governance

Board oversight

BRAC Bank's Board is responsible for establishing the bank's overall strategy and other significant policies relating to individual risk elements.

Board of Directors' Roles

- Setting Chain of Delegated Authority for Risk Management
- Defining Risk Appetite & Tolerance
- Ensuring Uninterrupted Information Flow to Risk Management
- Monitoring Risk Profile vs. Performance
- Ensuring Capital Adequacy for Loss Absorption
- Overseeing Internal Audit of Credit, FX, & Securities
- Monitoring BRMC Function

Board's Risk Management Committee's Roles

- Setting Risk Management Vision & Framework
- Reviewing Risk Appetite & Tolerances to recommend to Board
- Reviewing & Recommending Risk Policies to Board
- Ensuring Compliance with Bangladesh Bank Guidelines
- Analysing & Mitigating Risks
- Promoting Staff Awareness & Training
- Allocating Adequate Resources for RMD
- Supervising ERMC Activities
- Approving Reporting Systems
- Reporting to the Board Quarterly
- Enforcing Ethical Standards
- Assessing Risk Management Effectiveness Annually

Engagement of Bank's management in risk governance

The bank's senior management owns the responsibility for the implementation of risk policies and procedures, in line with the Board-specified strategic direction and risk appetite. There is clear line of sight for escalation of any identified risk.

Executive Risk Management Committee (ERMC):

The bank's senior management is involved in resolving organisation-wide risk issues through ERMC. This Committee is headed by the Chief Risk Officer (CRO). ERMC oversees all matters relating to risk management, especially in recommending policies and guidelines for effective risk management to the Board.

Incident Response Forum (IRF):

Incident Response Forum (IRF) is established with a view to escalate, discuss & manage any crisis event or incident. An incident might be triggered/caused from various reasons/sources like natural, made-made and both.

Operational Risk Management Committee (ORMC):

ORMC serves as a dedicated management-level (M-1) forum responsible for the oversight, review, and monitoring of operational risks across the Bank. Concerned department/unit Head or his/her delegated personnel from business & support functions act as a member of ORMC and ensure proactive risk identification, assessment, reporting and monitoring for the bank and escalate the identified risk to ORMC.

ERMC Functions

- Identifying & Managing Risks through Monthly Risk Meetings
- Reporting Risk Issues to Managing Director & BRMC
- Implementing BRMC & Board Decisions
- Ensuring Adherence to Risk Appetite Limits
- Assessing Capital Requirements
- Contributing to Risk Policy Development
- Following up on Bangladesh Bank Reviews
- Organizing Annual Risk Conference

IRF Functions

- Escalating & Managing Crisis Events
- Responding to Incidents from Various Sources
- Managing Crises Triggered by Units, KRI, Risk Register, & Audits
- Addressing Client Complaints, Investigations, & Whistleblowing
- Serving as Single-Point Contact for Risk Response
- Meeting as Required for Swift Resolution

ORMC Functions

- Meeting quarterly for Risk Discussions
- Promoting Risk-Aware Culture
- Ensuring initiatives are in place for Risk-Controlled Outcomes
- Identifying & Analysing Departmental Risks
- Escalating Risks to ERMC for Mitigation

Bank has dedicated platforms for specific risk areas to ensure proper alignment of risk management functions with the bank's overall risk strategy. The following list depicts major risk management committees to ensure effective risk governance, and their key objectives.

Audit Committee of the Board:

Reviews internal control issues, audit findings, and evaluates risk management and internal control systems.

Central Compliance Committee:

Ensures appropriate governance and implements necessary control framework towards prevention of Money Laundering and Terrorist Financing

Credit Risk Management Committee:

To identify the possible risks for different credit transactions and ensure lending proposals are approved in line with bank's business strategy and keeping the asset quality at expected level.

Asset Liability Management Committee (ALCO):

Monitors liquidity and market risks and plans balance sheet and pricing strategies.

BASEL Steering Committee:

Ensures governance and execution of Basel III requirements.

Business Continuity Management Committee (BCMC):

ensures prompt crisis management and business continuity during a crisis.

Sustainable Finance Committee:

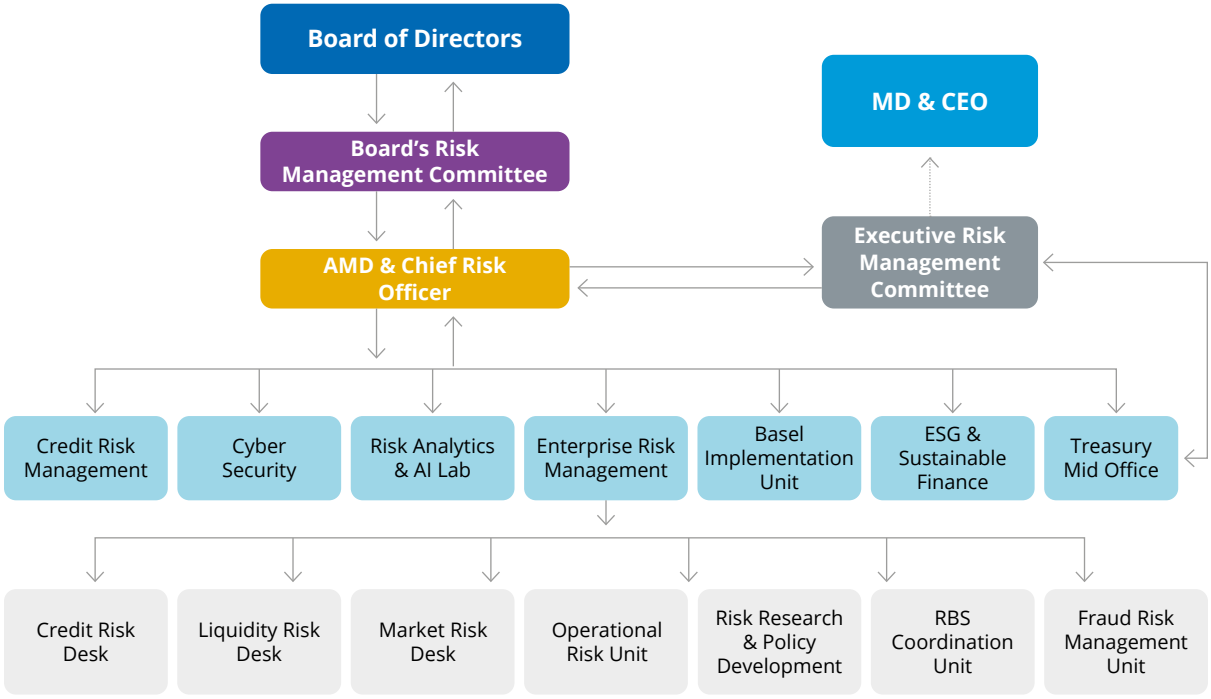
Ensures achievement of sustainable financing goals of the bank.

RBS Coordination Committee:

To coordinate all RBS-related activities, monitor progress, review resource adequacy, and report quarterly to the Board of Directors and Bangladesh Bank proactively or upon request.

Risk Management Organogram of BRAC Bank

Following organogram of Risk Management Division has been developed considering size and complexity as per the need of the bank:



Risk Management Division have now 6 dedicated desks. Five of them, excluding newly introduced named as RBS Coordination Desk/Unit, have been introduced under the Risk Management Guideline 2018 where the officials of the RMD will commonly carry out the tasks assigned to the desks. In addition to these six desks, BRAC Bank has a Fraud Risk Management Unit. However, newly introduced RBS Coordination Unit has been come into form according to the Bangladesh Bank's SPCD Circular No. 02 and No. 03.

Roles & Responsibilities of Risk Desks

Desk name	Notable Roles & Responsibilities
Credit	▪ Assisting in formulation and review of credit risk management policies, guidelines, manual, setting up of credit risk appetite, limit, tolerance, MAT etc. ▪ Monitoring loan portfolio to ensure good quality asset growth. ▪ Monitoring credit concentration, various default risk indicators, and ensuring compliance of internal limit. ▪ Closely monitoring the stressed loans to avoid adverse classification. ▪ Analysing Stress Testing report, finding out the vulnerable areas, escalate to senior management and board to ensure maintenance of adequate capital for absorbing any unforeseen losses
Market	▪ Measuring interest rate risk of the bank by applying various tools such as sensitivity analysis, duration gap analysis etc. ▪ Monitoring foreign exchange related risk such as exchange rate risk, maintenance of FX related limits, repatriation, overdue, reconciliation issues through concerned departments. ▪ Measuring equity price risk by using various tools like VaR and monitoring the same to keep market exposure safe and sound.

Desk name	Notable Roles & Responsibilities
Liquidity	▪ Regularly monitoring liquidity ratios, liability concentration, growth of asset and liability including off-balance sheet items, Asset-liability of off-shore banking unit etc. to manage liquidity risk ▪ Playing major role in setting liquidity strategy ▪ Assessing opportunity loss resulted from improper liquidity management.
Operational	▪ Assisting in managing risks related to lapses in people, process and system. ▪ Monitoring unsettled issues (identified fraud/forgeries, major irregularities etc.) through ICC;
Risk Research & Policy	▪ Preparing a consolidated Risk Appetite Statement (RAS). ▪ Developing the KRI & preparing summary of KRI and submitting the same to BRMC on quarterly basis. ▪ Assisting senior management in formulating strategic planning considering bank's risk exposures and industry as a whole ▪ Exploring emerging risks and recommending preventive measures to achieve the organizational goal ▪ Reviewing effectiveness of enterprise-wide risk governance framework and recommending necessary policy measures;
RBS Coordination Unit	▪ To coordinate all RBS-related activities across departments for unified compliance with supervisory expectations. ▪ To act as the primary liaison with the Lead Bank Supervisor for continuous dialogue and regulatory adherence. ▪ To ensure the accuracy, completeness, and timely submission of all structured and unstructured regulatory data. ▪ To conduct periodic gap assessments of internal frameworks against regulatory standards and track corrective actions. ▪ To submit quarterly reports to the Board of Directors detailing implementation status and resource adequacy. ▪ To implement comprehensive training programs that embed RBS principles and a strong risk culture organization wide.

Fraud Risk Management Unit (FRMU)

The Fraud Risk Management Unit (FRMU) operates as a specialized control function under the Enterprise Risk Management Department. The unit is dedicated to upholding the Bank's integrity by fostering a 'Zero Tolerance' culture against fraud. Our primary mandate is to protect the Bank's financial assets and reputation by identifying vulnerabilities, mitigating risks, and ensuring a secure banking environment for our customers. Through a combination of advanced technology and vigilant oversight, FRMU acts as a critical shield against both internal and external threats.

Key Functional Responsibilities

Centralized Fraud Complaint Management:

Acting as the Single Point of Contact for all fraud-related complaints; performing immediate initial assessments and executing decisive next steps for mitigation. Clients and stakeholders can directly contact at enquiry@bracbank.com for any fraud related complaint or query.

Transaction Surveillance:

Conducting rigorous analysis of transaction reports and monitoring Credit/Debit Card activities to identify and intercept suspicious or fraudulent patterns in real-time.

Regulatory & Scheme Reporting:

Ensuring timely reporting of fraud incidents to international payment schemes (Visa, MasterCard, etc.) and to the regulators in strict adherence to their global compliance standards.

MIS Maintaining:

Preparing and maintaining comprehensive Management Information System (MIS) reports regarding fraud complaints, transaction trends, and operational/fraud losses to aid strategic decision-making.

Fraud Incident Tracking:

Maintaining a centralized and detailed inventory of all fraud incidents to track historical data and identify recurring risk patterns.

Awareness & Communications:

Driving awareness initiatives across the Bank to foster a vigilant culture of Fraud Prevention and Detection among employees & also for the customers.

Policy Governance & Regulatory Compliance:

Ensuring strict adherence to evolving regulatory requirements by proactively monitoring Bangladesh Bank circulars and national laws and incorporating necessary amendments into the internal policies.

KEY RISKS AND UNCERTAINTIES FACED BY BRAC BANK

BRAC Bank PLC (BBPLC) maintains a comprehensive risk management architecture to protect organizational capital and support steady asset appreciation. As of the 2025 financial year, the bank continues to balance high-growth targets against evolving financial, regulatory, and technical environments.

Risk Assessment Matrix

Risk Category	Evolving Threat Landscape (2025 Trends)	Institutional Mitigation & Governance
Credit & Asset Quality Risk	Evolving macroeconomic shifts altering borrower repayment capacities across the SME, Retail, and Corporate banking segments.	Utilization of Expected Credit Loss (ECL) scoring models alongside advanced Loss Given Default (LGD) metrics to track stressed asset portfolios.
Digital Ecosystem & Cybersecurity Risk	Rising systemic vulnerabilities, malware, phishing campaigns, and server threats targeting the Astha app and interconnected core infrastructure.	Substantial capital allocations toward security protocols, routine penetration assessments, and automated data monitoring.
Financial Crime & Compliance Risk	Complex international trade finance routes and domestic financial operations raising exposure to money laundering and illicit funds transfer risks.	Implementation of stringent KYC compliance structures alongside continuous internal audits to align operations with international financial rules.
Macroeconomic & Liquidity Risk	Volatility in local currency valuation, shifting domestic deposit pricing benchmarks, and changing macro yields.	Maintaining a highly diversified funding base through a historic net deposit surge alongside conservative structural liquidity buffers.

BUSINESS CONTINUITY PLAN (BCP)

A Business Continuity Plan (BCP) is a structured framework designed to prepare for and manage disruptions that may impact business operations. It involves identifying potential risks, evaluating their impacts, and developing strategies to quickly restore critical functions during such events. Given the essential role of banks in the financial system and broader economy, any disruption to their operations can have significant consequences. Therefore, strong BCP is vital to ensure the continued delivery of financial services, even during crises.

Risk Assessment

Identify potential threats and vulnerabilities that may disrupt business operations, including natural disasters, system failures, human errors, and external security risks.

Response & Recovery Strategies

Develop structured approaches to manage and recover from disruptions. These strategies may include data backup and restoration processes, alternate work locations, and well-defined communication plans.

Business Impact Analysis

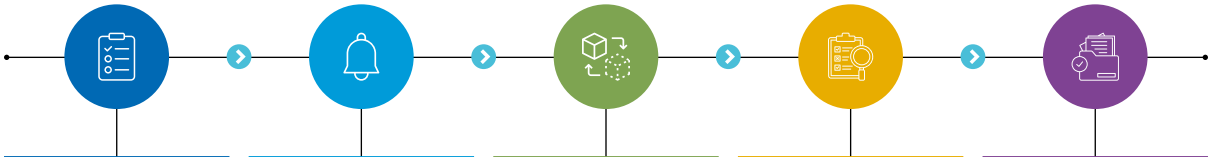
Evaluate how disruptions could affect critical business functions by defining acceptable downtime and prioritizing recovery efforts accordingly.

Testing and Maintenance

Regularly test, review, and update the BCP to ensure it remains effective and relevant. This may involve tabletop exercises, simulated scenarios, or full-scale operational drills.

Conducting regular BCP drills is vital to maintaining organizational readiness and ensuring the plan evolves with changing business needs and risk environments. These exercises help to identify gaps and weaknesses, allowing for continuous enhancement of the BCP.

Typical Steps in a BCP Drill



Planning
Define the objectives, scope, and timeline of the drill, and assign roles and responsibilities to all participants.

Notification
Communicate the details of the drill to all relevant stakeholders, including employees, management, and external partners.

Simulation
Execute a simulated incident—such as a cyberattack, natural disaster, or equipment malfunction—to trigger the activation of the BCP.

Assessment
Review the performance of the BCP during and after the drill, identify shortcomings, and implement necessary improvements.

Documentation
Capture key outcomes, best practices, and areas for improvement. This documentation is essential for strengthening the BCP.

BRAC Bank PLC conducted its annual Business Continuity Plan (BCP) drill on 17 December 2025. For the first time, the drill was unannounced and initiated early in the morning by the MD & CEO, followed by activation of the BCP call tree.

Prior to the drill, a comprehensive Business Impact Analysis (BIA) was conducted across key departments to identify critical activities, timelines, impacts, and required resources.

During the drill, participants were transported from Head Office to the DR site at BRAC CDM, Savar, where full logistical and technical support was provided. Following an introductory briefing by the DMD & CRO and HoERMD, teams successfully carried out critical business activities throughout the day.

Post-drill feedback indicated full satisfaction with preparedness, performance, and support, along with successful completion of all identified critical activities.

BCP Drill Overview

Scenario Simulation

A realistic disruption scenario was developed to assess potential impacts on BRAC Bank's Head Office at Anik Tower. The scenario incorporated various threats, including natural disasters, cyber incidents, and other operational interruptions.

BCP Activation

In response to the simulated event, the BCP was formally activated. This involved executing predefined emergency procedures, mobilizing critical personnel, initiating communication protocols, and implementing alternative work arrangements to maintain essential operations.

Cross-Functional Participation

The drill involved active participation from multiple departments and key stakeholders, representing diverse organizational functions. The exercise tested interdepartmental coordination and the ability of teams to collaborate effectively during a crisis.

Communication Protocol Testing

Special emphasis was placed on evaluating both internal and external communication processes to ensure timely, accurate, and efficient information flow throughout the simulated emergency.

Evaluation and Feedback

Following the drill, a comprehensive evaluation was conducted to measure the effectiveness of the BCP. Feedback sessions gathered participant insights, highlighting strengths, gaps, and opportunities for improvement in response strategies.

Documentation and Lessons Learned

Detailed records of the drill were maintained, including observations, challenges, and corrective actions. The lessons learned were analyzed to further enhance BRAC Bank's BCP, reinforcing a culture of continuous improvement.

BCP Drill Date

Wednesday 17th Dec 2025

Disaster Site

BRAC Bank Head Office

Recovery Site

BCDM (Savar)

Skeleton Team

103 Critical staff from 7 Division and 25 Departments moved to recovery Site

BCP Coordinators

20 Coordinators from participating units were guided with specific roles & responsibilities for their teams.

Critical Task

161 Critical tasks were performed from alternative site

BCP Drill Working Team

BCP Drill was conducted by the working team comprising ERMD, IT, GSS and Marketing, and was chaired and overseen by DMD & CRO.

BCP Drill Outcome

Successful

User Feedback

Participants provided specific User Scripts, Grab Lists in pre-defined logistics & network privilege.

Critical activities like Account Services, Asset Operations, Payments & Transactions, Trade Services, Treasury Operations, Finance, Agent Banking, Call center, Card Operations, Risk etc. were performed successfully.

ANNUAL
BCP
DRILL

RISK MITIGATION STRATEGIES

At BRAC Bank PLC, risk management is viewed more than a defensive function; rather, as a strategic enabler of sustainable growth. As the financial landscape transforms, the Bank's mitigation strategies are continuously refined to stay ahead of emerging threats and market shifts.

To ensure sustainable growth and operational excellence, the bank integrates robust risk identification, measurement, and monitoring into its daily operations through updated policies, approved by the Board, designed to safeguard customer interests. By fostering a risk-conscious culture aligned with the Bank's mission, all departments are encouraged to remain fully compliant with evolving regulatory and internal standards. Furthermore, proactive feedback loops are leveraged with key governance bodies, including the Board and ERMC, to forecast emerging trends and implement strategic measures that mitigate potential adversities. Risk management is embedded within business processes and is an integral component of capital planning, performance management, and product development.

Risk-Specific Management Methodologies

Credit Risk

Credit risk arises from the potential failure of borrowers or counterparties to meet contractual obligations. The Bank manages credit risk through a comprehensive Credit Risk Management Policy covering credit origination, approval, monitoring, and recovery. At BRAC Bank PLC, credit risk mitigation is a fundamental component of the lending philosophy, ensuring that the Bank's growth remains disciplined. A multi-layered approach is employed to minimize potential losses arising from borrower defaults, integrating rigorous pre-sanction assessment with dynamic post-disbursement monitoring.

Credit Risk Management

BRAC Bank PLC employs a disciplined approach to credit risk management, anchored by the following strategic pillars:

Governance and Policy Oversight:

The Bank maintains a robust Credit Risk Management Policy and a comprehensive Risk Appetite Statement (RAS). Both frameworks are reviewed annually by the Board Risk Management Committee (BRMC) and approved by the Board of Directors. Adherence to the RAS is tracked through rigorous monthly monitoring to ensure all exposures remain within defined safety parameters.

Active Portfolio Surveillance:

High-quality asset growth is prioritized, and the loan portfolio is continuously monitored for credit concentration and internal limit compliance. An "Early Alert" approach is utilized, involving the close supervision of stressed assets to prevent adverse classifications.

Intensive Recovery and Asset Management:

The Bank maintains granular oversight of its credit lifecycle, specifically targeting overdue accounts, Special Mention Accounts (SMA), and Non-Performing Loans (NPL). This includes the diligent follow-up of lawsuits, written-off accounts, and forced loans, as well as the regular re-valuation of collateral and borrower credit ratings.

Stress Testing and Capital Resilience:

To ensure institutional stability, regular stress-testing simulations are conducted. These reports provide senior management and the Board with critical insights into vulnerable areas, enabling proactive strategic adjustments to be made to maintain adequate capital buffers against unforeseen market shocks.

Credit Risk Mitigation

To further minimize potential loss, the following mitigation instruments and strategies are utilized:

Collateralization:

Credits are secured by tangible and financial assets, including property, fixed deposits, and marketable securities. These are subjected to independent valuation and periodic reassessment to ensure adequate coverage.

Guarantees and Insurance:

Personal, corporate, and third-party guarantees are obtained as supplementary recourse. Where applicable, credit insurance and guarantee schemes are leveraged to transfer risk.

Legal and Contractual Mitigants:

Rights to set off and foreclosure are established through legally enforceable documentation. Netting agreements are also utilized in accordance with Basel III standards to optimize capital requirements.

Recovery and Remediation:

Distressed assets are managed by dedicated units. Recovery is maximized through negotiated settlements, asset liquidations, or legal actions initiated under Bangladesh Bank guidelines.

Market & Liquidity Risk

Market and Liquidity risks represent the potential for losses arising from adverse movements in market variables such as interest rates, foreign exchange, and equity prices, as well as the inability to meet financial obligations as they fall due. A comprehensive framework is employed by the Bank to identify, measure, and control these exposures through active management of the balance sheet. By maintaining strict adherence to internal limits and regulatory benchmarks, potential volatilities and funding gaps are systematically mitigated to ensure the preservation of capital and the continuity of operations.

Market & Liquidity Risk Management

The Bank's market and liquidity risk profiles are managed through a structured governance framework overseen by the Asset Liability Committee (ALCO) and the Executive Risk Management Committee (ERMC). Comprehensive policies are maintained to ensure that risks arising from interest rate volatility, foreign exchange fluctuations, and equity price movements are identified and quantified. Interest rate risk of the bank is measured by applying various tools such as sensitivity analysis, duration gap analysis etc. Foreign exchange-related risks are also monitored, such as exchange rate risk, maintenance of FX-related limits, repatriation of export proceeds, outstanding of overdue accepted bill, reconciliation of long pending Nostro account transactions etc. through concerned departments.

Simultaneously, liquidity risk is managed by ensuring the availability of sufficient funds to meet all contractual obligations under both normal and stressful conditions. Formulation and monitoring of Structural Liquidity Profile, projected sources and uses of fund, statement of total time and demand liabilities and calculates all regulatory liquidity ratios such as CRR, SLR, ADR, LCR, NSFR, MCO, WBG, Undrawn Commitment etc. are also conducted under liquidity risk management. Exposure levels are continuously tracked against established risk appetite limits, including the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), with regular reports submitted to the Board Risk Management Committee (BRMC). Furthermore, advanced tools such as Value-at-Risk (VaR), Sensitivity Analysis, and Gap Analysis are utilized to simulate various scenarios and ensure long-term institutional stability.

Operational Risk

Operational Risk is defined as the potential for financial loss or damage from failed or inadequate internal processes, people, systems, or from external events, encompassing areas like human error, fraud, IT failures, legal issues, and natural disasters, etc. Operational Risk inherently exists in the Bank's processes and operational activities. The Bank maintains a comprehensive Operational Risk Policy (approved by Board) to identify, assess, and monitor these risks across all business lines and support functions. By fostering a strong risk-aware culture and implementing robust internal controls, operational vulnerabilities are systematically managed to ensure business continuity and protect the Bank's reputation.

Operational Risk Management

Operational risk is managed through a holistic approach designed to identify vulnerabilities and ensure organizational resilience. The following processes are central to this framework:

Risk Identification and Analysis:

Operational risks are systematically identified and analyzed across all business units and support functions. This process ensures that potential process failures, system vulnerabilities, and human factors are evaluated before they impact the Bank's operations. Risks are escalated by business and operational teams through an internal portal to Risk Management team.

Key Risk Indicators (KRI) and Monitoring:

Specific KRIs are established to act as early warning signals. These indicators are monitored continuously to detect shifts in the Bank's risk profile, allowing for proactive intervention and the maintenance of risk within approved thresholds.

Incident Reporting and Response:

A robust mechanism for incident reporting is maintained to ensure all operational failures are captured. These incidents are managed through the Incident Response Forum, where root causes are analyzed and corrective actions are implemented to prevent recurrence.

Thematic Reviews and ORMC Escalation:

In-depth thematic reviews are conducted on specific high-risk areas to identify systemic issues. Significant risks identified through these reviews are escalated via the Operational Risk Management Committee (ORMC) and subsequently to the Executive Risk Management Committee (ERMC) for strategic oversight.

Business Continuity Planning (BCP):

Comprehensive BCP is maintained and annual BCP drill is performed to ensure the continuity of critical functions during disruptions. These plans are tested regularly to validate the Bank's preparedness for unforeseen external events.

Business Impact Analysis (BIA) for Capital:

Operational risk capital charges are calculated using the Basic Indicator Approach (BIA). In alignment with Bangladesh Bank guidelines and Basel III standards, this methodology ensures that a fixed percentage of average positive annual gross income is maintained as a capital buffer to absorb potential operational losses.

Training and Development:

A risk-conscious culture is fostered through continuous training and development programs. These initiatives ensure that all employees are equipped to identify operational risks and remain compliant with updated internal policies and Bangladesh Bank regulations.

Fraud Risk

Fraud risk is the potential for an organization to suffer financial loss or harm from intentional deception, misrepresentation, or dishonest acts, either internally (employees) or externally (third parties). At BRAC Bank PLC, fraud risk management is governed by the Board approved Fraud Risk Management policy, which details the internal strategy for fraud risk management. The fraud risk management cycle consists of deterrence, prevention, mitigation, investigation & recovery, prosecution, analysis & reporting. Fraud incidents are also tracked and reported to the Incident Response Forum.

Internal Control and Compliance Risk

Internal Control and Compliance (ICC) risk is defined as the potential failure to adhere to internal policies, procedures, and external regulatory requirements, which may lead to financial penalties, reputational damage, or operational losses. The Bank fosters a strong compliance culture by embedding control mechanisms within daily operations and providing continuous employee training on regulatory changes. A dedicated compliance function ensures all activities align with both internal standards and mandates from the Bangladesh Bank. Continuous monitoring, independent audits, and regular reporting to the Board ensure that deviations are identified quickly and remediated effectively, thereby maintaining the Bank's integrity and minimizing regulatory exposure. BRAC Bank PLC has performed all regulatory submissions in due course in 2025. Moreover, the Annual Risk Conference was also organized where more than 1000 employees of the Bank joined in hybrid modality.

Money Laundering and Terrorist Financing Risk

AML/CFT risk is the potential for the Bank's services to be misused for illicit activities, which carries significant legal, financial, and reputational consequences. BRAC Bank PLC maintains a zero-tolerance policy for financial crime, implementing a robust, risk-based compliance program fully aligned with Bangladesh Bank regulations. This framework includes rigorous customer due diligence (CDD) and enhanced ongoing monitoring of high-risk accounts. Automated transaction monitoring systems are utilized to identify suspicious activities in real-time, with all required reports (STRs and CTRs) submitted promptly to the Bangladesh Financial Intelligence Unit (BFIU). This proactive approach ensures the integrity of the financial system is upheld and regulatory obligations are met.

Information and Technology Risk

As technology remains the cornerstone of the Bank's exceptional customer experience, a robust ICT security framework is maintained to safeguard digital assets and data integrity. This framework is strictly aligned with the latest Bangladesh Bank ICT Security Guidelines and incorporates international standards including ISO, NIST, PCI-DSS, CIS, and the SWIFT Customer Security Program. Having established the first 24/7 Security Operations Centre (SOC) in Bangladesh, the Bank has successfully transitioned from passive defense to an active, intelligence-led cyber strategy. This is further bolstered by the Cyber Fusion Centre (CFC), an industry-leading facility dedicated to the real-time identification and neutralization of emerging cyber threats. Comprehensive ICT policies ensure that data assurance and information security responsibilities are embedded across all organizational levels, ensuring that technological innovation remains anchored in a highly secure and resilient environment.

Strategic Risk Management

Strategic Risk is defined as the potential for losses arising from adverse business decisions, improper implementation of decisions, failure to respond adequately to the business environment, or changes in the external operating landscape. At BRAC Bank PLC, the management of strategic risk is a forward-looking, integral component of our enterprise-wide governance framework, ensuring that the Bank's long-term objectives are resilient against dynamic market forces.

To ensure strategic resilience, a structured three-step iterative approach is employed:

Discover

Potential risks and their prospective outcomes are pinpointed through a combination of advanced analytics and human expertise. Scenario planning is utilized to explore various impacts, while rigorous simulations are conducted to evaluate outcomes and identify appropriate strategic responses.

Scan

The operating environment is continuously monitored to interpret emerging signals and trends. Advanced risk-sensing technologies are applied to analyze vast data streams, with insights presented through executive dashboards. This data-driven approach is further enhanced by expert interpretation to ensure that shifts in the competitive or regulatory landscape are identified in real-time.

Prepare

Proactive strategies are implemented to mitigate risks or capitalize on emerging opportunities. Strategic assumptions are regularly re-evaluated, and alternative options are explored to maintain agility. Furthermore, comprehensive contingency and recovery plans are maintained, utilizing mitigation tools such as insurance, hedging, and portfolio diversification to protect the Bank's strategic integrity.

Through this comprehensive framework, the Bank remains vigilant and adaptive, ensuring that strategic execution remains aligned with the Bangladesh Bank's long-term stability goals and international Basel III capital management standards.

Reputational Risk Management

Reputational risk is defined as the potential for negative public perception or the erosion of stakeholder trust, which may impact the Bank's ability to maintain business relationships, access capital, or ensure continued growth. This risk is managed through a multi-layered approach that prioritizes transparency, ethical conduct, and proactive stakeholder engagement.

A strong corporate culture is fostered to ensure that all actions, from frontline customer service to executive decision-making, remain aligned with the Bank's core values and regulatory expectations. Potential threats to the Bank's image—including service disruptions, compliance failures, or negative media coverage—are monitored in real-time through dedicated communication department. Employee awareness is maintained through regular internal communications and the sharing of practical experiences, fostering a proactive culture that prioritizes the mitigation of reputational risk. By maintaining rigorous internal controls, the Bank's brand integrity is protected, ensuring that the trust of customers, investors, and regulators is preserved in an increasingly transparent digital environment.

RISK GOVERNANCE AND CONDUCT

Risk Governance Framework

The Bank's risk governance framework is designed to provide effective oversight and clear accountability. While the Board of Directors holds ultimate responsibility for the Bank's risk appetite, the Board Risk Management Committee (BRMC) provides strategic direction by reviewing the Risk Appetite Statement (RAS) against actual performance. The Chief Risk Officer's direct report to BRMC further enhances the robustness of risk management in the Bank, ensuring independent oversight and direct communication of material risks to the Board. The CRO serves as the Head of Risk Management Division which acts independently from the business and support functions. The Bank has implemented a Risk-Based Supervision (RBS) framework in line with expectations set by Bangladesh Bank, recognizing RBS as a supervisory approach sed by the regulator and a core risk governance mechanism within the bank. This approach strengthens Board and Management oversight, reinforces accountability across the Three Lines of Defense, and enhances the Bank's ability to identify and mitigate emerging risks in a timely manner.

Three Lines of Defense (3LoD)

The Bank maintains a robust 3LoD model to ensure no single point of failure:

First Line (Business Units)

This line represents the "risk owners." Business and support units are primarily responsible for identifying, assessing, managing, and mitigating risks within their day-to-day operations. They are tasked with ensuring that all activities adhere to the approved risk limits and established policies. Their proactive engagement is the foundation of effective risk management.

Second Line (Risk & Compliance)

This line serves as the "risk control and oversight function." The independent Risk Management Division (RMD), led by the Chief Risk Officer (CRO), is mandated to develop the Bank's risk policies, monitor enterprise-wide exposures against the RAS, and provide independent challenge to business strategies. This function ensures risks are objectively measured and reported directly to the BRMC. The Compliance function operates in a similar capacity for regulatory and ethical risks.

Third Line (Internal Audit)

This line provides "independent assurance." The Internal Audit department executes a risk-based audit plan to provide objective assurance to the Audit Committee of the Board on the effectiveness and adequacy of the entire framework of internal controls, risk management, and governance processes within the first and second lines.

Risk Culture and Ethical Conduct

The Bank fosters a strong risk culture characterized by transparency and accountability. All employees are expected to uphold the highest standards of integrity as outlined in our Code of Conduct. Through regular training and clear internal communication, we ensure that risk awareness is embedded in daily decision-making processes. Our "Speak Up" policy encourages the reporting of potential breaches or unethical behavior, ensuring that risks are escalated and addressed promptly.

DISCLOSURE OF RISK MANAGEMENT REPORTING

Risk management is a fundamental discipline that reinforces every organization and encompasses all activities that influence its overall risk profile. Effective corporate governance is closely intertwined with robust risk management practices. In the absence of a sound risk management framework, the various functions of a banking institution cannot operate cohesively to achieve strategic objectives. Risk management plays a vital role in supporting a bank's growth, long-term sustainability, and operational resilience. To ensure accurate risk identification, measurement, timely mitigation, and full compliance with Bangladesh Bank regulations, the following risk reporting mechanisms are in place:

- Risk Appetite Statement (RAS)
- Comprehensive Risk Management Reporting
- Monthly Risk Management Reporting (MRMR)
- Stress Test report.
- Risk Based Capital Adequacy evaluation.
- Review Report on Risk Management Policies and Effectiveness of Risk Management Functions
- Meeting Minutes
- Internal capital adequacy assessment process (ICAAP)
- Recovery Plan

A robust risk management framework is anchored in a clearly articulated risk appetite. BRAC Bank has developed a comprehensive Risk Appetite Framework (RAF) that incorporates a wide range of considerations, including the bank's strategic direction, business activities and exposure levels, regulatory requirements, industry growth trends, peer performance, portfolio expansion, non-performing loan trends, profitability, capital strength, liquidity position, and the prevailing risk management culture.

In line with regulatory guidelines, BRAC Bank formulated the "Risk Appetite Statement (RAS) 2025" in alignment with its strategic objectives. The document was presented to the Board Risk Management Committee (BRMC), where extensive deliberations took place regarding the bank's risk capacity, limits, and trigger thresholds across multiple risk categories. These discussions encompassed twelve major risk areas, including business-segment-wise loan portfolios, growth strategy, sectoral loan distribution, regional and industry concentrations, and treasury-related risks. Following detailed review and discussion, the RAS received final approval from the Board.

It is noteworthy that the Risk Appetite Statement for 2025 was carefully developed and approved by the Board prior to submission to the regulatory authority. As part of the ongoing review process, the bank subsequently evaluated its business performance against the thresholds defined in the RAS at the start of the year.

Comprehensive Risk Management Reporting

BRAC Bank submits the Comprehensive Risk Management Reporting (CRMR) to Bangladesh Bank on a semi-annual basis. This report covers 64 parameters across six core risk areas. The Department of Offsite Supervision conducts off-site reviews of the CRMR twice a year and assigns a rating ranging from 1 to 5, which has a direct influence on the bank's CAMELS rating. In 2025, both required submissions were completed within the stipulated timelines. The ratings provided by Bangladesh Bank based on these submissions were promptly communicated to the Board Risk Management Committee and the Board of Directors.

Enterprise Risk Management Department closely monitors the implementation of directives issued by Bangladesh Bank and regularly updates both the BRMC and the Board on progress made against prescribed action plans.

Monthly Risk Management Reporting (MRMR)

Key risk indicators of the bank are monitored and reported through the Monthly Risk Management Reporting (MRMR) framework. These reports are prepared on a monthly basis, except for June and December, when efforts are focused on preparing the Comprehensive Risk Management Reporting (CRMR).

Stress Test Report

Stress testing is an analytical tool used to assess the resilience of a financial institution under extreme yet plausible adverse scenarios. The impact of such scenarios is evaluated by measuring changes in the bank's Capital to Risk-Weighted Assets Ratio (CRAR).

The stress testing framework adopted by BRAC Bank incorporates the following features:

- Assessment of impacts on profit and loss, balance sheet items, and capital adequacy
- Inclusion of macroeconomic stress scenarios
- Development of realistic and plausible stress assumptions
- Integration of operational risk shock events
- Customization to reflect the bank's size, complexity, and overall risk profile

Bangladesh Bank mandates quarterly stress testing for all banks, with results to be submitted after thorough review by senior management and the Board. Throughout 2025, BRAC Bank consistently complied with this requirement and submitted quarterly stress test reports, demonstrating that the bank's capital position remained robust even under stressed conditions.

Particulars	2025 (Unaudited)		
	CRAR after Shock (%)		
	Minor	Moderate	Major
Increase in NPLs in sector with the highest exposure	14.90	14.13	13.35
Increase in NPLs in sector with second highest exposure	15.24	14.81	14.38
Increase in NPLs in top 2 sectors	14.48	13.28	12.07
Increase in NPLs	13.04	10.34	7.55
Increase in NPLs due to default of top borrowers	12.81	11.99	10.31
Depletion in Collateral	15.53	15.49	15.45
Negative Shift in NPL categories	15.36	15.34	15.32
Negative shift in rating categories	15.22	14.81	14.42
Interest Rate	13.29	12.10	10.92
FEX: Currency Appreciation	15.63	15.62	15.60
Equity Shock	15.12	14.95	14.77
Combined Shock	10.71	8.24	5.37

Risk Based Capital Adequacy Evaluation

The bank's overall risk profile is assessed through the measurement of economic capital requirements for credit, market, and operational risks. Total Risk-Weighted Assets (RWAs) for these risk categories are calculated at the end of each quarter, and capital is allocated accordingly to reflect the bank's aggregate risk exposure.

Under the Basel III capital framework, the Minimum Capital Requirement (MCR) necessitates the assessment of credit, market, and operational risks. This quarterly exercise, as prescribed by Bangladesh Bank, ensures regulatory compliance. Since 2020, BRAC Bank has consistently maintained capital levels above the minimum Basel III thresholds, reflecting its strong capital management practices.

As of December 2025, the composition of the bank's risk profile indicates that Credit Risk represents 78.68% of total RWAs, while Market Risk and Operational Risk account for 10.08% and 11.24%, respectively.

No.	Risk Weighted Assets (RWA) for		Dec-25 (Unaudited)	% of Total RWA
1	A	Credit Risk	46,810.27	78.68%
		On- Balance sheet	43,855.69	73.71%
		Off- Balance sheet	2,954.58	4.97%
2	B.	Market Risk	5,996.92	10.08%
3	C.	Operational Risk	6,686.85	11.24%
Total: RWA(A+B+C)			**59,494.04**	**100.00%**

Minimum Capital Requirement (MCR) under Basel III:

In accordance with Basel III guidelines, banks operating in Bangladesh are required to maintain a Minimum Capital Requirement of 10% of total Risk-Weighted Assets. In addition, a Capital Conservation Buffer equivalent to 2.5% of total RWAs must be maintained.

A	Eligible Capital	Amount in BDT Crore (Unaudited)
1	1. Tier -I (Core Capital)	7,248.99
2	2. Tier -II	2,065.32
	3. Total Eligible capital (1+2)	9,314.31
B.	Total Risk Weighted Assets	59,494.04
C.	Capital Adequacy Ratio (CAR) (A4/B) *100	15.66%
D.	Core Capital to Risk Weighted Assets (A1/B) *100	12.18%
E.	Tier 2 capital to RWA	3.47%
F.	Minimum Capital Requirement (MCR)	5,949.40

Review report on Risk Management Policies and effectiveness of risk management functions:

In accordance with DOS Circular No. 04 dated 8 October 2018, Bangladesh Bank requires all scheduled banks to submit an annual review report on their Risk Management Policies and the effectiveness of their Risk Management Functions. In compliance with this directive, BRAC Bank submits the report annually, providing a comprehensive overview of the bank's risk management practices. The report addresses the following key areas:

- Risk Management Framework of BRAC Bank
- Desk-wise Risk Management updates
- Risk reporting practices of the bank
- Notable major incidents handled by the Risk Management Department

Key Initiatives taken by Risk Management in 2025 series:

Implemented Initiatives

Security assessments were conducted on over 100 existing web, API, and mobile applications to identify security risks, address compliance gaps, mitigate vulnerabilities, and protect sensitive data and systems.

A third party reviewed the security posture of 33 critical applications (including transactional and financial systems), along with the organization's cybersecurity maturity, IT infrastructure, and processes/policies.

Security benchmarks were established and updated for web, mobile, API, cloud, container-based applications, operating systems (servers and workstations), network devices, and ATMs. As part of offensive security initiatives, penetration testing was completed on 15 web and mobile applications.

Secure Coding Guidelines were reviewed and updated, and the Secure Software Development Lifecycle (SDLC) documentation was finalized and formally approved.

To comply with international banking standards, re-validation of SWIFT Customer Security Program (CSP) 2025 was completed through third-party attestation. Re-certifications for ISO 27001:2022, ISO 18788:2015, and PCI DSS v4.1 for 2025 were successfully achieved.

Self-unlock and self-password reset functionalities were implemented across key applications, including Connect Plus, Central Login Client, mRemit, Card Cheque, CMS, and Spotlight.

ERP user ID creation, activation, and deactivation processes were automated through HRMS integration, along with secure SMS-based delivery of user credentials.

IAM (Identity and access management) and access control support were provided for major enterprise initiatives such as ITSM, Lead Management, Call Center, AD Self-Service, NID Verification, IRIS Upgrade, and Card Express to support daily operational activities.

Dark Web Monitoring tool was deployed to detect bank-related sensitive or critical information exposed on public and dark web platforms.

Cybersecurity posture was strengthened through migration and upgrades including SAST, Privileged Access Management (PAM), Two-Factor Authentication (2FA), Hard Disk Encryption (HDE), Email Security Gateway with sandboxing, Enterprise Vulnerability Management System (EVMS), and Network Behavior Analysis (NBA).

End-to-end digital loan journey was implemented using internally developed credit scorecards and policy-driven underwriting rules, enabling instant credit decisions with controlled risk exposure.

Real-time automated eligibility checks were introduced to approve and instantly issue credit cards for EB customers based on behavioral and financial data, significantly reducing turnaround time.

"On-the-Go" account creation module was developed for SME distributors, simplifying onboarding for supply chain finance.

As the first and currently only bank in the country, a digital signature solution was introduced to enable a fully paperless loan and credit card journey.

Scorecards for personal loans and credit cards were implemented to enable instant decision-making for both existing and new customers.

Ongoing Initiatives

Third-party security assessments were completed on nine additional applications. Enterprise Single Sign-On (ESSO) and Shift-Left Security initiatives were implemented through CI/CD pipelines aligned with DevSecOps practices.

Minimum security benchmarks for databases were defined, and ISMS policies and documentation were revamped. IT clearance processes were reviewed and redesigned with clear role segregation and ownership.

Existing Security Information and Event Management (SIEM) platform will be migrated to a more advanced and robust solution to enhance security visibility using modern technologies.

A centralized Enterprise Risk Management solution is being implemented to improve fraud and forgery detection and controls across the bank.

SME-focused instant credit card solution is being developed for business customers, assessing loan amount, repayment behavior, and account balances to offer customized credit limits.

Alternative data–driven scorecards are being developed for digital personal loans and credit cards targeting non-EB ETB and NTB customers, leveraging bank statement analytics, additional income sources, demographic data, and bureau information.

Advanced Asset Liability Management (ALM) solution is being implemented to strengthen risk monitoring and analytical capabilities across bank portfolios. This includes Value-at-Risk (VaR) calculations for both foreign exchange and domestic portfolios using historical, parametric, and Monte Carlo methods, enabling informed decision-making, portfolio optimization, and regulatory compliance.

Forward-looking Initiatives

Tools are being procured for enterprise-wide automated mobile application security assessment, container platform security, and an API security gateway.

Offensive security and Red Teaming functions are being formalized and standardized. Plans include security assessments of configuration files, maturation of the DevSecOps pipeline, and SAST for all in-house applications, including LLM-based systems and source code analysis.

High-propensity customer prospects will be identified, and the most suitable financial products will be recommended for each individual.

AI-based real-time monitoring system will be developed to detect suspicious activities, enhancing regulatory compliance while reducing false alerts and operational workload for compliance teams.

Other notable activities of Risk Management functions

In 2025, the Bank undertook several strategic initiatives aimed at strengthening data-driven decision-making and expanding digital lending capabilities to better support BRAC Bank's business objectives.

- A comprehensive Risk Appetite Statement (RAS) for 2025 was formulated, taking into account prevailing industry dynamics and macroeconomic uncertainties. The RAS also reflects strategic realignment to further enhance the Bank's overall risk governance framework.
- Risk Management (RM) Policy and the Fraud Risk Management Policy were thoroughly reviewed and updated.
- Bank also prepared a detailed Recovery Plan for 2025, addressing potential vulnerabilities under multiple stress scenarios and outlining appropriate mitigation strategies to ensure business continuity and financial resilience.
- Annual Risk Conference 2025 was successfully conducted on November 29, 2025, in a hybrid format at the Bank's Head Office, facilitating broad participation and knowledge sharing.
- To test the robustness of critical business processes, technology infrastructure, and human resources, BRAC Bank conducted the Head Office Business Continuity Plan (BCP) Drill 2025 on December 17, 2025, at BCDM Savar. For the first time, the drill was unannounced and initiated early in the morning by the Managing Director & CEO, followed by the activation of the BCP call tree. The exercise involved 161 critical activities executed by 103 key personnel from 25 units across 7 divisions, all completed within the timelines specified in the Business Impact Analysis (BIA).
- The Incident Response Forum (IRF) remained highly proactive, effectively managing and resolving incidents related to crises, fraud, and forgery.
- In addition, the bank will enhance risk management through portfolio stress testing, robust credit risk model development and validation, and ongoing adherence to regulatory and governance requirements, ensuring informed decision-making and supervisory compliance.

Meeting Minutes

BRAC Bank operates three core risk governance forums: the Operational Risk Management Committee (ORMC), the Executive Risk Management Committee (ERMC), and the Board Risk Management Committee (BRMC). Within this structured framework, unresolved risks are first escalated to the ORMC for deliberation. Matters requiring senior management oversight are subsequently presented to the ERMC. Both ORMC and ERMC meet regularly to identify, assess, and mitigate emerging and existing risks.

Beyond these standing forums, the Basel Implementation Unit conducts periodic meetings to address Basel-related matters, while Supervisory Review Process (SRP) meetings are held in connection with the Internal Capital Adequacy Assessment Process (ICAAP). Detailed minutes are maintained for all such meetings and shared with Bangladesh Bank in compliance with regulatory requirements.

During 2025, the Bank convened four (04) ORMC meetings, twelve (12) ERMC meetings, and four (04) BRMC meetings. Additionally, 16 incidents were reviewed and resolved through the Incident Response Forum (IRF), all within the prescribed timelines. As a matter of best practice, all mandatory regulatory reports are first reviewed by the relevant risk forums prior to submission to the regulator.

Internal capital adequacy assessment process (ICAAP)

The Internal Capital Adequacy Assessment Process (ICAAP) encompasses a broad spectrum of risk categories, including documentation gaps, concentration risk, liquidity risk, reputational risk, environmental risk, settlement risk, and core operational risks. Banks are generally required to submit their ICAAP to the regulator on an annual basis.

In line with the Pillar II requirements of the Basel III framework, the Bank has implemented ICAAP through well-defined internal systems and procedures. The principal objective of ICAAP is to ensure that sufficient capital is maintained to absorb all material risks faced by the Bank. This involves the calculation of economic capital, which differs from regulatory capital, as it reflects internally assessed capital requirements based on the Bank's risk profile and internal risk measurement methodologies.

Recovery Plan of BRAC Bank

In compliance with BRPD Circular No. 03 dated February 24, 2022, and BRPD (R-1) (Law Review) 717/2022-8630, BRAC Bank prepared and submitted its Recovery Plan for 2025, which was approved at the 380th Board Meeting.

The Recovery Plan identifies the Bank's key vulnerabilities under a range of stress conditions and sets out strategies to address them. Five stress scenarios were assessed, focusing on potential impacts on core business areas, including deposit withdrawals, deterioration in asset quality, earnings volatility, interest rate movements, and shocks to equity and investment portfolios. The implications of these stresses on capital adequacy, liquidity, and profitability were evaluated using key metrics such as CET-1 Ratio, CAR, ADR, LCR, NSFR, ROE, and ROA.

Bank has also established early warning indicators and clearly defined departmental responsibilities to ensure timely and effective execution of recovery measures.

Training and Awareness

Operational Risk Desk at BRAC Bank actively promotes a strong risk-aware culture through structured policies, processes, and awareness initiatives. These include the dissemination of Operational Risk Tips and Case Studies, the organization of a full-day Annual Risk Conference, targeted operational risk training programs for employees, and automated e-learning modules on Fraud Risk Awareness delivered through alternative learning platforms.

Collectively, these initiatives are designed to reinforce the importance of sound risk management practices, disseminate best practices, and strengthen the Bank's overall risk control environment, with the ultimate goal of minimizing and effectively managing operational risks.

Fire Safety & Security

BRAC Bank successfully conducted its annual Fire Drill across all major locations, including the Head Office, HO Annex, Branch & SME units, ATMSC, Data Center (DC) and Disaster Recovery (DR) sites, ROC, and CRM Centers, within the scheduled timeframe.

The drill tested the effectiveness of critical fire safety components such as the Fire Safety Committee, fire detection and protection systems, emergency contact protocols, fire exit doors, emergency signage, and first aid facilities. All systems and controls were verified and found to be fully functional during the exercise.

Key Risk Indicator (KRI)

Enterprise Risk Management Department (ERMD) collects Key Risk Indicator (KRI) data from each division on a monthly basis. Trend analyses are performed on KRIs that exceed established thresholds to identify emerging risk patterns.

The results of these analyses, particularly in cases of significant breaches, are presented at ORMC meetings along with recommended mitigation measures to prevent recurrence. In addition, KRIs across departments are periodically reviewed to ensure alignment with the evolving business environment, thereby ensuring comprehensive coverage of both existing and emerging risk areas.

ANNUAL RISK CONFERENCE

BRAC Bank hosted its Annual Risk Conference on November 29, 2025, with over 1,000 participants. The event brought together senior officials from Bangladesh Bank, BRAC Bank's Board members and Management team, Branch Managers, Branch Operations Managers, Sub-Branch In-Charges and key risk and control officers. Conducted both in-person and virtually at BRAC Bank's Head Office. The conference aligned with Bangladesh Bank's Risk Management Guidelines for Banks 2018 to enhance employees' understanding of risk management frameworks and best practices. BRAC Bank's senior leadership has underscored the need for stronger governance, strict compliance and proactive preparedness to address the risks that may emerge in the coming years. The call came during the bank's Annual Risk Conference 2025.

Annual Risk Conference'25 in a nutshell

- Inaugurated by **MD & CEO, BRAC Bank PLC**
- Guest & Participants **1000+**
- Keynote on the "Macroeconomic Outlook – LDC Graduation and Trade Tariff" by **Dr. Zahid Hussain**
- Session Conducted by **Joint Director of the DOS of Bangladesh Bank**
- Panel Discussion on **Economic Forecasting & Bank's Readiness** – A Road Map for 2026 & Building a Data-Driven, People-Powered AML Framework
- Closing Remark by **The Chairperson of the BRMC**

Mr. Tareq Refat Ullah khan, MD & CEO of BRAC Bank PLC delivered the welcome speech and inaugurated the Annual Risk Conference 2025. He emphasized the importance of risk management in Bank.

Ms. Surabhi Ghosh, Additional Director, Department of Off-site Supervision (DOS), Bangladesh Bank, attended as the Special Guest and noted "Risk is an inherent aspect of the banking sector, stemming from a multitude of sources. The Bangladesh Bank is actively preparing, designing and implementing required alignments including new supervision departments to address risks more effectively."

Mr. Meheriar M. Hasan, the Chairperson BRAC Bank PLC, Mr. Salek Ahmed Abul Masrur, Independent Director and the Chairman of Board Risk Management Committee (BRMC), BRAC Bank PLC, Dr. Zahid Hussain, Independent Director, Member of the Board Risk Management Committee, BRAC Bank PLC, Ms. Lila

Rashid, Independent Director, Member of the Board Risk Management Committee, BRAC Bank PLC, Mr. Chowdhury MAQ Sarwar, Independent Director and the Chairperson of the Board Audit Committee, BRAC Bank PLC, Ms. Anita Ghazi Rahman, Independent Director, BRAC Bank PLC, Mr. Tareq Refat Ullah khan, MD & CEO BRAC Bank PLC, Mr. Ahmed Rashid Joy, AMD & CRO of BRAC Bank PLC, MANCOM members of BRAC Bank PLC; Extended MANCOM members of BRAC Bank PLC, Mr. Rabi Bhowmick, Head of Enterprise Risk Management Department, BRAC Bank PLC and senior officials related to key risk and control functions were present.

Dr. Zahid Hussain presented a keynote on the "Macroeconomic Outlook – LDC Graduation and Trade Tariff". Ms. Mahmuda Haque, Joint Director of the Department of Offsite Supervision of Bangladesh Bank, conducted a Session on "Strengthening Risk Management: Recent Initiatives of Bangladesh Bank". And Mr. Kazi Farook Kamal, Head of Credit – Retail, SME and Wealth Management, Dubai Islamic Bank, shared a presentation on "Risk Landscape – Retail lending". He stated, "Risk culture and stress testing are essential for defining an organization's risk awareness and resilience."

Mr. Meheriar M. Hasan, Chairperson, BRAC Bank PLC, Mr. Asif Khan, CFA, the President of the CFA Society Bangladesh and the Chairman of EDGE AMC Limited and Mr. Tareq Refat Ullah Khan, Managing Director & CEO, BRAC Bank PLC participated in a panel discussion on "Economic Forecasting & Bank's Readiness - A Road Map for 2026". The session was moderated by Mr. Ahmed Rashid Joy, Additional Managing Director and CRO, BRAC Bank PLC.

Mr. Salek Ahmed Abul Masrur, Independent Director and the Chairperson of Board Risk Management Committee (BRMC), BRAC Bank PLC, Mr. Chowdhury MAQ Sarwar, Independent Director and the Chairperson of the Board Audit Committee, BRAC Bank PLC and Mr. Sheikh Mohammad Ashfaque, Deputy Managing Director and Head of Branch Distribution Network, BRAC Bank PLC took part in a panel discussion on "Building a Data-Driven, People-Powered AML Framework". The interactive discussion was moderated by Mr. Chowdhury Moinul Islam, Deputy Managing Director and CAMLCO, BRAC Bank PLC.

Commenting on the conference, Mr. Salek Ahmed Abul Masrur, Independent Director and the Chairperson of Board Risk Management Committee (BRMC), BRAC Bank PLC, said: "As a values driven bank, we prioritize strong risk management and good governance. We appreciate Bangladesh Bank's steady guidance in this Journy. Through ongoing training and awareness, we aim to further strengthen our capabilities and set a benchmark for responsible banking in the industry."

ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

Ensuring balance sheet sustainability and optimal profitability

At BRAC Bank, Asset Liability Management Committee (ALCO) oversees key funding, liquidity and interest rate metrics. By analyzing these indicators, ALCO assess potential risks to the liquidity and profitability positions, which act as an early sign of potential changes in the market environment. The Asset-Liability Manager of Treasury is entrusted with the responsibility of evaluating the balance sheet structure and consequently placing recommendations to the ALCO and Head of Treasury. Based on the insights, the committee takes strategic decisions to achieve the dual objective of moderating balance sheet risks and optimizing profitability. The committee convenes at least once a month, while special meetings are also arranged when urgent matters arise.

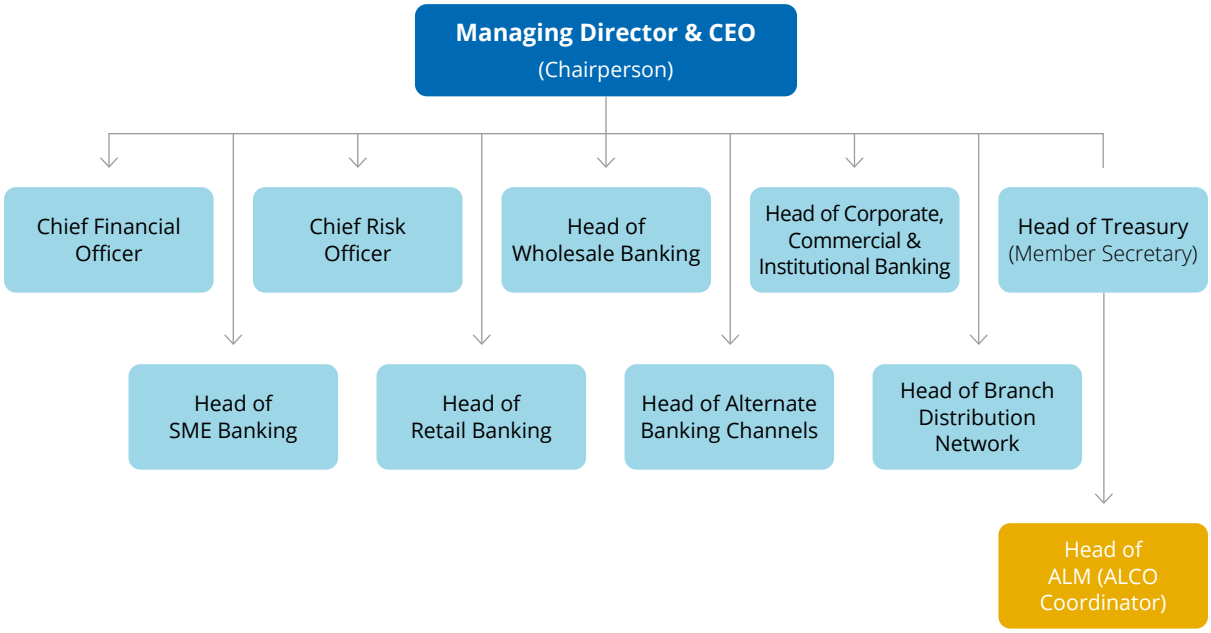
Our Enduring Priorities

- Embrace overall responsibility of balance sheet management
- Forecast interest rates and price deposits and loans accordingly
- Formulate liquidity and market risk strategy of the bank

Major Responsibilities of ALCO

- Ensure that the bank's assessment and reporting systems effectively reflect liquidity and market risks.
- Monitor the structure and composition of the bank's assets and liabilities and identify areas requiring closer monitoring.
- Determine key elements of the balance sheet structure, such as maturity and currency composition of assets and liabilities, balance between wholesale and retail funding, deposit mix, etc.
- Identify the strategies for managing significant, actual and expected increases and decreases in required funding.
- Regularly monitor maturity profile and mix of assets and liabilities.
- Periodically review the transfer pricing policy of the bank.
- Evaluate the potential market risks associated with launching new products.
- Review deposit and loan pricing strategy.
- Assess contingency funding roadmap.

ALCO Composition



2025 in Review

29%
Deposit Growth

17%
Loan Growth

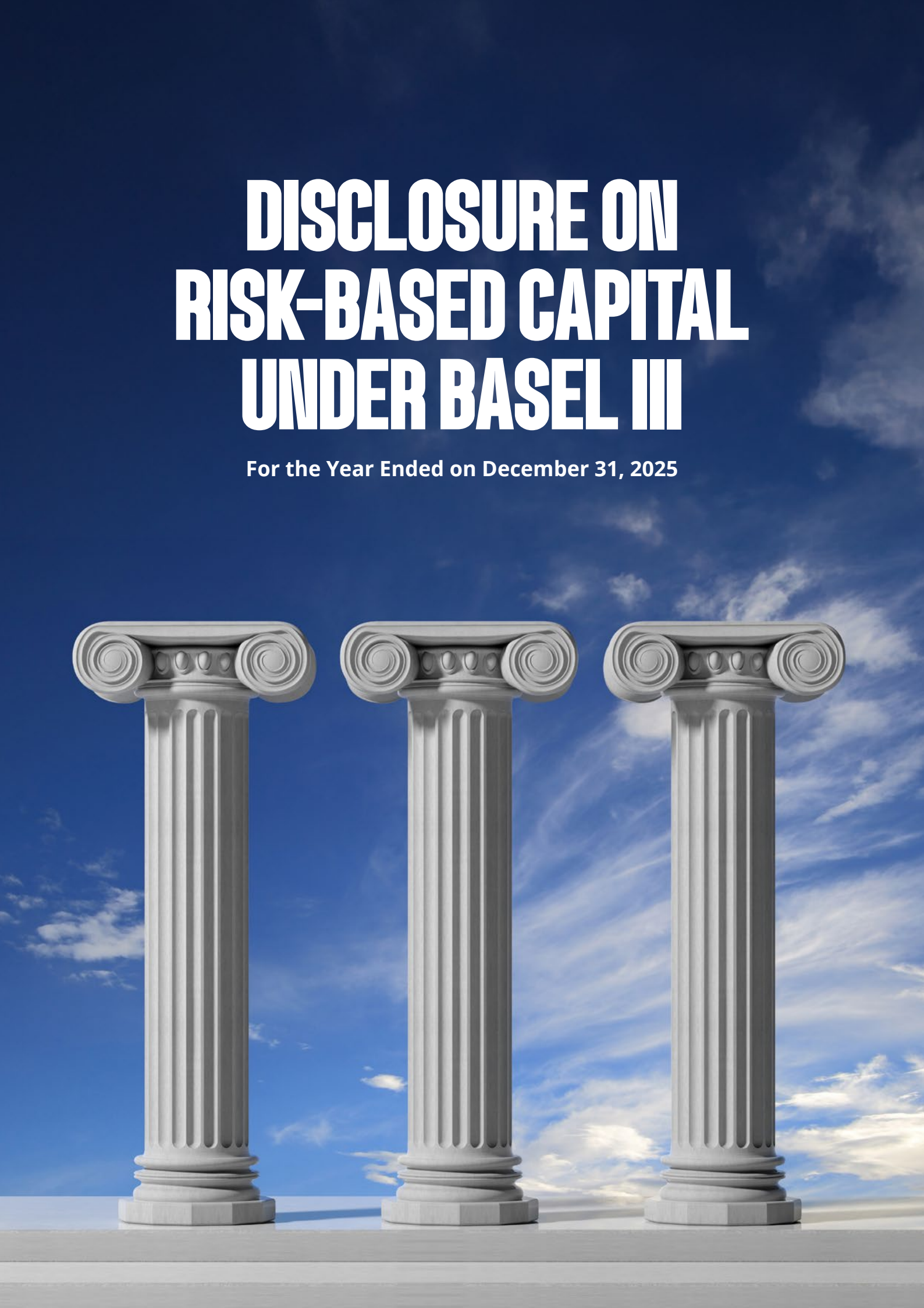
S&P Global Ratings
Highest Credit Rating by S&P with **Stable Outlook**

ALM Risk Ratios

63.48%	291.95%	108.20%	15.53%	1.79%
Advance to Deposit Ratio (ADR)	Liquidity Coverage Ratio (LCR)	Net Stable Funding Ratio (NSFR)	Maximum Cumulative Outflow (MCO)	Wholesale Borrowing Limit (WBL)
BB limit: ≤ **87%**	BB limit: ≥ **100%**	BB limit: > **100%**	BB limit: ≤ **16.50%**	BB limit: ≤ **80%**

DISCLOSURE ON RISK-BASED CAPITAL UNDER BASEL III

For the Year Ended on December 31, 2025



Background

The Basel III framework was introduced by the Basel Committee on Banking Supervision (BCBS) with the aim of strengthening the financial system and improving the shock resilience capacity of banks. This framework comprises capital rules that establish minimum capital ratios, overall capital adequacy standards, and liquidity standards to ensure that banks remain financially stable.

After the 2008 global financial crisis, it was imminently necessary to update the existing Basel norms to further reduce the risk in the banking system, improve financial institutions' ability to handle shocks from financial stress and strengthen their transparency and disclosure practices. Pillar III Market discipline was introduced, enabling stakeholders to assess the position of a bank.

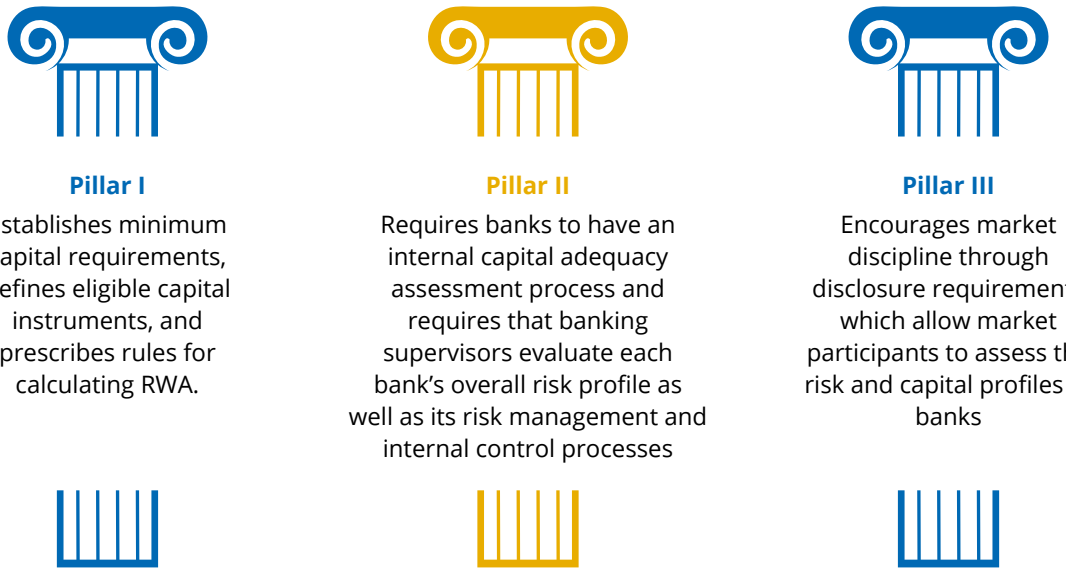
BRAC Bank PLC has adopted the Basel III framework as part of its capital management strategy in accordance with the guidelines on Risk-Based Capital Adequacy (RBCA) provided by the Bangladesh Bank. The Pillar III disclosure framework includes comprehensive information on the scope of application, capital, risk exposures, risk assessment processes, capital adequacy, liquidity position, and leverage of the bank. This framework serves as a testament to BRAC Bank's commitment to ensuring the safety and soundness of its operations.

Key Basel III Metrics 2025

Particulars	Minimum Regulatory Requirement	2025		2024	
		Solo	Consolidated	Solo	Consolidated
CRAR	12.50%	15.63%	19.64%	14.90%	19.00%
CET 1 Ratio	7.00%	12.16%	16.46%	12.26%	16.55%
CCB	2.50%	5.63%	9.64%	4.90%	9.00%
Leverage Ratio	3.75%	5.87%	7.76%	5.99%	7.80%
LCR	≥100%	291.95%	N/A	212.93%	N/A
NSFR	>100%	108.20%	N/A	112.36%	N/A
Total Eligible Capital (BDT mn)	5,000	93,142	127,427	71,429	98,474
Total RWA (BDT mn)	N/A	596,041	648,694	479,281	518,414

Basel Framework at a Glance

The Basel framework consists of a three "Pillar" approach:



Pillar I

Establishes minimum capital requirements, defines eligible capital instruments, and prescribes rules for calculating RWA.

Pillar II

Requires banks to have an internal capital adequacy assessment process and requires that banking supervisors evaluate each bank's overall risk profile as well as its risk management and internal control processes

Pillar III

Encourages market discipline through disclosure requirements which allow market participants to assess the risk and capital profiles of banks

Bangladesh's banking sector began implementing Basel regulations in 1996. The phase-in arrangement for Basel III implementation started in 2015 and was completed in 2019.

Consistency and Validation

The quantitative disclosures are made based on consolidated audited financial statements of BRAC Bank and its Subsidiaries for the year ended on December 31, 2025, and prepared according to the relevant International Accounting and Financial Reporting Standards and related circulars/ instructions issued by Bangladesh Bank from time to time. The information presented in the "Quantitative Disclosures" section can easily be verified and validated with corresponding information presented in the consolidated audited financial statements 2025 of BRAC Bank and its Subsidiaries along with separate audited financial statements of the Bank available on the website of the Bank (www.bracbank.com). The report is prepared once a year and is available on the website.

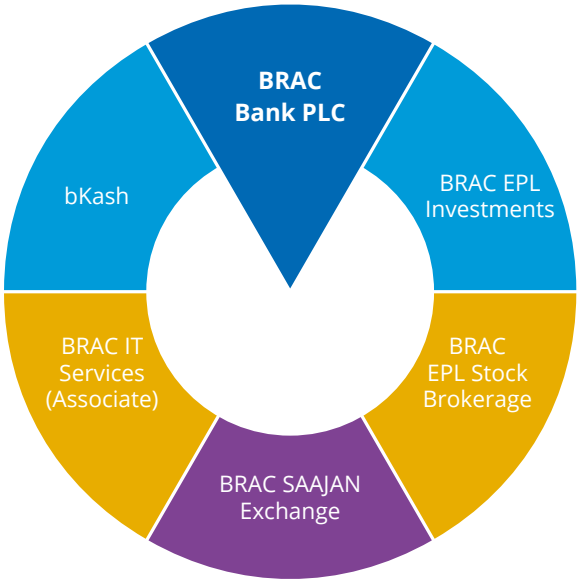
1. Scope of Application

Qualitative Disclosures

a) The name of the top corporate entity in the group to which this guideline applies

The framework applies to BRAC Bank PLC. on a 'Consolidated Basis' as there were four subsidiaries of the Bank and one associate as of the reporting date, December 31, 2025. However, 'Solo Basis' information has been presented, in addition to the 'Consolidated Basis,' to facilitate comparison.

b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group: (i) that are fully consolidated, (ii) that are given a deduction treatment, and (iii) that are neither consolidated nor deducted



For details overview of subsidiaries and associates company of BRAC Bank PLC., please refer to note no: 1.6 of page: 489.

Basis of Consolidation:

Consolidated financial statements include financial statements of BRAC Bank PLC. and its subsidiaries, BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited and BRAC SAAJAN Exchange Limited, as those of a single economic entity.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standard (IFRS) 10: Consolidated Financial Statements. The consolidated financial statements are prepared to a common reporting year ended 31 December 2025. Intra-company transactions, balances and intra-group gains on transactions between group companies are eliminated on consolidation.

(c) Any restrictions or other major impediments on the transfer of funds or regulatory capital within the group.

The rules and regulations of Bangladesh Bank's BRPD that govern the 'Single Borrower Exposure Limit' for customers are equally applicable to the Bank in financing its own subsidiaries. The Bank is following the latest Bangladesh Bank circular to determine the maximum amount of finance for its subsidiaries.

Quantitative Disclosures

a) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not applicable to the Bank.

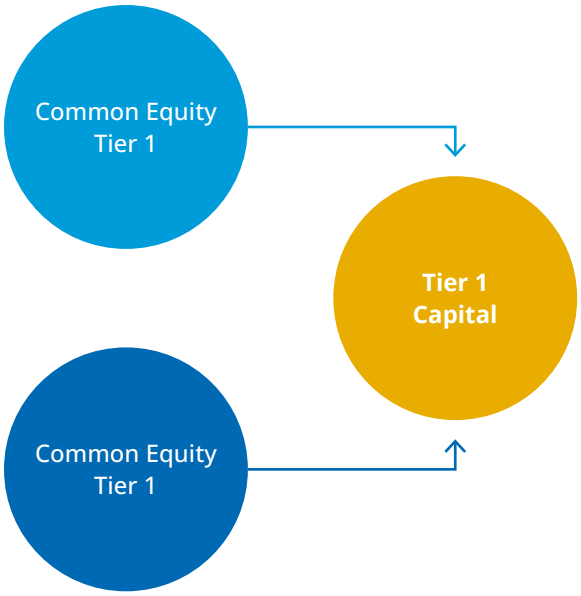
2. Capital Structure

Qualitative Disclosures

a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.

As per RBCA guidelines provided by Bangladesh Bank, regulatory capital is quite different from accounting capital. As per BB guidelines based on the Basel III accord, regulatory capital has two broad categories, namely, Tier 1 Capital (going-concern capital) and Tier II Capital (gone-concern capital).

Tier 1 Capital: This form of capital can absorb losses without triggering the bankruptcy of the Bank. Hence, it is the core measure of a bank's financial strength from the regulator's point of view. The components of Tier 1 Capital are given below:



Common Equity Tier 1 (CET1): The main components that comprise the CET-1 Capital are as below:

1. Paid up capital
2. Non-repayable share premium account
3. Statutory reserve
4. General reserve
5. Retained earnings
6. Dividend equalization reserve
7. Minority interest in subsidiaries

Additional Tier 1 (AT1):

- Non-cumulative irredeemable preference share
- Instruments issued by banks that meet the qualifying criteria for AT1 (the instrument is perpetual, i.e. no maturity date)
- Minority interest (AT1 issued by consolidated subsidiaries to the third parties)

Tier 2 Capital: Gone concern capital represents other elements that fall short of some of the characteristics of core capital but contribute to the overall strength of the Bank. Tier 2 capital consists of the following items:

- General Provision
- All other preference shares
- Subordinate debt
- Minority interest

Compliance Status:

As per RBCA guidelines 2014, banks are required to maintain regulatory capital in accordance with the following ratios on an ongoing basis. BRAC Bank has been maintaining the regulatory capital as stipulated by Bangladesh Bank.

Conditions for Maintaining Regulatory Capital	Compliance Status
Common Equity Tier 1 of at least 4.5% of the total RWA	Complied
Tier 1 capital will be at least 6.0% of the total RWA	Complied
Minimum CRAR of 10% of the total RWA	Complied
Additional Tier 1 capital can be admitted a maximum of up to 1.5% of the total RWA or 33.33% of CET1, whichever is higher	Complied
Tier 2 capital can be admitted to a maximum of up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher	Complied
Capital Conservation Buffer (CCB) of 2.5% of the total RWA in the form of CET1	Complied

Quantitative Disclosures

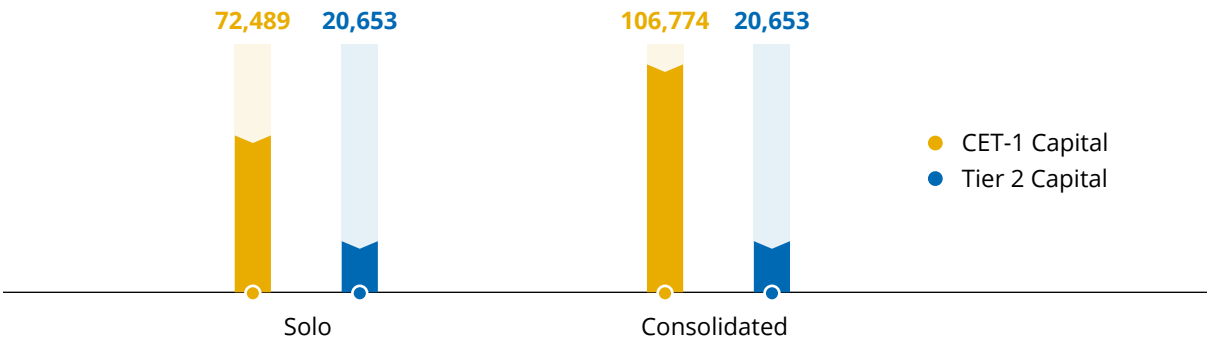
b) The amount of Regulatory capital, with separate disclosures of CET1 Capital, Additional Tier 1 Capital, Total Tier 1 Capital, Tier 2 Capital

Figures in BDT Million

Sl. No.	Particulars	Solo	Consolidated
(a)	Common Equity Tier-1 Capital (CET-1)		
a.1	Paid up capital	19,909	19,909
a.2	Non-Repayable Share Premium account	3,854	3,854
a.3	Statutory Reserve	16,055	16,257
a.4	Retained Earning	38,965	51,953
a.5	Dividend Equalization Reserve	355	355
a.6	Minority Interests in Subsidiaries	-	26,764
a.7	**Sub-total(a.1 to a.6)**	**79,138**	**119,091**
(b)	Less: Regulatory Adjustments	-	-
b.1	Goodwill and all other intangible Assets	907	4,788
b.2	Deferred Tax Assets (DTA)	5,743	7,529
(c)	**Total common equity Tier-1 capital (CET-1)**	**72,489**	**106,774**
(d)	Additional Tier-1 Capital	-	-
(e)	**Total Tier-1 Capital (Core Capital)**	**72,489**	**106,774**
(f)	Tier-2 Capital (Supplementary Capital)	-	-
f.1	General Provision	7,116	7,116
f.2	Subordinated Bond	13,537	13,537
(g)	Less: Regulatory Adjustments	-	-
(h)	**Total Admissible Tier-2 capital**	**20,653**	**20,653**
(i)	**Total Eligible Regulatory Capital**	**93,142**	**127,427**

Capital Composition

BDT mn



3. Capital Adequacy

Qualitative Disclosures

a) A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities.

Capital Adequacy Management Strategy:

BRAC Bank has developed its own capital management pillars, meticulously aligned with regulatory requirements and Basel guidelines, to calculate the capital-to-risk weighted asset ratio (CRAR) and secure adequate capital to cover the risks faced from the perspective of facilitating a sound business.

While doing so, the Board and Management actively define the goals of capital management, such that capital levels (CRAR) consistently exceed the bank's regulatory requirements by at least 1%. We strive to ensure that our capital levels remain aligned with the risks prevailing in the business and are consistent with our strategic plans. We also ensure that capital levels maintain an appropriate balance between maximizing shareholder value and protecting the interests of deposit holders and other creditors.

Various stress scenarios are also considered, as they are reliable indicators of future adversities. While we consider capital position in determining our risk appetite, fortified measures are also undertaken so that there are no deficiencies at any given point in time. The results of our prudent and ring-fenced capital management strategy comprise:

- A capital plan that meets the needs of the bank over a five-year horizon
- An ICAAP that determines accurate levels of required capital according to the measures of balance sheet capital and regulatory capital (Tier-1 and Tier-2)
- A process for regularly evaluating available capital against current and projected solvency needs and addressing deficiencies promptly.
- A methodology that ensures improvement in the superintendence of stress scenarios

Our approach to capital management is driven by our strategic goals. We ensure that regulatory requirements, capital targets, and risk appetite are met at all times and in all conditions..

Calculation Approach:

Assessment of capital adequacy is carried out in conjunction with reporting to the Bangladesh Bank on capital adequacy. The Bank has adopted the following approach for calculating risk-weighted assets (RWA) and capital adequacy.

- **Credit Risk:** Standardized Approach (SA)
- **Market Risk:** Standardized Approach (SA)
- **Operational Risk:** Basic Indicator Approach (BIA)

Compliance with Regulatory Requirements:

As per Bangladesh Bank's Risk-Based Capital Adequacy (RBCA) guideline 2014, the Minimum Capital Requirement (MCR) for Bangladeshi banks is currently 10% of their total RWA, with the addition of the Capital Conservation Buffer, which is 2.5% of the total RWA. As of December 2025, BRAC Bank was well ahead of this minimum target both on a solo and a consolidated basis.

Surplus Capital to Support Current and Future Activities:

BRAC Bank managed to maintain surplus capital of 3.13% on a solo basis and 7.14% on a consolidated basis in addition to regulatory requirements. The surplus capital maintained by BRAC Bank will act as a cushion to absorb the risks that arise from other risks under Pillar II and to support the future business growth of the Bank.

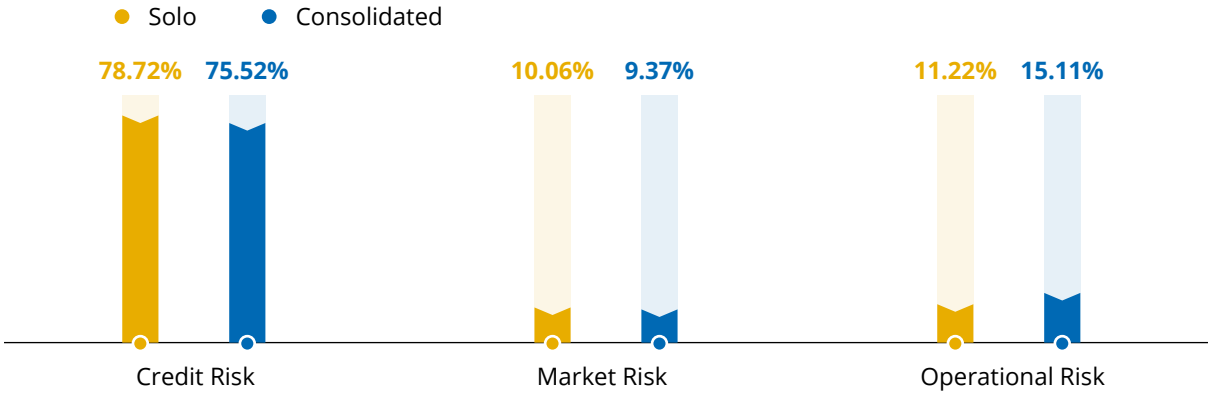
Quantitative Disclosures

Figures in BDT Million

Sl.	Particulars	Solo	Consolidated
(b)	Capital Requirement for Credit Risk	46,920	48,991
(c)	Capital Requirement for Market Risk	5,997	6,075
(d)	Capital Requirement for Operational Risk	6,687	9,803
	Minimum Capital Requirement (MCR)	**59,604**	**64,869**
(e)	Capital Ratio:		
	CET 1 Capital	72,489	106,774

Sl.	Particulars	Solo	Consolidated
	Total Tier 1 Capital	72,489	106,774
	Total Tier 2 Capital	20,653	20,653
	Total Capital	93,142	127,427
	Total Risk-Weighted Assets (RWA):	596,041	648,694
	Capital to Risk-Weighted Assets Ratio (CRAR)	**15.63%**	**19.64%**
	CET 1 Capital Ratio	12.16%	16.46%
	Tier-1 Capital Ratio	12.16%	16.46%
	Tier-2 Capital Ratio	3.47%	3.18%
(f)	Capital Conservation Buffer (CCB) (Maintained)	5.63%	9.64%
(g)	Available Capital under Pillar 2 Requirement	33,538	62,558

Capital Requirement Composition



4. Credit Risk

Qualitative Disclosures

I. The general qualitative disclosure requirement with respect to credit risk:

- Definitions of past due and impaired (for accounting purposes)
- Description of approaches followed for specific and general allowances and statistical methods
- Discussion of the Bank's credit risk management policy

Credit risk management constitutes one of the most critical pillars of a bank's overall risk management framework. It encompasses the policies, processes, and practices designed to minimize the risk of financial loss arising from a borrower's failure to repay a loan or meet contractual obligations. Robust credit risk management safeguards the Bank's financial health, preserves asset quality, ensures regulatory compliance, and underpins long-term institutional sustainability.

Governance Framework & Credit Policy

Effective credit risk management at BRAC Bank begins at the apex of institutional governance. The Board of Directors retains supreme authority over all credit risk exposures, setting the strategic risk appetite and establishing the overarching policy framework within which all credit activities are conducted. Operational responsibility is delegated to the Managing Director & CEO and designated officers within the Credit Risk Management (CRM) Division.

Board-Approved Credit Risk Management Policy

BRAC Bank operates under a Board-approved Credit Risk Management Policy—a comprehensive framework designed to protect the Bank against credit exposures across all business segments. In line with evolving regulatory requirements and industry best practices, this policy is reviewed annually by the Board of Directors to ensure its continued relevance, rigor and responsiveness to dynamic market conditions.

Credit Policy Alignment

BRAC Bank's credit policy is fully aligned with Bangladesh Bank's Core Risk Management Guidelines. This dynamic policy framework establishes the principles necessary to ensure the quality and sustainability of the Bank's asset portfolio, prescribing detailed methodologies for credit origination, assessment, approval, grading, monitoring, and recovery. Covering corporate, retail, and SME segments, the policy has institutionalized a structured, standardized risk management process in full alignment with Central Bank guidelines.

Independence of the Credit Risk Function

A defining feature of BRAC Bank's governance architecture is the strict separation of credit risk management from business origination. This independence safeguards robust internal controls, ensures objective credit assessment and mitigates potential conflicts of interest—reinforcing the integrity of the Bank's credit decision-making at every level.

Credit Origination & Due Diligence Process

Consistent with BRAC Bank's centralized operational architecture, the Bank has established a streamlined and efficient loan processing system. The Relationship Manager (RM) serves as the primary point of origination—identifying prospective business opportunities while strictly adhering to BRAC Bank's risk acceptance criteria, including the foundational "5Cs" of credit evaluation: Character, Capacity, Capital, Collateral and Conditions.

The Credit Proposal Journey

Each credit facility follows a structured, multi-stage approval workflow:

1. The Relationship Manager (RM) prepares the credit proposal and submits it for independent review.
2. The CRM or Underwriting Division conducts a rigorous assessment against the applicable regulatory framework, internal policies, prescribed risk rating models and environmental and social risk parameters.
3. The proposal, along with a clear recommendation, is escalated to the designated approving authority for a final credit decision.
4. Upon approval, the Asset Operations Division or Credit Administration team executes loan documentation and disbursement with precision.

Due Diligence Framework

Prior to extending any credit facility, BRAC Bank undertakes an exhaustive due diligence exercise. Each transaction or project proposal is subject to an in-depth analysis spanning:

- The applicant's business model, market standing, reputation, industry dynamics and competitive positioning.
- Sponsor directors' and key management personnel's expertise, experience and succession planning capabilities.
- Borrower's corporate governance standards and ethical standing.
- Historical and projected financial statements, cash flow forecasts and debt service capacity.
- Independent verifications including CIB reports, search reports and legal title checks.

Physical Verification & Site Visits

Where preliminary findings confirm client suitability, Relationship Managers conduct physical visits to manufacturing facilities or trading outlets to validate the operational realities underlying the financing request. Detailed site visit and stock verification reports are maintained in each client's credit file as essential reference points for ongoing monitoring and future credit reviews.

Credit Assessment & Grading

A disciplined credit appraisal system underpins the integrity of the Bank's lending decisions. BRAC Bank's credit evaluation rigorously examines the full scope of a borrower's credit relationship, encompassing liability status, security arrangements with other lenders, internal and external credit ratings (particularly for Corporate and SME clients), proposed collateral structures, environmental risk ratings and all covenants prescribed under internal policies.

Know Your Customer (KYC)

KYC constitutes the foundational step in establishing the banker-customer relationship. It ensures full identification and background verification of the borrower, sponsor directors, and key management personnel—providing the Bank with a comprehensive understanding of the client's profile before any credit commitment is made.

Credit Evaluation Dimensions

Each loan proposal is assessed across the following dimensions:

- **Borrower Assessment:** Financial strength, repayment history, credit bureau standing (CIB) and overall creditworthiness.
- **Industry & Market Analysis:** Sector dynamics, competitive landscape, cyclicality and growth prospects.
- **Financial Analysis:** Historical performance, projected cash flows, leverage ratios and debt service coverage.

- **Security Coverage:** Nature, value, enforceability and liquidity of proposed collateral.
- **Account Conduct:** Historical relationship performance, transaction patterns and covenant compliance.
- **Environmental & Social Risk:** Assessment against ESRM Guidelines and the Bank's Exclusion List.

Segregated Responsibilities

To preserve objectivity and maintain robust internal control throughout the credit lifecycle, responsibilities are clearly segregated: Relationship Managers originate and propose facilities; the Credit Division independently appraises and recommends; and Credit Administration disburses upon receipt of complete documentation. This three-way segregation ensures that no single function exercises undue influence over the end-to-end credit process.

Credit Risk Mitigation

Mitigating potential credit risk is a foundational priority. The Bank employs a layered set of controls and collateral arrangements to secure its exposures and reinforce resilience against borrower defaults and market uncertainties.

Security & Collateral Framework

- Primary and collateral securities comprising cash, real property, plant and machinery and marketable securities.
- Thorough physical verification by Bank officials, complemented by independent professional valuation from approved valuers.
- Legal review of the enforceability of all security instruments to confirm realizability under adverse scenarios.

Environmental & Social Risk Management (ESRM)

BRAC Bank's commitment to responsible banking extends beyond financial metrics to encompass environmental and social considerations. In every lending decision, the Bank observes its Exclusion List and adheres to the Environmental and Social Risk Management (ESRM) Guidelines—ensuring that credit activities contribute positively to broader societal goals.

In recent years, BRAC Bank has progressively integrated environmental risk management into its credit practices, guided by the standards of international Development Finance Institutions (DFIs) and evolving regulatory directives. By embedding social and environmental considerations within its credit approval framework, the Bank actively contributes to broader societal welfare.

Definitions of Past Due and Impaired Loans (for Accounting Purposes)

BRAC Bank adheres to the regulatory framework prescribed by Bangladesh Bank in classifying and provisioning loans and advances. Past due or overdue facilities are defined as follows:

All the loans will be treated as past due/overdue from the following day of the expiry date or from the creation of the forced loan or from the due date if not repaid/renewed depending on different loan categories namely- (a) Continuous Loan (b) Demand Loan (c) Fixed Term Loan and (d) Short-term Agricultural Credit. However, in case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry/ due date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry/due date.

Loans and advances are grouped into four broad categories—Continuous Loans, Demand Loans, Fixed-Term Loans, and Short-Term Agricultural and Micro Credit—with overdue periods determining classification into Sub-Standard, Doubtful, and Bad & Loss categories under objective criteria, as summarized in the table below:

Loan Category	Classification	Past Due Period
Unclassified	STD-0	No Past Due / Overdue
	STD-1	≥ 1 day < 1 month
	STD-2	≥ 1 month < 2 months
	SMA	≥ 2 months < 3 months
Classified	SS	≥ 3 months < 6 months
	DF	≥ 6 months < 12 months
	BL	≥ 12 months

Source: BRPD Circular No. 15, dated 27 November 2024

Besides, under qualitative judgment, any loan can be classified based on the perceived risk and/or if full repayment is unlikely even if it has no past due or overdue on the basis of objective criteria. Such classification should reflect the degree of deterioration in the borrower's creditworthiness and the anticipated impact on repayment.

Approaches for Specific and General Provisions and Statistical Methods

BRAC Bank adopts a systematic and proactive approach to provisioning, maintaining the highest standards to guard against potential credit losses. Provisioning is calibrated to reflect the risk profile of each exposure, with differentiated rates applied across business units and customer segments.

Provisioning Framework

- **General Provisions:** Applied uniformly across unclassified loans to anticipate potential future losses, in accordance with provisioning rates prescribed by Bangladesh Bank.
- **Specific Provisions:** Allocated for loans classified as Sub-Standard, Doubtful, or Bad/Loss, adjusted for eligible collateral and interest suspense balances.
- **Off-Balance Sheet Exposures:** Provisions maintained to address contingent liabilities in accordance with applicable regulatory instructions.

Impairment Assessment

At each reporting date, BRAC Bank conducts objective impairment assessments on financial assets, incorporating evidence of credit deterioration identified after initial recognition. Where impairment losses are identified, they are recorded over and above regulatory provisions to maintain the integrity of the Bank's financial statements.

Write-Off Policy

Loan write-offs are administered judiciously, strictly in accordance with BRPD Circular No. 04, dated 18 February 2024, ensuring that the Bank's legal rights of recovery remain fully preserved. Rigorous record-keeping and active monitoring of written-off accounts reinforce the Bank's disciplined credit management practices.

Applicable Provisioning Rates — December 2025

As of December 2025, BRAC Bank is required to maintain general and specific provisions on classified and unclassified loans and advances/investments in accordance with Bangladesh Bank guidelines, as detailed below:

Type of Provision	Loan Category	Provisioning Rate
General Provision	STD-0	1% of Loan Outstanding
	STD-1	1% of Loan Outstanding
	STD-2	1% of Loan Outstanding
	SMA*	5% of Loan Outstanding
Specific Provision	SS	20% of Base for Provision
	DF	50% of Base for Provision
	BL	100% of Base for Provision

**For loans granted to Small, Cottage & Micro enterprises under CMSME and Short-Term Agricultural credits, the provisioning rate for all unclassified loans (STD-0, STD-1, STD-2 & SMA) is 1%. (Ref: BRPD Circular Letter No. 22, dated 13 October 2025)*

Master Circular Ref: BRPD Circular No. 15, dated 27 November 2024

Portfolio Monitoring, Recovery & Sustainable Banking

Robust credit risk management does not end at disbursement. BRAC Bank maintains active oversight of its loan portfolio through a decentralized collection model, specialized recovery infrastructure, and an unwavering commitment to sustainable, responsible banking.

Ongoing Portfolio Monitoring

A decentralized collection model ensures sustained borrower engagement for timely repayments. Relationship Managers and field teams maintain regular contact with borrowers, enabling early identification of signs of financial stress or covenant breach. Early Alert Accounts are closely monitored by their respective business units, allowing proactive intervention before exposures deteriorate further.

Special Asset Management (SAM)

The Special Asset Management wing addresses non-performing assets through a structured suite of recovery mechanisms, including negotiated settlements, decree execution, and auctions of collateralized properties. This dedicated function ensures that the Bank's recovery efforts are systematic, legally sound, and value-maximizing.

Credit Risk Management Philosophy

Credit Risk Management (CRM) at BRAC Bank is conceived not merely as a defensive function, but as a proactive and developmental discipline—one that balances financial prudence with a commitment to socio-economic and environmental well-being. The overarching objective is to optimize risk-adjusted returns while maintaining robust asset quality standards.

While the traditional mandate of CRM centres on maximizing risk-adjusted returns through stringent underwriting, BRAC Bank extends this responsibility significantly further. The Bank adopts a holistic, forward-looking approach that places pronounced emphasis on the socio-economic and environmental consequences of its credit decisions—an ethos that distinguishes its credit risk management philosophy. The Bank champions sustainable development over mere growth, and long-term value creation over short-term value extraction.

Given that a significant proportion of BRAC Bank's revenues is derived from SME financing, the sustainability of its business is intrinsically linked to the quality of its asset base. The meticulous management of loans and advances is therefore not merely a regulatory obligation—it is a strategic imperative that defines the Bank's enduring commitment to financial sustainability, institutional integrity, and responsible growth.

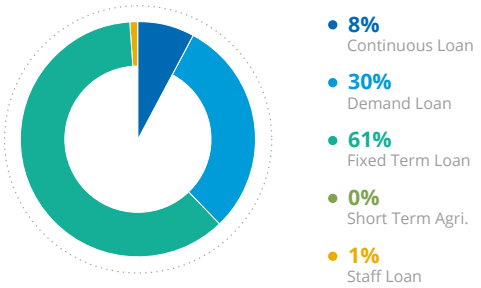
Quantitative Disclosures

II. Total gross credit risk exposures broken down by major types of credit exposure:

BDT million

Categories of loans	Outstanding
Continuous Loans (CL-2)	**56,752**
i. Small & Medium Enterprises Financing (SMEF)	
a. Small, Cottage & Micro Enterprises	9,602
b. Medium Enterprises	6,469
ii. Consumer Financing (CF)	17,429
iii.Loans to BHs/MBs/SDs against share, etc.	553
iv. Other than SMEF,CF,BHs/MBs/SDs	22,699
Demand Loans (CL-3)	**219,974**
i.Small & Medium Enterprises Financing (SMEF)	
a. Small, Cottage & Micro Enterprises	14,137
b. Medium Enterprises	2,778
ii. Consumer Financing (CF)	13
iii.Loans to BHs/MBs/SDs against share etc.	-
iv.Other than SMEF,CF,BHs/MBs/SDs	203,047
Fixed Term Loan (CL-4)	**372,125**
i. Small & Medium Enterprises Financing (SMEF)	
a. Small, Cottage & Micro Enterprises	251,719
b. Medium Enterprises	20,998
ii. Consumer Financing (Other than HF & LP)	85,222
iii. Housing Finance (HF)	13,818
iv.Loans for professionals to Set up business (LP)	5,995
V.Loans to BHs/MBs/SDs	-
vi. Other than SMEF,CF,HF, LP, BHs/MBs/SDs	70,614
Short Term Agri. credit and Micro Credit (CL-5)	**546**
Staff loan	**5,021**
Grand Total	**730,659**

Gross Credit Exposure

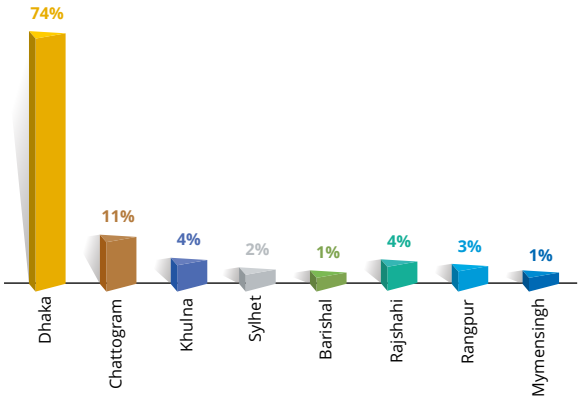


III. Geographical distribution of exposures, broken down in sigsnificant areas by major types of credit exposure:

BDT million

Division	Outstanding
Dhaka	538,242
Chattogram	80,163
Khulna	32,747
Sylhet	12,997
Barisal	9,357
Rajshahi	29,935
Rangpur	20,167
Mymensingh	7,050
Grand Total	**730,659**

Geographical Distribution



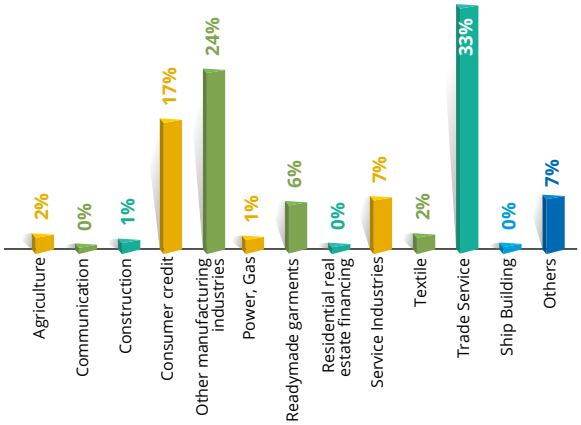
IV. Industry or counterparty type distribution of exposures, broken down by major types of credit exposure:

BDT million

Industry/Counterparty	Outstanding
Agriculture	11,217
Communication	3,441
Construction	6,826
Consumer credit	127,505
Other manufacturing industries	177,548
Power, Gas	8,520
Readymade garments	43,312
Residential real estate financing	1,466
Service Industries	47,919
Textile	11,235
Trade Service	241,740
Ship Building	81
Others	49,848
Grand Total	**730,659**

Industry

BDT mn



V. Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure:

BDT million

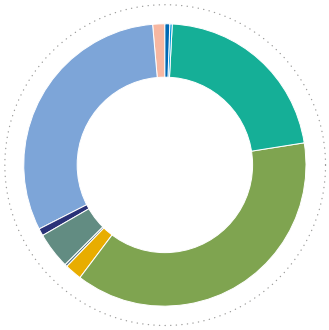
Residual Contractual Maturity	Outstanding
Repayable on demand	1,390
Up to 1 month	74,463
Not more than 3 months	127,032
More than 3 months but not more than 1 Year	297,118
More than 1 year but not more than 5 years	214,223
More than 5 years	16,433
Grand Total	**730,659**

VI. By major industry or counterparty type: Amount of impaired loans and if available, past-due loans, provided separately; Specific and general provisions; and Charges for specific allowances and charge-offs during the period:

BDT million

Sector wise NPL	Outstanding
Agriculture	102
Construction	82
Consumer credit	3,580
Other manufacturing industries	6,239
Readymade garments	314
Residential real estate financing	1
Ship building	81
Service industries	660
Textile	134
Trade service	5,164
Others	213
Grand Total	**16,569**

NPL Composition



- 0.6% Agriculture
- 0.5% Construction
- 21.6% Consumer credit
- 37.7% Other manufacturing industries
- 1.9% Readymade garments
- 0.0% Residential real estate financing
- 0.5% Ship building
- 4.0% Service industries
- 0.8% Textile
- 31.2% Trade service
- 1.3% Others

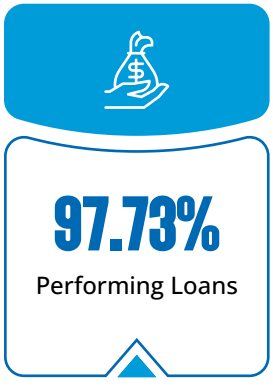
Amount in BDT Million

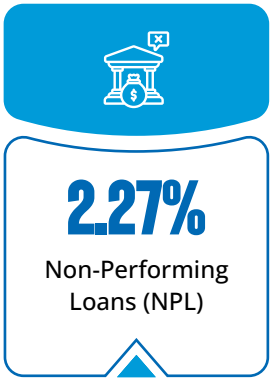
Classification Status	Outstanding loans and advances 2025	Base for provision	Required provision 2025
Unclassified	714,090	708,522	5,962
Classified	16,569	17,064	12,344
Sub-Total	**730,659**	**725,586**	**18,306**

Total required provision for loans and advances	**18,306**
Total provision maintained	**18,750**
Excess provision over minimum required provision prescribed by Bangladesh Bank	**444**

VII. Gross Non-Performing Assets; Non-Performing Assets to Outstanding Loans & advances; Movement of Non-Performing Assets NPAs); Movement of Specific provisions for NPAs

Particulars	(BDT million)
Outstanding Loans & Advances	730,659
Non-Performing Loans	16,569
NPL %	**2.27%**





Movement of Non-Performing Loans (NPL):

BDT million

Non-Performing Loans	Outstanding
Opening balance	16,403
Additions during the year	9,380
Reductions during the year	(9,215)
Closing Balance	**16,569**

Movement of Specific Provisions for NPLs:

BDT million

Particulars	Amount
Provisions held at the beginning of the year (i)	13,263
Add: Transfer from general provision (ii)	-
Less: Write off during the year (iii)	(7,247)
Add: Net Provision charged for the year (iv)	6,616
Add: Recovery of written off bad debts (v)	1,052
Less: Adjustment/Release during the year (vi)	(902)
Provisions held at the end of the year (i+ii-iii+iv+v-vi)	**12,782**

5. Equities: Disclosures for Banking Book Positions

Qualitative Disclosures

a) The general qualitative disclosure requirement with respect to equity risk, including:

- **differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons;**

Investments in equity securities are broadly categorized into two parts:

- **Quoted Securities:** These securities are bought and held primarily to sell them in the future or held for dividend income, which is reported at cost. Unrealized gains are not recognized in the profit and loss statement. However, the required provisions are kept for the diminution of the value of the investment.
- **Unquoted Securities:** Investment in unlisted securities is reported at a cost under the cost method. Adjustment is given for any shortage of book value over cost to determine the carrying amount of investment in unlisted securities.

ii) Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices

The primary aim is to invest in these equity securities for the purpose of capital gain by selling them in the future or holding them for dividend income. As per BRPD Circular no. 14, dated June 25, 2003, investments in quoted shares and unquoted shares are revalued at the year-end at market price and as per the book value of the last audited balance sheet of that company, respectively. Provision should be made for any loss arising from diminution in the value of investments (portfolio basis), otherwise, investments are recognized at cost.

Recognition and Measurement: Investments in shares and securities generally fall either under "at fair value through Profit or Loss Account" or under "available for sale," where any change in fair value at the year-end is taken to the Profit or Loss Account or Revaluation Reserve Account, respectively.

The valuation methods of Marking to Market for investment used are:

i. **Held to Maturity (HTM):** Investments which have fixed or determinable payments and fixed maturity that the group has the positive intent and ability to held to maturity, other than those that meet the definition of 'Held at amortized cost others' are classified as held to maturity. These investments are subsequently measured at amortized cost, less any provision for impairment in value. Amortized cost is calculated considering any discount or premium in acquisition. Any gain or loss on such investments is recognized in the statement of income when the investment is de-recognized or impaired.

ii. **Held for Trading (HFT):** Investments classified in this category are acquired principally for the purpose of selling or repurchasing - in short trading or if designated as such by the management. After initial recognition, investments are measured at market value, and any change in the fair value is recognized in the statement of income for the period in which it arises. Transaction costs, if any, are not added to the value of investments at initial recognition.

iii. **Revaluation:** According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009 and DOS Circular no. 02, dated 19 January 2012, HFT securities are revalued once each week using marking-to-market concept, and the HTM securities are amortized once a year according to Bangladesh Bank guidelines. HTM securities are also revalued if they are reclassified to HFT category with the Board's approval. Moreover, as per DOS circular letter no. 27 dated 04 December 2023, amortization on HTM securities can be taken into profit and loss account before maturity. Gains arising from revaluation of HFT securities on 'Marking to Market' basis are recognized in revaluation reserve account while losses from revaluation of the same securities are recognized in profit and loss account.

Valuation & Accounting of Investment

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Govt. T-bills/ bonds - HFT	Cost	Marking to Market/ fair value	Loss to profit and loss a/c, gain to revaluation reserve
Govt. T-bills/ bonds - HTM	Cost	Amortized cost	Amortized gain to revaluation reserve and loss to profit and loss
Bond/Debenture	Cost	Cost	Profit & Loss Account
Quoted shares	Cost	Lower of cost or market price at balance sheet date	Loss (net off gain) to Profit and Loss Account but no unrealized gain booking
Un-quoted Shares	Cost	Lower of cost or Net Asset Value (NAV) of last audited account	Profit and Loss Account
Mutual fund (closed-end)	Cost	Lower of cost and (higher of market value and 85% of NAV)	Provision for unrealized loss to profit and loss account but no unrealized gain booking.
Mutual fund (Open-end)	Cost	Lower of cost and 95% of NAV	Provision for unrealized loss to profit and loss account but no unrealized gain booking.
Prize bond	Cost	Cost	N/A

Quantitative Disclosures

b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

Figures in BDT million

Particulars	Solo		Consolidated	
	Cost Price	Market Value	Cost Price	Market Value
Value of Quoted Share	8,130	7,637	8,519	8,026
Value of Unquoted Share	580		667	

c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.

d) Total unrealized gains (losses); Total latent revaluation gains (losses); Any amounts of the above included in Tier 2 capital

Figures in BDT million

Sl.	Particulars	Solo	Consolidated
c)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	(17.80)	(78.22)
d)	Total unrealized gains (losses)	(493.08)	(493.08)
	Total latent revaluation gains (losses)	-	-
	Any amounts of the above included in Tier 2 capital.	-	-

e) Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

Figures in BDT million

Capital Charge for Equities	Solo	Consolidated
Specific Risk	764	803
General Market Risk	764	803
Total Capital Charge	**1,527**	**1,605**

6. Interest rate risk in the banking book (IRRBB)

Qualitative Disclosures

a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement:

Interest rate risk in the banking book (IRRBB) refers to the current or potential risk to Bank's earnings and capital arising from adverse movements in interest rates affecting banking book positions. Changes in interest rates influence the present value and timing of future cash flows from assets, liabilities, and off-balance sheet exposures, thereby impacting the Bank's economic value and net interest income (NII).

BRAC Bank believes that effective IRRBB management is an essential component of safe and sound banking practices and has a direct impact on the BRAC Bank's earnings and equity. The Bank ensures alignment between rate-sensitive assets and liabilities across various time buckets to reduce exposure to both parallel and non-parallel shifts in the yield curve. Both economic value (ΔEVE) and earnings-based (ΔNII) approaches are used to monitor and manage interest rate risk.

The Board of Directors oversees IRRBB management. It is executed via delegated authority to the Asset Liability Management Committee (ALCO). The Committee is responsible for the implementation of limits that are within the policy and maintenance of the ratios & limits. It is also responsible for ensuring that appropriate processes and controls are in place so that all risks are identified, measured and reported against approved risk limits as well as authorizing appropriate action (as required) if there is a limit breach. ALCO also delegates operational mandates and authorities to individual business and Treasury.

Rate-sensitive items are placed in time buckets based on residual maturity. Non-sensitive items such as cash, balance with Bangladesh bank, classified loan, non-rate sensitive investments, fixed assets, other assets, capital and other liabilities are excluded. The Bank constructs its own yield curve based on Treasury bill/bond rates and applies it consistently across products. A behavioral approach is applied to non-maturity deposits (NMDs), placing them in appropriate time buckets. Loan prepayment assumptions are currently constant across all-time buckets.

The Bank uses six interest rate shock scenarios prescribed by the Basel Committee on Banking Supervision (BCBS):

1. Parallel shock up (+4%)
2. Parallel shock down (-4%)
3. Steepener
4. Flattener
5. Short rate shock up
6. Short rate shock down

The worst change in Economic Value of Equity (ΔEVE) and Net Interest Income (ΔNII) is reported to assess the Bank's IRRBB exposure.

Quantitative Disclosures

The following table shows the impact on the BRAC Bank's net interest income (NII) in the banking book as well as the change in the economic value (ΔEVE) for the banking book positions from interest rate shock scenarios-

All figures in BDT million

Shock Scenario	ΔEVE (31-Dec-25)	ΔNII (31-Dec-25)
Parallel up (+4%)	(10,264)	(5,074)
Parallel down (−4%)	17,923	4,952
Steepener	(6,947)	-
Flattener	6,196	-
Short rate up	(975)	-
Short rate down	762	-
Maximum Loss	(10,264)	(5,074)
Tier-1 Capital	**72,489**	**72,489**

As seen above, the maximum adverse impact on Economic Value of Equity (ΔEVE) as of December 31, 2025, is BDT 10,264 million under the parallel upward rate shock, which represents approximately 14.16% of Tier-1 capital. For Net Interest Income (ΔNII), the maximum negative impact is BDT 5,074 million under the same shock.

The Bank continues to monitor IRRBB closely to ensure exposures remain well within its internal risk appetite and regulatory expectations.

7. Market risk

Qualitative Disclosures

a) (i) Views of BOD on trading/investment activities (ii)Methods used to measure Market risk; (iii) Market Risk Management system; (iv) Policies and processes for mitigating market risk

Views of BOD

Market risk arises due to changes in market variables such as interest rates, foreign currency exchange rates, equity prices, and commodity prices. The financial instruments that are held with trading intent or to hedge against various risks are purchased to make a profit from spreads between the bid and ask price and are subject to market risk.

BRAC BANK has a Foreign Exchange Risk Management Guideline that has been entirely customized as per our bank's needs since 2004. The guidelines have been prepared as per Bangladesh Bank guidelines and appraised by our Board of Directors. All financial activities are susceptible to different degrees of risk. Measuring, monitoring, and managing these risks would be crucial for the survival and good health of the organization. Within the Bank, the treasury is vested with the responsibility to measure and minimize the risks associated with the Bank's assets and liabilities. Managing foreign exchange risk is one of the prime responsibilities of the treasury.

Treasury is responsible for managing the balance sheet according to ALCO's recommendation to minimize risk and maximize returns. The committee holds a meeting at least once every month to set and review strategies for ALM. The ALCO process or ALCO meeting reviews the ALCO paper along with the prescribed agendas. Based on the analysis and views, the committee makes decisions to reduce balance sheet risk while maximizing profits.

At BRAC Bank, the Board approves all market risk policies, sets limits, and reviews compliance on a regular basis. The objective is to obtain the best balance of risk and return while meeting customers' requirements.

Market Risk Measurement

There are several methods used to measure market risk, and the Bank uses those methods which are deemed fit for a particular scenario. For measuring interest risk from an earnings perspective, the Bank uses maturity gap analysis, Duration Gap analysis, and Sensitivity Analysis. The standardized (Rule-Based) method is used to calculate capital charges against market risks for the minimum capital requirement of the Bank under Basel-III. For each risk category, the minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'.

Market Risk Management

The Treasury Division manages market risk covering liquidity, interest rate, and foreign exchange risks with oversight from the Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director.

Policies and Processes

Asset Liability Management:

BRAC Bank PLC. puts adequate emphasis on ensuring that balance sheet risks are effectively managed. Appropriate policies and procedures have been established as per the guidelines of the Bank's Board of Directors (BOD), including relevant circular guidelines of Bangladesh Bank to control and limit these risks, and proper resources are available for the evaluation and control of these risks. The Asset Liability Committee (ALCO) of the Bank monitors the Balance Sheet and liquidity risk of the Bank.

Foreign Exchange Risk Management:

Foreign exchange risk (also known as FX risk, exchange rate risk, or currency risk) is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency. The risk is that adverse fluctuations in exchange rates may result in a loss in earnings. We have our own board-approved policy for the management of FX risk.

There are approved limits for market risk-related instruments, including both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks.

Quantitative Disclosures

b) The capital requirements for interest rate risk, equity position risk, foreign exchange risk, and Commodity risk.

Figures in BDT million

Capital Charge for Market Risk	SOLO	Consolidated
Interest Rate risk	4,377	4,377
Equity position risk	1,527	1,605
FX Risk	93	93
Commodity risk	-	-
Total	**5,997**	**6,075**

8. Operational risk

Qualitative Disclosures

a) Views of BOD on system to reduce Operational Risk; Performance gap of executives and staffs; Potential external events; Policies and processes for mitigating operational risk; Approach for calculating capital charge for operational risk

Views of BOD on the system to reduce Operational Risk

Operational risk for financial institutions is defined as the possibility of loss resulting from internal failures, human error or external shocks. At BRAC Bank PLC, the Board of Directors (BOD) maintains a steadfast commitment to a robust risk management framework, ensuring the effectiveness of mitigation strategies and strict adherence to approved policies. The bank's risk management policy, approved by the Board, is fully aligned with the relevant guidelines issued by Bangladesh Bank.

As the banking landscape becomes increasingly digital, our Board and management remain dedicated to maintaining a high-standard internal control environment that ensures compliance while fostering operational agility. By embedding a 'risk-first' mindset across all business units, we promote a culture of accountability and transparency. The BOD takes a proactive approach to managing operational risk by implementing advanced technological solutions, stringent control measures and continuous monitoring processes. Ultimately, BRAC Bank PLC aims to safeguard its reputation, financial stability, and stakeholder trust, ensuring resilience and an unshakable foundation amidst rapid digital transformation.

Performance gap of executives and staff

Ensuring high performance across all levels of staff is vital for organizational efficiency and long-term success. At BRAC Bank PLC, identifying and bridging performance gaps is a top priority in our pursuit of a culture of excellence.

The Board of Directors and senior management actively track performance metrics and ranging from sales targets and Key Performance Indicators (KPIs) to customer service standards to pinpoint areas for enhancement. To empower our workforce, the bank provides targeted training, strategic mentorship and the technical resources necessary to elevate professional capabilities.

Our robust framework of regular evaluations and feedback mechanisms is designed to drive continuous improvement and career growth. Furthermore, BRAC Bank PLC combines a competitive compensation structure with a dynamic work environment to attract and retain the industry's finest talent. Bolstered by a strong brand reputation, these initiatives foster high employee engagement and motivation. By proactively investing in its people, BRAC Bank PLC ensures its workforce remains aligned with its core mission, fueling sustained growth and institutional resilience.

Potential external events

External events beyond the bank's control, including natural disasters, geopolitical instability and rapid technological shifts can significantly impact operational stability and financial reputation. Furthermore, economic fluctuations and escalating cybersecurity threats introduce risks that require sophisticated management and constant vigilance.

To navigate these challenges, BRAC Bank PLC has implemented comprehensive risk management protocols and scenario planning. These measures are supported by continuous external monitoring and proactive engagement with stakeholders to neutralize potential disruptions.

The bank maintains a high state of readiness through its Business Continuity Plan (BCP), which covers all branches and departments. To ensure this framework remains effective, the bank conducts regular training and unannounced BCP drills, such as the major surprise drill executed in late 2025 at its Savar disaster recovery site. Simultaneously, the IT Security team manages robust defenses to protect the bank's digital infrastructure against evolving cyber risks

Policies and processes for mitigating operational risk

Operational risk defined as the potential for loss resulting from inadequate internal processes, human error, system failures, or external events is an inherent component of banking that requires a rigorous, structured mitigation strategy. At BRAC Bank PLC, we maintain a robust control-based environment characterized by transparent documentation, independent authorizations and continuous transaction reconciliation.

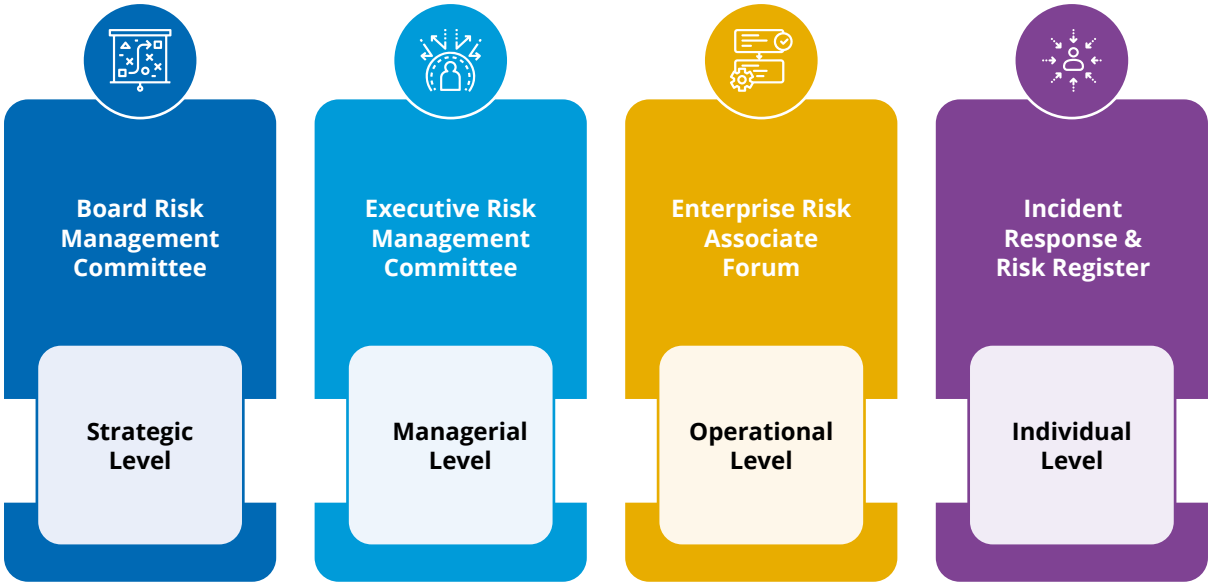
A specialized unit within the Risk Management Division (RMD) serves as the central pillar for identifying and assessing vulnerabilities. Operating under Board-approved policies, this unit coordinates specialized risk forums to ensure that emerging threats are escalated and addressed with precision.

To further bolster institutional resilience, the bank proactively enhances its Operational Risk Management (ORM) framework through the following strategic pillars::

- **Dynamic Risk Mitigation:** Continuous identification and assessment processes that are regularly updated to reflect the evolving financial landscape.
- **Culture of Accountability:** Cultivating a 'risk-aware' mindset across all departments through intensive employee training and transparent reporting channels.
- **Technological Integration:** Leveraging advanced digital solutions and internal control systems to ensure operational stability and provide uninterrupted service to our customers.

Through these measures, BRAC Bank PLC ensures that its internal infrastructure remains resilient against both systemic challenges and day-to-day operational complexities.

By maintaining rigorous risk management practices, BRAC Bank PLC is committed to safeguarding its reputation, ensuring financial stability and delivering long-term value to its stakeholders.



Approach for calculating the capital charge for operational risk

Basic Indicator Approach (BIA) is followed to calculate the capital charges for Operational Risk as per the guidelines of Bangladesh Bank.

As per BIA, the capital charge for Operations Risk is a fixed percentage denoted by α (alpha) of the bank's average positive gross annual income over the past three years.

K = [(GI 1 + GI2 + GI3) x α]/n

Where:-

K = the capital charge under the Basic Indicator Approach

GI = only positive annual gross income over the previous three years (i.e. negative or zero gross income, if any, shall be excluded)

α = 15%

n = number of the previous three years for which gross income is positive

Quantitative Disclosures

b) The capital requirements for operational risk:

Figures in BDT million

Particulars	Solo	Consolidated
Gross Income (Last 3 Years)	133,737	196,068
Average GI	44,579	65,356
15% of Average GI	6,687	9,803
Capital Charge for Operational Risk	**6,687**	**9,803**

9. Liquidity Ratio

Qualitative Disclosures

a) Views of BOD on the system to reduce liquidity Risk; Methods used to measure Liquidity risk; Liquidity risk management system; Policies and processes for mitigating liquidity risk

Liquidity Risk

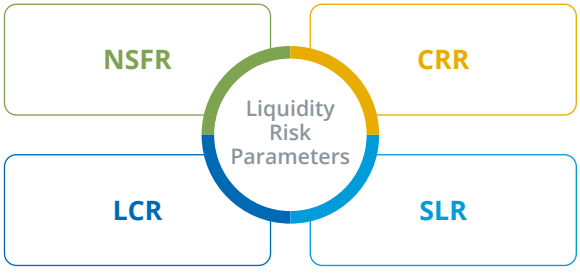
Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or when a bank is unable to fulfil its commitments in time when payment falls due. Liquidity risk can be of two types:

a) **Funding liquidity risk:** the risk that a firm will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition.

b) **Market liquidity risk:** the risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate market depth.

Views of BOD on system to reduce liquidity Risk

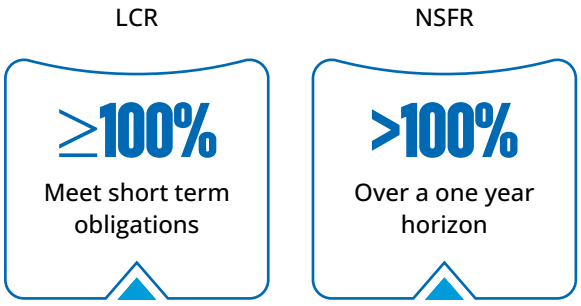
The Board of Directors of BRAC BANK has always given utmost importance to minimizing the liquidity risk of the Bank. In order to reduce liquidity risk, strict maintenance of the Cash Reserve Ratio (CRR) and Statutory Liquidity Reserve (SLR) is also being emphasized on a regular basis. Apart from these, as a part of Basel-III requirements, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are also maintained under the guidance and sharp insight of our honourable Board of Directors.



BRAC BANK follows Bangladesh Bank's Risk-Based Capital Adequacy guideline in accordance with Basel III. The bank also follows DOS circular no. 1, dated January 01, 2015, on implementing the Basel III liquidity ratio.

Methods used to measure Liquidity risk

- **Liquidity Coverage Ratio:** The liquidity coverage ratio (LCR) refers to highly liquid assets held by financial institutions in order to meet short-term obligations. The Liquidity coverage ratio is designed to ensure that financial institutions have the necessary assets on hand to ride out short-term liquidity disruptions. Banks are required to hold an amount of highly liquid assets, such as cash or Treasury bonds, equal to or greater than their net cash outflows over a 30-day period (having at least 100% coverage)
- **Net stable funding ratio (NSFR):** The NSFR presents the proportion of long-term assets funded by stable funding and is calculated as the amount of Available Stable Funding (ASF) divided by the amount of Required Stable Funding (RSF) over a one-year horizon. This ratio must exceed 100%.



Liquidity risk management system

Liquidity is the ability of a bank to generate funds for increasing assets and meet obligations as they come due without incurring an unacceptable cost. The fundamental role of Banks in the maturity transformation of short-term deposits into long-term loans makes banks inherently vulnerable to liquidity risk. Effective liquidity risk management helps ensure a bank's ability to meet cash flow obligations, which are uncertain as they are affected by external events and other agents' behaviour. Liquidity risk management is of paramount importance because a liquidity shortfall at a single institution can have system-wide repercussions.

The Asset Liability Management Committee (ALCO), which meets regularly, is responsible for managing and controlling BRAC Bank's liquidity. The Asset and Liability Management (ALM) desk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities, and it is primarily responsible for managing liquidity in the Bank.

Policies and processes for mitigating liquidity risk

Asset Liability Management (ALM) is the core job and an integral part of Bank Management. Changes in market liquidity and interest rates expose the Bank's business to the risk of loss, which may, in extreme cases, threaten the survival of the institution. As such, it is important that the level of balance sheet risks is effectively managed, appropriate policies and procedures are established to control and limit these risks, and proper resources are available for evaluating and controlling these risks. Asset Liability Management policy is implemented to monitor, measure, and manage the risks associated with the balance sheet and guard the Bank against any unforeseen loss/threat of survival. The Asset Liability Management policy was last updated and approved by the Board in December 2024. The policy was revised to accommodate regulatory changes and ensure better risk management.

The Asset Liability Committee (ALCO) reviews the policy at least annually or as and when required, considering any changes in market dynamics and appropriateness and recommending changes to the Board for approval. The LRM Policy is guided by international best banking practices, the local banking and regulatory environment, and the prudent guidelines of the Central Bank.

Quantitative Disclosures

b) Liquidity Coverage Ratio; Net Stable Funding Ratio (NSFR); Stock of High quality liquid assets; Total net cash outflows over the next 30 calendar days; Available amount of stable funding; Required amount of stable funding

BDT million

Particulars	Amount
Liquidity Coverage Ratio	291.95%
Net Stable Funding Ratio (NSFR)	108.20%
Stock of High-quality liquid assets	345,283
Total net cash outflows over the next 30 calendar days	118,267
Available amount of stable funding	994,964
Required amount of stable funding	919,528

10. Leverage Ratio

Qualitative Disclosures

a) Views of BOD on the system to reduce excessive leverage; Policies and processes for managing excessive on and off-balance sheet leverage; Approach for calculating exposure

Views of BOD on the system to reduce excessive leverage

In order to avoid building up excessive on - and off-balance sheet leverage in the banking system, a simple, transparent, non-risk-based leverage ratio has been introduced. The leverage ratio is calibrated to act as a credible supplementary measure to the risk-based capital requirements.

Banks have a range of financial incentives to operate with high leverage. But it creates risk when it crosses a certain point. Therefore, the Board views that sound prudential controls are needed to ensure that the organization maintains a balance between its debt and equity. The Board also believes that the Bank should maintain its leverage ratio on and above the regulatory requirements, which will eventually increase public confidence in the organization.

Policies and processes for managing excessive on and off-balance sheet leverage

To manage excessive leverage, the Bank follows all regulatory requirements for capital, liquidity, commitment, Advance Deposit Ratio (ADR), Maximum Cumulative Outflow (MCO), and other standards set by Bangladesh Bank. The aim is to ensure that the high leverage inherent in banking business models is carefully and prudently managed.

Approach for calculating exposure

BRAC Bank calculates the leverage ratio on a quarterly basis as per the RBCA guideline of the Bangladesh Bank and submits it to Bangladesh Bank, along with the CRAR report.

The leverage ratio reflects the Bank's tier 1 capital (the numerator) over total exposure (the denominator), which includes its balance sheet exposures and certain off-balance sheet exposures. The capital measure for the leverage ratio is based on the Tier 1 capital.

The exposure measure for the leverage ratio follows the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following are applied by the Bank:

- On-balance sheet, non-derivative exposures are net of specific provisions and valuation adjustments.
- Physical or financial collateral, guarantee, or credit risk mitigation purchased is not considered to reduce on-balance sheet exposure.
- Netting of loans and deposits is not considered.

Leverage Ratio=Tier 1 Capital (after related deductions)/Total Exposure (after related deductions)

Quantitative Disclosures

b) Leverage Ratio; On balance sheet exposure; Off balance sheet exposure; Total exposure

Figures in BDT million

Particular	Solo	Consolidated
Tier-1 Capital (considering all regulatory adjustments)	72,489	106,774
On- Balance Sheet Exposure	1,166,890	1,314,110
Off-Balance Sheet Exposure	74,125	74,125
Total Deduction from On and Off-Balance Sheet Exposure/Regulatory adjustments made to Tier 1 capital	6,649	12,317
Total Exposure	1,234,366	1,375,918
Leverage Ratio	**5.87%**	**7.76%**
Leverage Ratio (Required)	3.75%	3.75%

11. Remuneration

Qualitative Disclosures

a) Information relating to the bodies that oversee remuneration. Disclosures must include:

(i) Name, composition and mandate of the main body overseeing remuneration:

The remuneration issues in BRAC Bank are overseen by Mancom. It comprises the Managing Director & CEO, the Deputy Managing Directors and the Divisional Heads.

Remuneration during Joining:

Head of Human Resources, Head of Compensation & Rewards, along with concerned Functional Head fix the remuneration based on fitment analysis of the incoming employee.

Remuneration after Joining:

Head of Human Resources, along with concerned Functional Heads review the Remuneration of the Bank from time to time and adjust it based on performance, importance of the role and market benchmark upon approval of the MD & CEO.

Merit Increment is given to the eligible employees as per Bank's policy on annual basis.

(ii) External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process;

N/A

(iii) A description of the scope of the Bank's remuneration Policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.

The remuneration policy of the bank covers all people engaged in service of the bank. The Salary structure of the Bank is based on Job Grades. Job grades are decided on the basis of an analytic assessment of the position based on the size, responsibilities, decision-making authorities, nature and scope of the job.

(iv) A description of the types of employees considered as material risk takers and as senior managers including the number of persons in each group.

The bank has identified employees in key areas and functions whose impact on the risk profile of the bank will always be material that includes the members of the management body in its supervisory function, whose professional activities have a material impact on the institution's risk profile because of their responsibilities, In particular, all members of Mancom and department heads have been identified as senior managers and material risk takers.

b) Information relating to the design and structure of remuneration processes:

(i) An overview of the key features and objectives of remuneration policy;

BRAC Bank is committed to maintain fair, competitive and performance-oriented remuneration policies and practices that align with long-term employee and shareholder interests. The bank believes in rewarding employees for performing in a way that creates sustainable values for the bank and its shareholders over the time. We believe that well-established and clearly communicated core remuneration values drive fairness and consistency across our bank.

Upon recommendation from the Management, Board of Directors have the authority to approve and amend the policy.

The remuneration policy of the Bank cover all persons engaged in permanent service of the Bank.

Bank has different Job Grades for various levels of employee. Job grade is decided on the basis of an analytic assessment of the position based on the size, responsibilities, decision-making authorities, nature and scope of the job.

THE FOLLOWING ARE THE JOB GRADES OF BRAC BANK PLC.:

- Additional Managing Director
- Deputy Managing Director
- Senior Executive Vice President
- Executive Vice President
- Senior Vice President
- Vice President
- Senior Assistant Vice President
- First Assistant Vice President
- Assistant Vice President
- Senior Principal Officer
- Principal Officer
- Senior Officer, Young Leader
- Officer Grade-II
- Officer Grade I

The position of Managing Director and CEO is not permanent. It is a fixed-term contractual position, as per Bangladesh Bank's approval.

THE MONTHLY GROSS SALARY OF AN EMPLOYEE HAS THE FOLLOWING COMPONENTS WHICH MAY VARY DEPENDING ON THE EMPLOYEE'S GRADES:

- Basic salary
- House rent
- Medical allowance
- Conveyance
- Festival Bonus Monthly Part
- Leave Fair Allowance Monthly Part
- Others

Salaries are confidential between the employees concerned and the Management. The salary ranges for this job grade is reviewed from time to time by the management committee and approved by the Board of Directors.

In addition to this, an employee receives 2 guaranteed festival bonuses in two festivals each equal to one basic. He/ She also receives Leave Fair Allowance equal to one Basic salary at the time of his Annual Mandatory Leave. He/ She may also receive performance bonus/ awards/grants.

(ii) Whether the Remuneration Committee reviewed the firm's Remuneration policy during the past year and, if so, an overview of any changes that were made.

N/A

(iii) A discussion of how the Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.

Employees engaged in control functions (risk management, human resources, audit, compliance, etc.) are independent from the business units they oversee, have appropriate authority, and are compensated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

c) Description of the ways in which current and future risks are considered in the remuneration processes.

(i) An overview of the key risks that the Bank takes into account when implementing remuneration measures;

BRAC Bank takes into account all current and future risks, whether on or off-balance sheet, differentiating amongst risks relevant for business units and individuals. However, for managing and determining remuneration arrangements, key risks like- Financial Risks, Operational Risks, Compliance Risks, Market Risks, Reputational Risks, and Employee Turnover Risks; etc. are usually taken into account. All of our remuneration practices are carefully managed within the risk taking capacity of the bank.

(ii) An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed);

N/A

(iii) A discussion of the ways in which these measures affect remuneration;

We approach all of our remuneration arrangements, especially the periodic fixed remuneration enhancements and the variable compensation arrangements through an integrated risk, finance, compensation and performance management framework.

The way in which each individual contributes to or impacts on the key criteria differs depending on the area of the business in which they operate and their level of seniority. These differences are reflected in the expected outcomes and performance indicators developed for each individual employee/role and satisfactory performance against these indicators is required to qualify for change in remuneration.

(iv) A discussion of how the nature and type of these measures have changed over the past year and the reasons for the change, as well as the impact of changes on remuneration.

All measures remain unchanged during the past year.

d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration :

(i) An overview of the main performance metrics for the Bank, top-level business lines and individuals;

- Based on the Bank's profit, the Board of Directors at their discretion declare a certain percentage of the pre-tax profit as Performance Bonus.
- The method of distribution is based at Management discretion.
- No bonus will be applicable to the employees rating with needs improvement/unacceptable performance.
- Bonus is declared as per individual employee performance. The ratings and associated bonus amount is decided by the Management committee.

- Performance is measured as per pre-defined criteria and set targets at the beginning of the year. Assessment is divided in two categories: A) Business Objective B) Value based objective.
- Eligibility criteria are as follows:
  - Confirmed Employees joined within 30th June of the performing year and confirmed within 31st December of that year.
  - However, bonus will be calculated on Pro Rata Basis based on joining date for the rest of the calendar year.
  - In case of retired employee, he/she will be eligible for proportionate bonus subject to his/her stay for at least one quarter of respective financial year.

(ii) A discussion of how amounts of individual remuneration are linked to institution-wide and individual performance;

Though individual remuneration amounts do not contain any direct formulaic link between business income and individual reward but in case of variable remuneration, we always consider concerned division performance while assessing the employees attached to it. Differentiating performance and value ratings at all levels enable us to target spending towards those who have made the most effective contribution to the bank's performance and unique culture to recognize and motivate performers and retention of them.

(iii) A discussion of the measures in general implement to adjust remuneration in the event that performance metrics are weak.

N/A

e) Description of the ways in which the Bank seeks to adjust remuneration to take account of longer-term performance.

(i) A discussion of the Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across persons or groups of persons, a description of the factors that determine the fraction and their relative importance;

Currently, we do not offer variable remuneration that may be deferred or vested in cash, shares, or share-linked instruments.

(ii) A discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting through claw back arrangements.

N/A

f) Description of the different forms of variable remuneration that the Bank utilities and the rationale for using these different forms.

(i) an overview of the forms of variable remuneration offered (i.e., cash, shares and share-linked instruments and other forms)

Apart from fixed remuneration components, employees are also eligible for variable remuneration arrangements consisting of Performance Bonus, Incentives and Maternity Benefits, such bonuses are currently offered only in cash form.

(ii) a discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across persons or groups of persons), a description the factors that determine the mix and their relative importance.

Variable remuneration arrangements differ across groups of employees. Performance Bonus awards are discretionary and recognize annual performance of the non-sales employees over the immediate past financial year. Performance is measured and reviewed against set goals, which include financial and value metrics, on the other hand incentive bonuses are non-discretionary and normally paid to salespeople on monthly basis who meet established business goals, generate new business, and retain current customers.

Quantitative Disclosures

g)	**Number of meetings held by the main body overseeing remuneration during the financial year and the remuneration paid to its members.**	The Senior Management met several times during the year ended 31 December, 2025. No payment is made to Committee members for their membership of the Committee
h)	**The number of persons having received a variable remuneration award during the financial year.**	Employee No. **9,738** Total Amount: **BDT 2,357.97 mn**
	Number and total amount of guaranteed bonuses awarded during the financial year.	Employee No. **10,190** Total Festival Bonus: **BDT 836.68 mn**
	Number and total amount of sign-on awards made during the financial year.	N/A
	Number and total amount of termination payments made during the financial year.	Employee No. **43** Termination Payments: **BDT 4.97 mn**
i)	**Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.**	N/A
	Total amount of deferred remuneration paid out in the financial year.	N/A
j)	**Breakdown of the amount of remuneration awards for the financial year to show:**	
	i. Fixed and variable;	Fixed: **BDT 10,726.88 mn**
	ii. Deferred and non-deferred; and	Variable: **BDT 2,357.97 mn**
	iii. The different forms used (cash, shares and, share-linked instruments and other forms).	N/A N/A
k)	**Quantitative information about persons' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. malus, clawbacks or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:**	
	i. Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments.	N/A
	ii. Total amount of reductions during the financial year due to ex post explicit adjustments.	N/A
	iii. Total amount of reductions during the financial year due to ex post implicit adjustments.	N/A

BASEL III REPORTING, COMPLIANCE & STRESS TESTING FOR ENHANCED SHOCK ABSORPTION CAPACITY

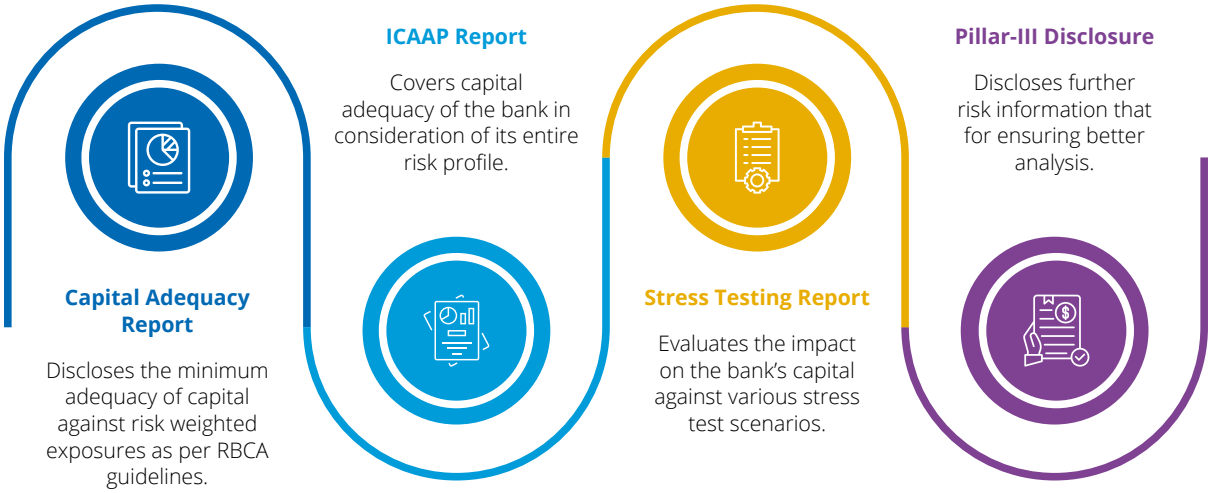
Embracing Global Best Practices

BRAC Bank PLC remains committed to maintaining a strong, resilient, and forward-looking capital framework aligned with global best practices and the Basel III guidelines prescribed by Bangladesh Bank. The Bank's approach to Basel III implementation goes beyond regulatory compliance and reflects its strategic commitment to prudent risk management, sustainable growth, depositor confidence, and long-term shareholder value creation.

The Bank continuously strengthens its capital management practices to ensure that it can maintain adequate loss absorption capacity under both normal and stressed economic conditions. Through disciplined governance, robust risk oversight, and proactive capital planning, BRAC Bank has consistently maintained regulatory capital ratios above the minimum requirements stipulated by Bangladesh Bank.

As one of the leading banks of Bangladesh, BRAC Bank has implemented the BB guidelines of Basel-III since the accord came into effect in 2015. The Bank has a capital management framework for assessing its overall capital adequacy in relation to the Bank's risk profile and a strategy for maintaining its capital levels. The capital management process provides an assurance that the Bank has adequate capital to support all risks inherent to its business and an appropriate capital buffer based on its business profile. The Bank identifies, assesses and manages comprehensively the risks that it is exposed to through sound governance and control practices.

At BRAC Bank, Basel III reporting practice comprises comprehensive alignment with regulatory disclosures while also fulfilling our internal requirements, pursuant to the guidelines on Risk-Based Capital Adequacy (RBCA) for Basel-III as provided by our regulators and other relevant guidelines as circulated by the central bank. Further, we conduct the Internal Capital Adequacy Assessment Process (ICAAP) at least annually to evaluate if we are able to maintain sound capital levels after considering business plans and material risks under both base case and severe stress scenarios. Management actions are proposed, wherever necessary, to ensure that the bank remains prudently managed. Thus, implementing the Basel framework is an integral part of our efforts to refine and strengthen our risk management systems and processes. Besides, we closely follow ongoing industry and regulatory developments, including higher liquidity and capital requirements. The broader framework of this report that will enable our stakeholders to make a more considered assessment of our risk reporting practice is expressed in the info-visual below.



Minimum capital requirements under Pillar-I of Basel-III

At BRAC Bank, we assessed the minimum capital requirements by evaluating aspects of the asset portfolio considered to be most risk-prone. These considerations comprise the following:

Credit Risk

Market Risk

Operational Risk

The Bank continuously monitors the composition and quality of its capital to ensure adequate buffers are maintained against risk exposures arising from lending, treasury operations, foreign exchange activities, and operational processes.

As per the phase-in transition guidelines expressed in Basel-III, by the end of 2020, banks were required to maintain a minimum capital of 12.50% (including a capital buffer of 2.50%) against their total risk-weighted assets. In this regard, BRAC Bank was successful in maintaining its capital levels above the minimum requirements of Basel-III from the year 2020 onward, thus reflecting robust adherence. The Risk-Weighted Asset (RWA) and minimum capital requirement detail is as below:

Capital Adequacy Position	2025			
	Solo Position		Consolidated Position	
Risk Weighted Asset (RWA) for Credit Risk	**469,203**	**79%**	**489,909**	**76%**
On- Balance sheet	439,657	74%	460,363	71%
Off- Balance sheet	29,546	5%	29,546	5%
RWA for Market Risk	**59,969**	**10%**	**60,752**	**9%**
RWA for Operational Risk	**66,868**	**11%**	**98,034**	**15%**
Total Risk weighted Asset	**596,041**	**100%**	**648,694**	**100%**
Total Regulatory Capital	**93,142**		**127,427**	
Capital to Risk Weighted Asset Ratio (CRAR)	**15.63%**		**19.64%**	

In 2025, BRAC Bank was able to maintain surplus capital of BDT 33,538.02 million on a Solo basis and BDT 62,558 million on a Consolidated basis under Pillar I complying to the minimum capital requirement (MCR) of 10% and capital conservation buffer (CCB) of 2.50%.

ICAAP report under Pillar-II of Basel-III

At BRAC Bank, ICAAP is an integral part of the bank's processes and is embedded within the core of the organization. The senior leadership and management team and our Board of Directors are supportive and fully engaged in the process. The Bank has a structured management framework in the ICAAP for the identification and evaluation of the significance of all risks that the Bank faces, which may have a material adverse impact on its business and financial position. The Bank considers the following as material risks it is exposed to in the course of its business and, therefore, factors these while assessing/planning capital:

- Concentration Risk
- Strategic Risk
- Environmental & Climate Change Risk
- Liquidity Risk
- Settlement Risk
- Human Resources Risk
- Residual Risk
- Reputation Risk
- Evaluation of Core Risk
- Country Risk

The ICAAP is linked to overall business planning for maintaining appropriate capital levels during the business horizon. The bank identifies risks to which it is exposed and determines the method and extent of risk mitigation. Risk mitigation takes place through strengthening policies and procedures, improving risk controls, and having suitable contingency plans. Finally, the bank determines the risks that will be covered by capital and the level of capital sufficient to cover those risks. Methodologies are implemented that help in capital allocation towards quantifiable Pillar II risks.

Notably, Bangladesh Bank's Supervisory Review Evaluation Process (SREP) under pillar II of Basel III ensures regular dialogue with the SRP teams of banks across the country. This is then followed by disclosure of the bank's ICAAP results or evaluations.

BRAC Bank's supervisory review process (SRP) consists of the following:

Market disclosure: Pillar-III of Basel-III

Pillar III promotes transparency and market discipline through comprehensive disclosures on the Bank's risk profile, capital adequacy, governance structure, and risk management practices. BRAC Bank PLC has adopted the Basel III framework as part of its capital management strategy in accordance with the guidelines on Risk-Based Capital Adequacy (RBCA) provided by the Bangladesh Bank.

BRAC Bank maintains a strong disclosure culture by ensuring timely, accurate, and meaningful communication of Basel III related information to regulators, shareholders, investors, and other stakeholders. The Pillar III disclosure framework includes comprehensive information on the scope of application, capital, risk exposures, risk assessment processes, capital adequacy, liquidity position, and leverage of the bank. The Basel III Pillar III disclosure is available separately on the website as well as in the annual report.

Stress testing

Stress testing is an important risk management tool that provides an indication of how much capital might be needed to absorb losses in different stressful situations. Stress testing is a key element of the ICAAP and an integral tool in the Risk Management framework. It is integral to strengthening the predictive approach to risk management and supplements other risk management tools by providing an estimate of tail risks. The impact of the stress scenarios is then assessed on profit and loss and capital levels to determine the level of additional capital, if any, that will be needed to absorb losses experienced during a stress condition. The stress testing exercise provides an opportunity for the Bank to develop a suitable mitigating response prior to the onset of actual conditions exhibiting the stress scenarios.

BRAC Bank has a rigorous and comprehensive stress-testing program in place, and it engages in stress-testing on a regular basis to determine the sensitivity and stability of its capital base. This is being done to assure market participants and other stakeholders that the bank has sufficient capital to overcome any unfavorable or exigent situations. The prudent management of our business has underpinned the soundness and sustainability of our diversified strategy and has been reflected in our 2025 performance.

The sensitivity of the bank's capital base is assessed for the following scenarios, and the summary of stress testing outcomes as of December 31, 2025, is as below:

Risk Type	Individual Shock Events	CRAR after Shock (Solo Basis)			
		Minor	Moderate	Major	Combined Shock Weight
Credit Risk	Increase in NPLs	13.02	10.32	7.54	25%
	Increase in NPLs in top 02 sectors	14.45	13.26	12.05	0%
	Increase in NPLs due to default of Top borrowers	12.78	11.97	10,29	45%
	Depletion in collateral	15.50	15.46	14.42	10%
	Negative Shift in NPLs categories	15.36	15.33	15.31	10%
	Negative shift in rating categories	15,19	14.78	14.39	10%
Market Risk	Changes in interest rate	13.26	12.08	10.90	100%
	Exchange Rate Shock	15.60	15.59	15.57	100%
	Equity Price Shock	15.10	14.92	14.74	100%
Combined Shock		**10.69**	**8.23**	**5.36**	

Under consolidated basis, the CRAR after minor, moderate and major shock in 2025 stands at 15.31%, 13.15% and 10.63% respectively as bank reported strong capital adequacy of 19.64%.

The following methodologies are applied on a consistent basis to evaluate and compute the impact of the above factors in the context of our SRP (Supervisory Review Process):

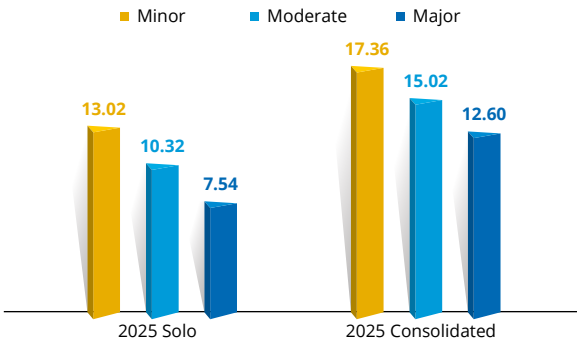
- **Simple sensitivity tests:** These help to determine short-term sensitivity to a single risk constituent
- **Scenario analyses:** These involve risk parameters (with low but positive probability), which change along with a pre-defined scenario, and the assessment of the impact of these parameters
- **Reverse Stress Test:** It determines the level of adverse scenario that act as the breaking point of regulatory minimum capital adequacy requirement

Increase in NPLs

Assessment: This metric indicates a bank's risk profile when NPLs increase significantly. This shock estimates the impact of downgrading a portion of the total performing loans directly to bad and loss category by applying the following three levels of hypothetical shocks: (i) Minor shock: Increase in Non-performing Loans (NPLs) by either '03 percent' or 'an average of the latest five (05) quarters NPL inflow ratio (NPLIR) of the bank', whichever is higher; (ii) Moderate shock: Increase in NPLs by two times of the percentage determined in the subsection (i) of Shock 1; and (iii) Major shock: Increase in NPLs by three times of the percentage determined in the subsection (i) of Shock 1

Outcome: The average NPLIR ratio of the bank was 0.55% on a solo and consolidated basis which denotes good asset quality. However, as per the methodology, 3%, 6% and 9% performing loans under minor, moderate and major shock scenario were downgraded to Bad and Loss category with 100% provision requirement. The CRAR after minor and moderate shock remains over the minimum requirement of 10%, however, goes below the regulatory minimum under major hypothetical shock scenarios on a solo basis only.

Increase in NPLs

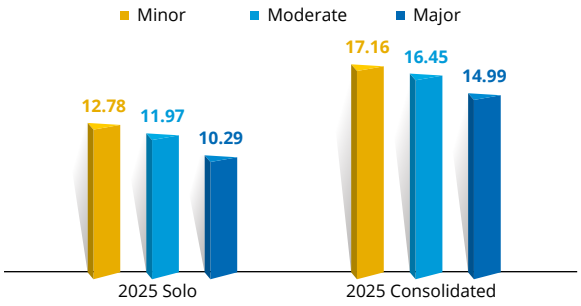


Increase in NPLs due to default of Top borrowers

Assessment: This shock intends to ascertain the risk of credit concentration by assuming that several top borrowers of a bank may default due to various reasons creating a shock event to the bank. Bank should estimate the additional provisioning against the default of their top 2 (Minor), top 3 (Moderate), and top 5 (Major) performing borrowers, selected based on the amount of on- and off-balance sheet exposure. In all cases, the performing loans of the respective borrowers are assumed to be directly downgraded to bad and loss category.

Outcome: As per the assumed scenario, the CRAR after shock remains above the regulatory minimum of 10% on a solo basis and consolidated basis under minor, moderate and major shock event. This signifies that bank has a low concentration in top borrowers and strong capital adequacy to withstand adverse shock scenarios.

Increase in NPLs due to Default of Top Borrowers

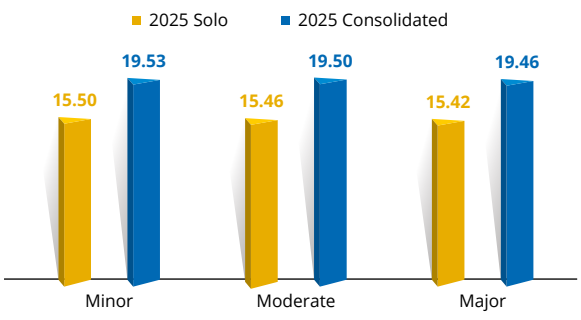


Depletion in collateral

Assessment: This scenario assumes depletion in the value of eligible collateral creating shock events to the bank. The standard levels of shocks are 30% (Minor), 40% (Moderate), and 50% (Major) decrease in the value of eligible collateral against loans and advances.

Outcome: As per the assumed scenario, the CRAR after shock remains above the regulatory minimum of 10% on a solo basis and consolidated basis. This signifies that bank has strong capital adequacy to withstand the adverse shock scenarios.

Depletion in Collateral

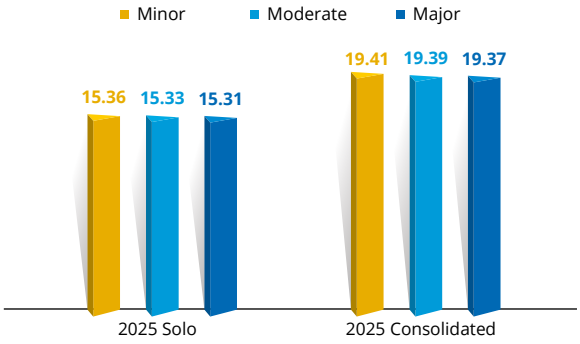


Negative shift in NPL categories

Assessment: The scenarios of this shock are constituted assuming that negative shifts in existing NPLs categories i.e. Sub-Standard (SS) to Doubtful (DF), and DF to Bad and Loss (BL) take place due to some unfavourable domestic and/or cross border incident creating shock events for the bank which results in some more provision requirements. Three (03) standard shocks are 10% (Minor), 15% (Moderate), and 20% (Major) downward shift in the NPLs' categories

Outcome: BRAC Bank's CRAR remains well above the minimum regulatory requirement, even upon absorbing all three levels of shock, ensuring robust stability.

Negative Shift in NPL categories

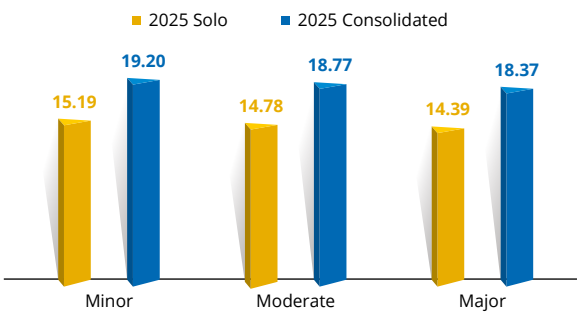


Negative shift in rating categories

Assessment: This scenario assumes that in a downturn, a bank's counterparties may suffer credit rating downgrade awarded by an external credit rating agency or internal credit officers. Banks should estimate the additional provisioning against the negative shift in the rating categories of on- and off-balance sheet exposure by 10% (Minor), 20% (Moderate), and 30% (Major)

Outcome: As per the assumed scenario, the CRAR after shock remains above the regulatory minimum of 10% on a solo basis and consolidated basis. This signifies that bank has strong capital adequacy to withstand the adverse shock scenarios.

Negative shift in rating categories

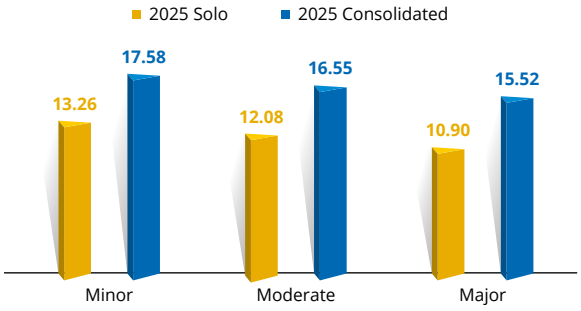


Interest rate shock

Assessment: Interest rate risk is the potential that the value of the on-balance sheet and the off-balance sheet positions of the bank would be negatively affected by the change in the interest rates. The vulnerability of the bank towards the adverse movements of the interest rate can be gauged by using 2% (Minor), 3% (Moderate), and 4% (Major) changes in interest rate. Banks shall consider only Held-for-Trading (HFT) portion of the securities while calculating the re-pricing impact

Outcome: BRAC Bank's CRAR remained strong compared to the minimum regulatory requirements even after considering all three levels of shock on a solo as well as consolidated basis.

Interest Rate Shock

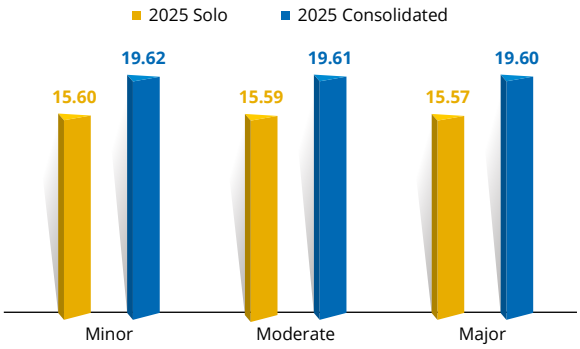


Foreign exchange shocks

Assessment: The stress test for exchange rate assesses the impact of change in the exchange rate on bank's balance sheet. To assess foreign exchange risk, the overall net exchange position of the bank, including the on-balance sheet and off-balance sheet exposures, shall be charged by 20%, 30% and 40% for minor, moderate and major levels respectively.

Outcome: BRAC Bank's CRAR remains well above the regulatory requirement, even after considering all three levels of shock.

Foreign Exchange Shocks

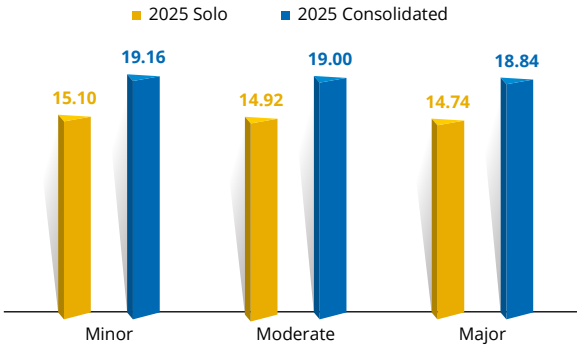


Equity Price shock

Assessment: The stress test for equity price risk assesses the impact of a decline in the stock market index on a bank's balance sheet. For this assessment, shocks are applied to all securities listed on stock exchanges, including shares, bills/bonds/debentures, mutual funds, and other similar instruments, whether on-balance sheet or off-balance sheet. The shocks assume a decrease in current market value by 30%, 40%, and 50% for minor, moderate, and major stress levels, respectively.

Outcome: BRAC Bank's CRAR remained above regulatory requirements even after all three levels of shock were applied.

Equity Shock



CAPITAL PLAN

Capital Plan is an integral part of the Bank's overall risk management and strategic planning process. It aligns capital management objectives with the Bank's business strategy, risk appetite, macroeconomic outlook, and regulatory expectations to ensure long-term financial resilience and sustainability. BRAC Bank PLC maintains a comprehensive and forward-looking Capital Plan to ensure that adequate capital is available to support business growth, absorb unexpected losses, and comply with regulatory requirements under the Basel III framework prescribed by Bangladesh Bank. The Bank adopts a prudent approach to capital planning by maintaining sufficient capital buffers above the regulatory minimum requirements to withstand adverse economic and market conditions while supporting sustainable growth opportunities

The bank maintained sustainable capital buffers due to its ability to forecast major business trends, risk-weighted assets, and capital flows proactively, diligently, and competently. In fact, prudent capital planning is interlinked with the bank's risk and governance processes, as capital remains a key consideration in the development of the bank's strategic plans and risk perimeter.

Effective capital planning begins with identifying and assessing material risks. BRAC Bank has a process, called Internal Capital Adequacy Assessment Process (ICAAP) which is conducted periodically to identify material risks on an ongoing basis. Stress testing is also an important risk management tool that provides an indication of how much capital might be needed to absorb losses in different stress scenarios. BRAC Bank has a rigorous and comprehensive stress-testing program in place to assess capital needs under bank specific different shock scenarios. The bank considers the results of stress testing in the capital planning process.

1. Objectives of Capital Planning

The key objectives of the Bank's Capital Plan are to:

- Maintain adequate capital levels at all times in compliance with Bangladesh Bank's Basel III guidelines;
- Ensure sufficient loss absorption capacity under stressed conditions;
- Support strategic business expansion and balance sheet growth;
- Optimize capital allocation across business segments based on risk-adjusted returns;
- Preserve depositor, investor, and stakeholder confidence;
- Maintain financial flexibility and long-term sustainability.

While the precise content, extent, and depth of the capital planning process may vary, an effective capital planning framework includes the following dimensions:

Identifying and assessing risks → **Setting and assessing capital adequacy goals that relate to risk** → **Maintaining a strategy to ensure capital adequacy and contingency planning** → **Ensuring integrity in the internal capital planning process and capital adequacy assessments**

BRAC Bank follows the regulatory guidance of Bangladesh Bank in setting the capital objectives and targets while also considers the BCBS guidance and global practices in formulating the long-term capital plan of the bank. The Capital Plan of BRAC Bank identify the capital issuance requirements and options around capital products, such as the issuance of common equity or subordinated bond, timing, and markets, in order to execute the Capital Plan under different market and economic conditions.

2. BRAC Bank's philosophy

The Bank's capital management strategy focuses on maintaining a strong and high-quality capital base primarily composed of Common Equity Tier-1 (CET-1) capital. The Bank continuously evaluates opportunities to strengthen its capital structure through sustainable earnings retention, efficient balance sheet management, prudent dividend policy, and issuance of eligible capital instruments where appropriate. Capital adequacy is monitored

regularly through internal risk assessment processes, regulatory reporting, and stress testing exercises to ensure that capital remains sufficient under both normal and adverse business environments.

The Board and Management actively define the goals of capital management, such that capital levels (CRAR) consistently exceed the bank's regulatory requirements by at least 1%. Various stress scenarios are also considered, as they are reliable indicators of future adversities. While the bank considers capital position in determining our risk appetite, fortified measures are also undertaken so that there are no deficiencies at any given point in time. The results of our prudent and ring-fenced capital management strategy comprise:

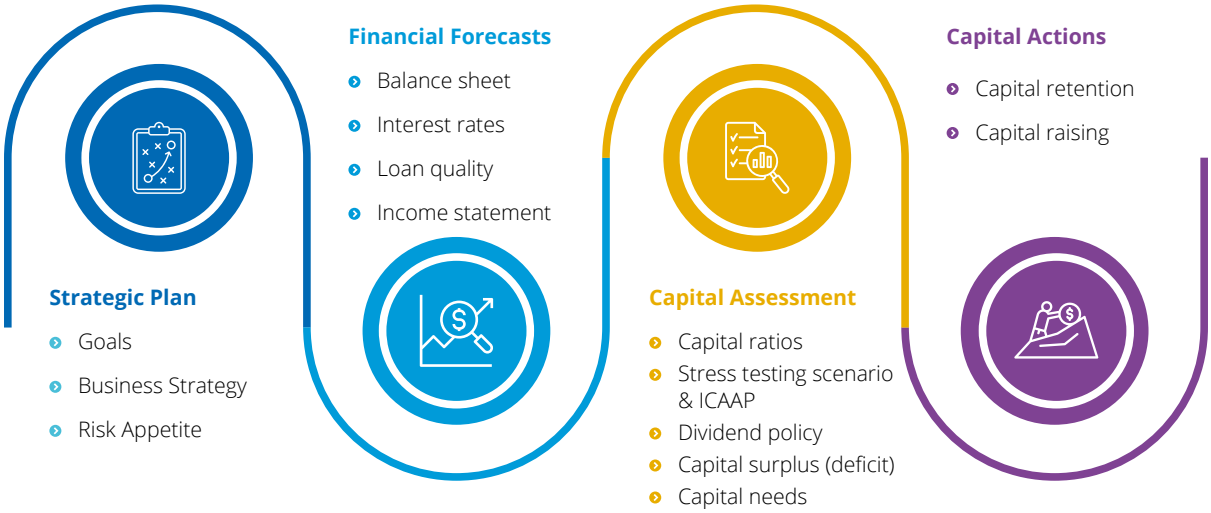
- A capital plan that meets the needs of the bank over a five-year horizon
- An ICAAP that determines accurate levels of required capital according to the measures of balance sheet capital and regulatory capital (Tier-1 and Tier-2)
- A process for regularly evaluating available capital against current and projected solvency needs and addressing deficiencies promptly.
- A methodology that ensures improvement in the superintendence of stress scenarios

The approach to capital management is driven by bank's strategic goals. It ensures that regulatory requirements, capital targets, and risk appetite are met at all times and in all conditions.

3. Annual capital plan of Bank

BRAC Bank's annual capital plan ensures the comprehensive planning of the bank's strategic capital over a five-year horizon. The plan underlines capital projections, capital requirements, levels of capital, and capital mix to support the bank's forward looking business plans and strategic objectives.

BRAC Bank follows the following process for its robust capital planning:



BRAC Bank has a strong focus on the quality of its capital in order to continue meeting the minimum regulatory requirements and support business growth. Around 80% of regulatory capital of the bank is consistently maintained in the form of Common Equity Tier 1 (CET 1) capital, which is permanent and has the highest loss absorption capacity.

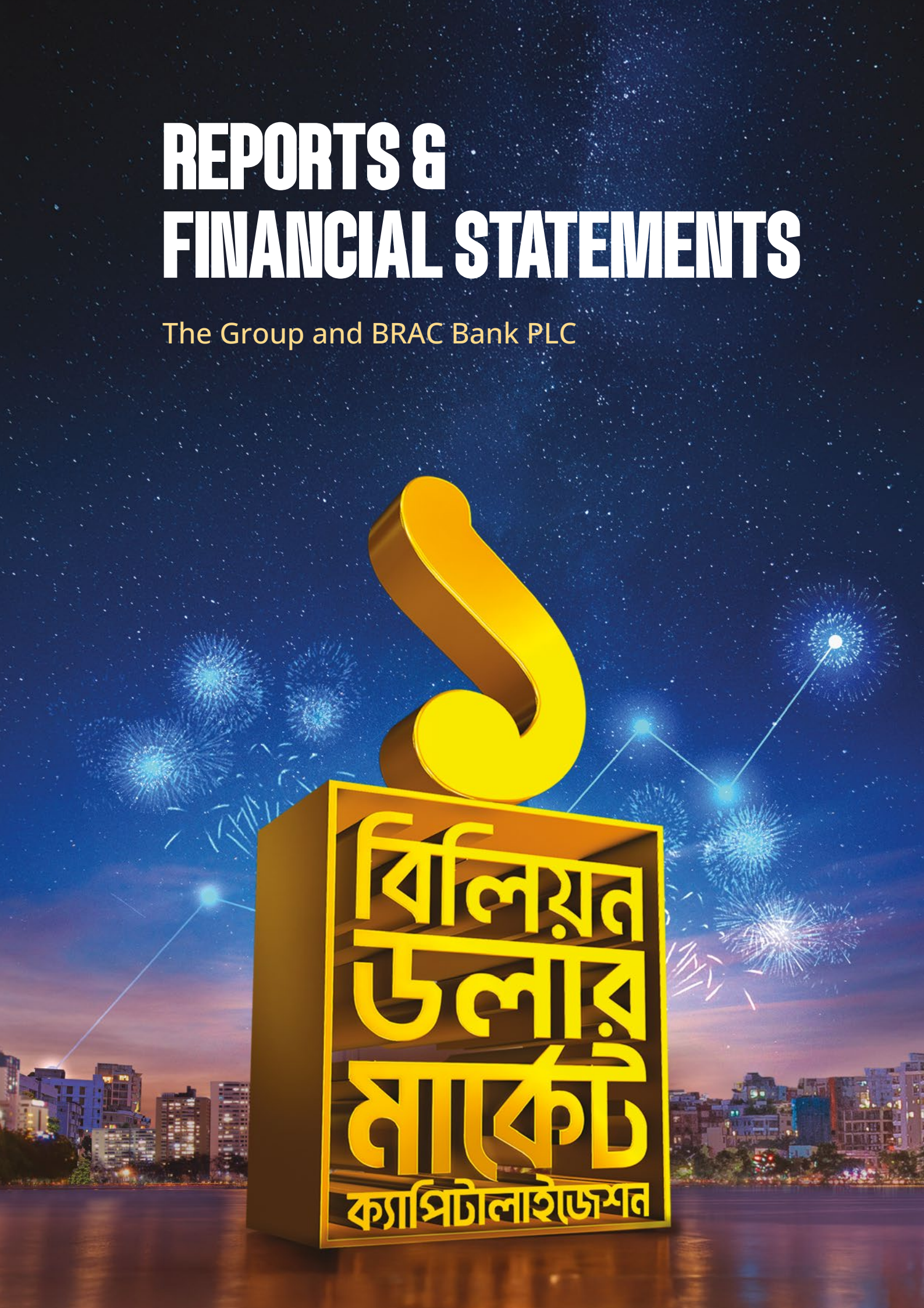
Historically, BRAC Bank has maintained a healthy capital ratio against the minimum regulatory requirement. The following table demonstrates our successful capital management strategy over the last five years.

Particulars (Solo Position)	2021	2022	2023	2024	2025
Common Equity Tier-1 (CET-1) Capital Ratio	12.89%	12.42%	12.43%	12.26%	12.16%
Additional Tier-1 Capital Ratio	-	-	-	-	-
Total Tier-1 Capital Ratio	12.89%	12.42%	12.43%	12.26%	12.16%
Total Tier-2 Capital Ratio	1.47%	1.63%	1.56%	2.64%	3.47%
Total Capital Ratio	14.36%	14.04%	13.99%	14.90%	15.63%

The Bank maintains healthy regulatory capital levels to support business growth and ensure consistent shareholder and stakeholder value creation despite extraneous circumstances.

REPORTS & FINANCIAL STATEMENTS

The Group and BRAC Bank PLC



Independent Auditors' Report

TO THE SHAREHOLDERS OF BRAC BANK PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of BRAC Bank PLC. and its subsidiaries (the Group) as well as the separate financial statements of BRAC Bank PLC. (the Bank), which comprise the consolidated and separate balance sheets as at 31 December 2025, and consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) as explained in note-2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Bangladesh. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note-2 to the financial statements where management has explained the basis of preparation of financial statements including compliance with Rules and Regulations issued by Bangladesh Bank on classification of loans and advances, and required impairment provision.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of key audit matters	Our response to key audit matters
1. Measurement of provision for loans and advances.	
With reference to Note 7.14 to the financial statements, the process for calculating the provision for loans and advances portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 15 dated 27 November 2024 and its subsequent amendments.	We tested the design and operating effectiveness of key controls focusing on the following: • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (CL).

Description of key audit matters	Our response to key audit matters
As per BRPD Circular No. 07 dated 16 September 2025 and BRPD Letter No. 26 dated 24 November 2025, banks are permitted to extend special policy support to genuinely affected borrowers through rescheduling, restructuring, and exit facilities. Under these circulars, loans rescheduled under special consideration are to be classified as SMA and maintained with the required general provisions. Furthermore, any previously maintained specific provisions against such loans cannot be transferred to income unless realized in cash. However, banks are allowed to transfer previously maintained specific provisions to general provisions. As policy support is extended to individual borrowers on a case-to-case basis, each borrower and respective facility should be separately assessed and justified during the audit about loan classification and provisioning requirements. In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank's guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually. Furthermore, management may have intention to maintain lower provisions for loans and advances to misstate profit. Considering these factors, we have considered measurement of provision for loans and advances as significant risk as well as a key audit matter. At the year end of 2025, the Group reported total gross loans and advances BDT 731,408.33 million (2024: BDT 623,850.78 million) and in 2025 the Bank reported total gross loans and advances of BDT 730,658.84 million (2024: BDT 623,371.89 million) whereas at the year end of 2025, the Group reported total provision for loans and advances BDT 19,976.73 million (2024: BDT 19,701.57 million) and the Bank reported total provision for loans and advances of BDT 18,749.74 million (2024: BDT 18,489.73 million).	Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • We checked the no. of instalments outstanding and compliance with BRPD circulars; • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; • Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans and advances. For confirming the classification of rescheduled loans and advances, and related provision thereon. we performed the following procedures: • We checked the no. of instalments outstanding and compliance with BRPD Circular No. 16 dated 18 July 2022 and subsequent amendments; • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; • Assessed the methodologies on which the provision amounts based (value of eligible securities, interest suspense), recalculated the provisions for loans and advances; and • In addition, we reviewed individual policy support letters issued by Bangladesh Bank relating to affected borrowers, which specifically outline the classification and provisioning requirements of rescheduled loans under policy support arrangements as per BRPD Circular No. 07 dated 16 September 2025 and BRPD Letter No. 26 dated 24 November 2025. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 7.14 to the financial statements	
2. Recognition of interest income on loans and advances	
Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income have involved complex IT environments.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances focusing on the following.

Description of key audit matters	Our response to key audit matters
We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error and misstatement in recognition of interest by management to meet specific targets or expectations.	• We performed test of operating effectiveness on automated control in place to measure and recognize interest income. • We have also performed substantive procedure to check whether interest income is recognized completely and accurately. • Reviewing transfer of interests to the income account in line with the Bangladesh Bank's guidelines. • We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines. • We performed procedures to ensure that the revenue recognition criteria adopted by each group entity for all major revenue streams is appropriate and in line with the Group's accounting policies.
See note no. 25.1 to the financial statements	
3. Valuation of treasury bill and treasury bond	
The classification and measurement of T-Bills and T-Bonds involve significant judgment and the application of complex valuation techniques. In the absence of quoted prices in an active market, the fair value of these instruments is determined using valuation models that may incorporate direct or indirect unobservable market data. These models require the application of complex pricing methodologies and an elevated level of professional judgment.	We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance and valuation adjustments. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data. Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
See note no. 6 to the financial statements	
4. Adequacy of income tax provision and measurement of deferred tax	
The adequacy of the income tax provision and the measurement of deferred tax assets is considered a key audit matter due to the significant judgment involved in determining both the current and deferred tax, as well as the potential impact on the financial position and performance of the company. These areas involve complex estimates, the application of tax laws, and the assessment of future taxable income, which require careful consideration and professional judgment. Both income tax provisions and deferred tax assets rely on significant estimates. There is a risk that these estimates may be incorrect or overly optimistic, particularly in the case of deferred tax assets, which can be recognized only if it is probable that the Bank will have future taxable profits against which the deferred tax assets can be utilized.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of both current tax and deferred tax, including the assumptions used in estimating the Bank's taxable income. We carefully reviewed any ongoing tax litigation between the Bank and the income tax authority, as well as the tax positions for the years where income tax assessments are still pending. We also assessed the adequacy of the tax provision recorded by the Bank. Special attention was given to any reversals or adjustments made to the income tax provision from prior years.

Description of key audit matters	Our response to key audit matters
Due to the inherent complexity and estimation uncertainty in both areas, and the materiality of the amounts involved, we have determined them as a key audit matter.	We also assessed the completeness and accuracy of the data used for the estimations of future taxable income to ensure that The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future. We recalculated the current tax provision and deferred tax assets to ensure that the Bank has determined them in accordance with the applicable laws and regulations. We engaged our tax specialist team to assess the key assumptions, controls, and the recognition and measurement of both current and deferred tax. Finally, we assessed the appropriateness and presentation of the disclosures in accordance with IAS 12, Income Taxes, including the deduction of deferred tax assets from regulatory capital.
See note no. 9.4 and 40 to the financial statements	
5. IT systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit. We performed the tests of IT general controls to evaluate the application development and database, hosting platforms and segregation of incompatible duties relevant to application and database change management.

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with Rules and Regulation issued by Bangladesh Bank and IFRS Accounting Standards as issued by the IASB as explained in note-2 and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial

statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group and the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the

adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Bank Company Act 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

(i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;

(iii) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(iv) the balance sheet and profit and loss account of the Bank dealt with by the report are in agreement with the books of account and returns;

(v) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;

(vi) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;

(vii) based on our checking of sample, no advance or loan in excess of the amount determined by Bangladesh Bank from time to time has been sanctioned or allowed;

(viii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls:

(a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;

(b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities;

(ix) financial statements of the Bank's subsidiary companies for the year ended 31 December 2025, namely BRAC EPL Investments Limited and BRAC EPL Stock Brokerage Limited have been audited by ourselves, and the subsidiary named bKash Limited has been audited by Rahman Rahman Huq, Chartered Accountants, and foreign subsidiary BRAC SAAJAN Exchange Limited has been audited by Reddy Siddiqui LLP, UK. where the respective auditors expressed unmodified audit opinions. In addition, the Bank has one associate company namely BRAC IT Services Limited, which we have audited and have expressed and unmodified audit opinion thereon. These have been properly reflected in the consolidated financial statements;

(x) the information and explanations required by us have been received and found satisfactory;

(xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 17,000 person hours;

(xii) Capital to Risk-weighted Asset Ratio (CRAR), Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) as required by Bangladesh Bank has been maintained adequately as at 31 December 2025;

(xiii) As part of our going concern assessment, we reviewed maturity mismatch between assets and liabilities which may adversely affect the Bank's subsequent liquidity position; and

(xiv) Non-banking assets have been accounted in conformity with Bangladesh Bank guidelines.

For and on behalf of

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292
Dhaka, Bangladesh
Dated: 26 April 2026

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
PROPERTY AND ASSETS			
Cash	4	**51,095,279,086**	**45,853,431,003**
Cash in hand (Including foreign currency)		16,436,564,244	15,000,490,086
Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions	5	**58,656,692,102**	**32,263,729,696**
Inside Bangladesh		50,908,334,177	29,709,255,296
Outside Bangladesh		7,748,357,925	2,554,474,400
Money at call on short notice		-	750,000,000
Investments	6	**419,378,463,476**	**297,959,625,736**
Government		406,471,261,977	286,713,242,602
Others		12,907,201,499	11,246,383,134
Loans and advances	7	**731,408,332,608**	**623,850,781,894**
Loans, cash credit, overdrafts etc.		421,396,217,114	361,269,154,142
Small and medium enterprises		306,248,719,034	260,345,475,823
Bills purchased and discounted		3,763,396,460	2,236,151,929
Fixed assets including premises, furniture and fixtures	8	**17,556,394,134**	**14,401,147,192**
Other assets	9	**48,881,846,629**	**40,507,533,717**
Non-banking assets	10	**11,264,043**	**10,978,565**
Goodwill		**1,126,273,572**	**1,126,273,572**
Total property and assets		**1,328,114,545,650**	**1,056,723,501,375**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	**69,098,043,420**	**50,347,610,405**
Borrowings from central bank & government agencies	12	**51,959,418,839**	**57,903,323,101**
Affordable housing bond	13	**4,751,000,000**	**4,751,000,000**
BRAC Bank 2nd subordinated bond	14	**7,000,000,000**	**6,287,000,000**
BRAC Bank Social Sub-bond	15	**6,537,000,000**	**-**
Money at call on short notice		**1,161,806,300**	**840,000,000**
Deposits and other accounts	16	**990,359,326,094**	**777,866,506,600**
Current accounts and other accounts		337,364,452,181	277,875,898,241
Bills payable		3,018,597,221	3,770,838,887
Savings deposits		129,789,428,478	99,483,397,129
Term deposits		510,455,502,899	386,748,713,246
Other deposits		9,731,345,315	9,987,659,097
Other liabilities	17	**67,826,254,579**	**57,805,464,118**
Total liabilities		**1,198,692,849,232**	**955,800,904,224**
Capital and shareholders' equity			
Paid up capital	18.2	19,909,261,670	17,697,121,490
Share premium	18.7	3,853,767,032	3,853,767,032
Statutory reserve	19	16,256,518,245	14,038,055,470
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities	20	9,148,138,893	949,752,769
Fair value reserve		70,197,708	70,197,708
Foreign currency translation reserve		862,373,711	784,142,092
Start-up Equity Investment Fund		510,994,179	352,907,106
Remeasurement gain/(loss)-Gratuity Fund	9.5.3	(261,129,881)	(284,019,464)
Surplus in profit and loss account/Retained earnings	23.1	51,952,844,586	40,595,382,384
Total shareholders' equity		**102,658,184,598**	**78,412,525,042**
Non-controlling interest	23.2	**26,763,511,820**	**22,510,072,109**
Total equity		**129,421,696,418**	**100,922,597,151**
Total liabilities and equity		**1,328,114,545,650**	**1,056,723,501,375**

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Off balance sheet items			
Contingent liabilities			
Acceptances and endorsements	24	29,816,695,553	37,449,619,380
Irrevocable letters of credit	24	69,595,275,374	58,899,396,769
Letter of guarantees	24.2	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880
		180,343,174,943	**168,558,493,200**
Other commitments			
Swap deals with banks and customers	24.4	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers	24.4	9,966,237,340	20,663,342,082
		42,087,262,467	**58,682,178,027**
Total off balance sheet items		**222,430,437,410**	**227,240,671,227**
Net asset value (NAV) per share	46	**51.56**	**39.38**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director and CEO | Director | Director | Chairperson

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292
Dhaka, Bangladesh
Dated: 26 April 2026

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Interest income	26	78,587,639,030	58,573,509,702
Interest paid on deposits and borrowing etc.	27	62,555,054,027	42,119,865,188
Net interest income		**16,032,585,003**	**16,453,644,514**
Investment income	28	47,781,611,727	28,812,533,328
Commission, exchange and brokerage	29	21,237,460,628	18,812,230,165
Other operating income	30	308,473,759	252,335,864
		69,327,546,114	**47,877,099,357**
Total operating income (a)		**85,360,131,117**	**64,330,743,871**
Salaries and allowances		21,243,041,337	17,385,245,127
Rent, taxes, insurance, electricity etc.	31	1,012,689,429	947,996,939
Legal expenses		67,809,237	22,978,444
Postage, stamps, telecommunication etc.	32	691,742,635	478,456,893
Stationery, printing, advertisement etc.	33	4,964,839,730	4,660,671,331
Chief Executive's salary and fees	34	25,561,828	24,471,250
Directors' fees	35	10,420,670	11,387,339
Auditors' fees		14,134,696	8,949,104
Impairment of goodwill		-	246,289,821
Depreciation and repair of the bank's assets	36	10,013,561,648	7,717,588,633
Other expenses	37	6,394,102,418	4,885,781,126
Total operating expenses (b)		**44,437,903,628**	**36,389,816,007**
Profit before provisions (c = a-b)	25	**40,922,227,489**	**27,940,927,864**
Share of profit of associates	38	7,281,429	6,897,472
Profit/(loss) before provisions (d)		**40,929,508,918**	**27,947,825,336**
Provision for loans/investments:			
Loans and advances		6,291,121,872	3,675,902,326
Off balance sheet items		-	68,776,791
Diminution in value of investments		493,610,957	(5,966,965)
Other provisions		123,679,888	110,984,150
Total provisions (e)	39	**6,908,412,717**	**3,849,696,302**
Total profit/(loss) before taxes (f= d-e)		**34,021,096,201**	**24,098,129,034**
Provision for taxation:			
Current tax expense		10,453,773,980	8,076,132,792
Deferred tax expense/(income)		1,057,949,099	1,703,514,288
Total provision for taxation (g)	40	**11,511,723,079**	**9,779,647,080**
Net profit/(loss) after taxation (f-g)		**22,509,373,122**	**14,318,481,954**
Attributable to:			
Equity holders of BRAC Bank PLC.		18,162,700,722	12,296,240,279
Non controlling interest	23.2.1	4,346,672,400	2,022,241,675
		22,509,373,122	**14,318,481,954**
Retained earnings brought forward from previous year		40,595,382,384	33,368,011,827
Net profit attributable to the equity holders of the Bank		18,162,700,722	12,296,240,279
Net effect of all items directly recognized in equity/retained earnings	23.1.1	(4,408,306)	(4,581,381)
Profit available for appropriation		**58,753,674,800**	**45,659,670,725**

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Appropriations:			
Statutory reserve		2,218,462,775	1,725,268,196
Dividend		4,424,280,366	3,217,658,447
Start-up Fund		158,087,073	121,361,698
		6,800,830,214	5,064,288,341
Retained surplus		**51,952,844,586**	**40,595,382,384**
Earnings per share (EPS)	45	**9.12**	**6.18**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director and CEO | Director | Director | Chairperson

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292
Dhaka, Bangladesh
Dated: 26 April 2026

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Fair value reserve	Foreign currency translation reserve	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2025	**17,697,121,490**	**3,853,767,032**	**14,038,055,470**	**355,218,455**	**949,752,769**	**70,197,708**	**784,142,092**	**352,907,106**	**(284,019,464)**	**40,595,382,384**	**22,510,072,109**	**100,922,597,151**
Revaluation reserve on govt. securities	-	-	-	-	8,198,386,124	-	-	-	-	-	-	8,198,386,124
Changes in foreign currency translation reserve	-	-	-	-	-	-	78,231,619	-	-	-	(1,445)	78,230,174
Gain on disposal of Non Banking Asset	-	-	-	-	-	-	-	-	-	352,200	-	352,200
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	22,889,583	-	(97,497,660)	(74,608,077)
Sub total	**17,697,121,490**	**3,853,767,032**	**14,038,055,470**	**355,218,455**	**9,148,138,893**	**70,197,708**	**862,373,711**	**352,907,106**	**(261,129,881)**	**40,595,734,584**	**22,412,573,004**	**109,124,957,572**
Net profit for the year	-	-	-	-	-	-	-	-	-	18,162,700,722	4,346,672,400	22,509,373,122
Dividend for the year 2024:												-
Stock dividend	2,212,140,180	-	-	-	-	-	-	-	-	(2,212,140,180)	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	(2,212,140,186)	-	(2,212,140,186)
Adjustment for subsidiaries holdings change	-	-	-	-	-	-	-	-	-	(4,760,506)	4,266,416	(494,090)
Start-up Fund	-	-	-	-	-	-	-	158,087,073	-	(158,087,073)	-	-
Statutory reserve	-	-	2,218,462,775	-	-	-	-	-	-	(2,218,462,775)	-	-
Balance as at 31 December 2025	**19,909,261,670**	**3,853,767,032**	**16,256,518,245**	**355,218,455**	**9,148,138,893**	**70,197,708**	**862,373,711**	**510,994,179**	**(261,129,881)**	**51,952,844,586**	**26,763,511,820**	**129,421,696,418**

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Fair value reserve	Foreign currency translation reserve	Start-up Equity Investment Fund	Remeasurement gain/(loss)-Gratuity Fund	Retained earnings	Non-controlling interest	Total
Balance as at 01 January 2024	**16,088,292,270**	**3,853,767,032**	**12,312,787,274**	**355,218,455**	**183,523,000**	**70,197,708**	**480,002,180**	**231,545,408**	**(170,325,168)**	**33,368,011,826**	**20,478,928,578**	**87,251,948,563**
Prior year adjustments	-	-	-	-	-	-	-	-	-	4,997,471	151,376	5,148,847
Restated balance	**16,088,292,270**	**3,853,767,032**	**12,312,787,274**	**355,218,455**	**183,523,000**	**70,197,708**	**480,002,180**	**231,545,408**	**(170,325,168)**	**33,373,009,297**	**20,479,079,954**	**87,257,097,410**
Revaluation reserve on govt. securities	-	-	-	-	766,229,769	-	-	-	-	-	-	766,229,769
Changes in foreign currency translation reserve	-	-	-	-	-	-	304,139,912	-	-	-	(329,151)	303,810,761
Remeasurement gain/(loss)-Gratuity Fund	-	-	-	-	-	-	-	-	(113,694,296)	-	207,205	(113,487,091)
Gain on disposal of Non Banking Asset	-	-	-	-	-	-	-	-	-	-	-	-
Sub total	**16,088,292,270**	**3,853,767,032**	**12,312,787,274**	**355,218,455**	**949,752,769**	**70,197,708**	**784,142,092**	**231,545,408**	**(284,019,464)**	**33,373,009,297**	**20,478,958,008**	**88,213,650,849**
Net profit for the year	-	-	-	-	-	-	-	-	-	12,296,240,279	2,022,241,675	14,318,481,954
Dividend for the year 2023:									-			
Stock dividend	1,608,829,220	-	-	-	-	-	-	-	-	(1,608,829,220)	-	-
Cash dividend	-	-	-	-	-	-	-	-	-	(1,608,829,227)	-	(1,608,829,227)
Adjustment for subsidiaries holdings change	-	-	-	-	-	-	-	-	-	(9,578,851)	8,872,426	(706,425)
Start-up Fund	-	-	-	-	-	-	-	121,361,698	-	(121,361,698)	-	-
Statutory reserve	-	-	1,725,268,196	-	-	-	-	-	-	(1,725,268,196)	-	-
Balance as at 31 December 2024	**17,697,121,490**	**3,853,767,032**	**14,038,055,470**	**355,218,455**	**949,752,769**	**70,197,708**	**784,142,092**	**352,907,106**	**(284,019,464)**	**40,595,382,384**	**22,510,072,109**	**100,922,597,151**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
A. Cash flows from operating activities			
Interest receipts in cash		116,725,027,278	79,736,888,171
Interest payment		(59,628,935,445)	(37,423,309,982)
Dividend receipts		642,257,297	482,962,323
Fees and commission receipts in cash		76,812,283,008	63,831,021,026
Recoveries on loans previously written off		1,051,599,957	924,519,756
Cash payments to employees		(20,288,283,299)	(16,496,619,006)
Cash payments to suppliers		(55,173,741,167)	(46,993,076,878)
Income tax paid		(17,494,304,969)	(14,034,587,849)
Receipts from other operating activities	42	5,542,816,573	2,641,492,218
Payment for other operating activities	43	(8,992,067,680)	(5,782,403,177)
Operating cash flow before changes in operating assets and liabilities (i)		**39,196,651,553**	**26,886,886,602**
Increase/(decrease) in operating assets and liabilities			
Loans and advances		(107,297,303,837)	(103,559,832,721)
Other assets		(4,003,918,886)	(1,759,471,312)
Borrowings from other banks and financial institutions		12,799,339,943	5,160,498,297
Deposits from customers		210,033,904,614	181,625,529,289
Other liabilities		(5,954,584,432)	(567,919,881)
Cash utilized in operating assets and liabilities (ii)		105,577,437,402	80,898,803,672
Net cash flows from operating activities (i+ii) (a)		**144,774,088,955**	**107,785,690,274**
B. Cash flows from investing activities			
Treasury bills		(7,427,851,468)	69,482,282,515
Treasury bonds		(104,131,166,399)	(173,727,572,182)
Investment in shares		(1,372,487,538)	(1,344,861,973)
Sale/ (Investment) in bonds		(330,000,000)	(650,000,000)
Acquisition of fixed assets		(7,375,706,183)	(5,739,806,230)
Disposal of fixed assets		123,351,920	118,023,290
Net cash used in investing activities (b)		**(120,513,859,668)**	**(111,861,934,580)**
C. Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	232,485,000
Proceeds from Issuance of subordinated bond		7,250,000,000	6,287,000,000
Cash dividend paid		(2,216,175,097)	(1,592,563,237)
Net cash flows from financing activities (c)		**5,033,824,903**	**4,926,921,763**
Net increase/(decrease) in cash (a+b+c)		**29,294,054,190**	**850,677,457**
Cash and cash equivalents at the beginning of the year		78,869,588,699	77,497,925,807
Effect of exchange rate changes on cash and cash equivalent		1,593,162,599	520,985,435
Cash and cash equivalents at the end of the year	41	**109,756,805,488**	**78,869,588,699**
Cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)		16,436,564,244	15,000,490,086
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions		58,656,692,102	32,263,729,696
Money at call on short notice		-	750,000,000
Prize Bond		4,834,300	2,428,000
		109,756,805,488	**78,869,588,699**
Net operating cash flow per share (NOCFPS)	47	**72.72**	**54.14**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED LIQUIDITY STATEMENT (ASSET AND LIABILITY MATURITY ANALYSIS)

As at 31 December 2025

Amount in Taka

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
Assets						
Cash in hand and Balance with Bangladesh Bank (including foreign currencies)	24,372,316,504	-	-	-	26,722,962,582	51,095,279,086
Balance with other banks and financial institutions	18,114,987,760	31,341,342,722	9,200,361,620	-	-	58,656,692,102
Money at call and short notice	-	-	-	-	-	-
Investments	2,902,043,590	8,019,091,845	46,600,941,840	145,077,575,849	216,778,810,352	419,378,463,476
Loans and advances	74,856,841,476	127,032,391,311	298,855,106,058	214,231,366,729	16,432,627,034	731,408,332,608
Fixed assets including premises, furniture and fixtures	-	-	-	17,026,411,024	529,983,110	17,556,394,134
Other assets	27,243,123,658	905,999,964	11,212,289,396	2,884,756,276	6,635,677,335	48,881,846,629
Non - banking assets	-	-	3,327,178	-	7,936,865	11,264,043
Goodwill		-	-	-	1,126,273,572	1,126,273,572
Total Assets	**147,489,312,988**	**167,298,825,842**	**365,872,026,092**	**379,220,109,878**	**268,234,270,850**	**1,328,114,545,650**
Liabilities						
Borrowings from other banks, financial institutions & agents	3,683,210,964	18,018,483,702	26,149,166,837	20,245,582,589	1,001,599,328	69,098,043,420
Borrowings from central bank & government agencies	5,898,490,239	7,052,471,579	9,448,304,141	9,568,555,067	19,991,597,813	51,959,418,839
Affordable housing bond	-	-	-	4,751,000,000	-	4,751,000,000
BBPLC 2nd subordinated bond	-	-	-	13,537,000,000	-	13,537,000,000
Money at call and short notice	1,161,806,300	-	-	-	-	1,161,806,300
Deposits and other accounts	112,497,235,233	192,893,998,731	299,863,234,858	351,790,537,419	33,314,319,853	990,359,326,094
Other liabilities	10,453,121,385	2,256,716,933	19,446,547,853	6,765,496,910	28,904,371,498	67,826,254,579
Total Liabilities	**133,693,864,121**	**220,221,670,945**	**354,907,253,689**	**406,658,171,985**	**83,211,888,492**	**1,198,692,849,232**
Net Liquidity Gap	**13,795,448,867**	**(52,922,845,103)**	**10,964,772,403**	**(27,438,062,107)**	**185,022,382,358**	**129,421,696,418**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC.

BALANCE SHEET

As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
PROPERTY AND ASSETS			
Cash	4	**51,090,439,025**	**45,551,288,177**
Cash in hand (Including foreign currency)		16,431,724,183	14,698,347,260
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions	5	**10,015,220,320**	**5,965,262,060**
Inside Bangladesh		2,322,808,158	3,438,563,039
Outside Bangladesh		7,692,412,162	2,526,699,021
Money at call on short notice		**-**	**750,000,000**
Investments	6	**326,256,440,605**	**204,351,738,373**
Government		313,828,787,504	194,166,365,832
Others		12,427,653,101	10,185,372,541
Loans and advances	7	**730,658,838,813**	**623,371,888,530**
Loans, cash credit, overdrafts etc.		420,646,723,319	360,790,260,778
Small and medium enterprises		306,248,719,034	260,345,475,823
Bills purchased & discounted		3,763,396,460	2,236,151,929
Fixed assets including premises, furniture and fixtures	8	**11,000,737,687**	**8,518,445,878**
Other assets	9	**50,639,290,597**	**41,613,101,198**
Non-banking assets	10	**11,264,043**	**10,978,565**
Total property and assets		**1,179,672,231,090**	**930,132,702,781**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions & agents	11	**68,944,031,752**	**50,331,428,570**
Borrowings from central bank & government agencies	12	**51,959,418,839**	**57,903,323,101**
Affordable housing bond	13	**4,751,000,000**	**4,751,000,000**
BRAC Bank 2nd subordinated bond	14	**7,000,000,000**	**6,287,000,000**
BRAC Bank Social Sub-bond	15	**6,537,000,000**	**-**
Money at call on short notice		**1,161,806,300**	**840,000,000**
Deposits and other accounts	16	**889,517,407,214**	**689,432,929,579**
Current accounts & other accounts		236,193,511,602	189,281,704,728
Bills payable		3,018,597,221	3,770,838,887
Savings deposits		129,789,428,478	99,483,397,129
Term deposits		510,784,524,598	386,909,329,738
Other deposits		9,731,345,315	9,987,659,097
Other liabilities	17	**50,099,926,103**	**44,790,057,640**
Total Liabilities		**1,079,970,590,208**	**854,335,738,890**
Capital and shareholders' equity			
Paid up capital	18.2	19,909,261,670	17,697,121,490
Share premium	18.7	3,853,767,032	3,853,767,032
Statutory reserve	19	16,055,494,638	13,843,354,458
Dividend equalization fund		355,218,455	355,218,455
Revaluation reserve on govt. securities	20	9,148,138,893	949,752,769
Fair value gain/(loss) on equity investment	21	10,187,384,306	8,233,329,679
Start-up Equity Investment Fund	22	510,994,179	352,907,106
Foreign currency translation reserve		852,496,090	774,293,942
Remeasurement gain/(loss)-Gratuity Fund	9.5.3	(135,637,292)	(212,752,090)
Surplus in profit and loss account/Retained earnings	23	38,964,522,911	29,949,971,050
Total shareholders' equity		**99,701,640,882**	**75,796,963,891**
Total liabilities and shareholders' equity		**1,179,672,231,090**	**930,132,702,781**

BRAC Bank PLC.

BALANCE SHEET

As at 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Off balance sheet items			
Contingent liabilities			
Acceptances and endorsements	24	29,816,695,553	37,449,619,380
Irrevocable letters of credit	24	69,595,275,374	58,899,396,769
Letter of guarantees	24.2	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880
		180,343,174,943	**168,558,493,200**
Other Commitments			
Swap deals with banks and customers	24.4	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers	24.4	9,966,237,340	20,663,342,082
		42,087,262,467	**58,682,178,027**
Total off balance sheet items		**222,430,437,410**	**227,240,671,227**
Net asset value (NAV) per share	46	**50.08**	**38.07**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director and CEO	Director	Director	Chairperson

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292
Dhaka, Bangladesh
Dated: 26 April 2026

BRAC Bank PLC.

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Interest income	26	74,778,338,764	55,952,496,683
Interest paid on deposits and borrowing etc.	27	63,000,428,345	42,490,831,604
Net interest income		**11,777,910,419**	**13,461,665,079**
Investment income	28	37,935,016,454	21,264,723,577
Commission, exchange and brokerage	29	7,951,278,546	9,297,329,107
Other operating income	30	281,773,109	226,693,387
		46,168,068,109	**30,788,746,071**
Total operating income (a)		**57,945,978,528**	**44,250,411,150**
Salaries and allowances		14,813,625,547	11,967,250,774
Rent, taxes, insurance, electricity etc.	31	681,158,090	642,571,657
Legal expenses		61,257,062	18,316,773
Postage, stamps, telecommunication etc.	32	511,794,617	357,490,900
Stationery, printing, advertisement etc.	33	916,576,784	641,288,609
Chief Executive's salary and fees	34	25,561,828	24,471,250
Directors' fees	35	7,325,500	7,350,200
Auditors' fees		6,900,000	2,277,000
Depreciation and repair of the bank's assets	36	3,542,604,594	2,938,796,247
Other expenses	37	5,492,729,155	4,223,364,347
Total operating expenses (b)		26,059,533,177	20,823,177,757
Profit before provisions (c = a-b)	25	**31,886,445,351**	**23,427,233,393**
Provision for loans/Investments:			
Loans and advances		6,275,975,699	3,668,632,929
Off balance sheet items		-	68,776,791
Diminution in value of investments		493,610,957	(5,966,965)
Other provisions		114,263,561	104,289,372
Total provisions (d)	39	**6,883,850,217**	**3,835,732,127**
Total profit/(loss) before taxes (e= c-d)		**25,002,595,134**	**19,591,501,266**
Provision for taxation:			
Current tax expense		8,366,129,292	6,349,742,457
Deferred tax expense/(income)		827,758,562	1,105,589,048
Total provision for taxation (f)	40	**9,193,887,854**	**7,455,331,505**
Net profit after taxation (e-f)		**15,808,707,280**	**12,136,169,761**
Retained earnings brought forward from previous year		29,949,971,050	22,761,650,654
Net effect of all items directly recognized in equity/retained earnings		352,200	-
Profit available for appropriation		**45,759,030,530**	**34,897,820,415**

BRAC Bank PLC.

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
Appropriations:			
Statutory reserve		2,212,140,180	1,608,829,220
Dividend		4,424,280,366	3,217,658,447
Start-up Fund		158,087,073	121,361,698
		6,794,507,619	4,947,849,365
Retained Surplus		**38,964,522,911**	**29,949,971,050**
Earnings per share (EPS)	45	**7.94**	**6.10**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

Managing Director and CEO | Director | Director | Chairperson

As per our report of same date.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

DVC: 2604261766AS949292
Dhaka, Bangladesh
Dated: 26 April 2026

BRAC Bank PLC.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Foreign currency translation reserve	Fair value gain/ (loss) on equity investment*	Start-up Equity Investment Fund	Remeasurement gain/(loss)- Gratuity Fund	Retained earnings	Total
Balance as at 01 January 2025	**17,697,121,490**	**3,853,767,032**	**13,843,354,458**	**355,218,455**	**949,752,769**	**774,293,942**	**8,233,329,679**	**352,907,106**	**(212,752,090)**	**29,949,971,050**	**75,796,963,891**
Revaluation reserve on govt. securities	-	-	-	-	8,198,386,124	-	-	-	-	-	8,198,386,124
Changes in translation reserve	-	-	-	-	-	78,202,148	-	-	-	-	78,202,148
Changes in OCI reserve for equity investment	-	-	-	-	-	-	1,954,054,627			-	1,954,054,627
Remeasurement gain/(loss)- Gratuity Fund	-	-	-	-	-	-	-	-	77,114,798		77,114,798
Gain on disposal of NBA	-	-	-	-	-	-	-	-	-	352,200	352,200
Sub total	**17,697,121,490**	**3,853,767,032**	**13,843,354,458**	**355,218,455**	**9,148,138,893**	**852,496,090**	**10,187,384,306**	**352,907,106**	**(135,637,292)**	**29,950,323,250**	**86,105,073,788**
Net profit for the year	-	-	-	-	-	-				15,808,707,280	15,808,707,280
Dividends for the year 2024:											
Stock dividend	2,212,140,180	-	-	-	-	-	-			(2,212,140,180)	-
Cash dividend	-	-	-	-	-	-	-			(2,212,140,186)	(2,212,140,186)
Start-up Fund	-	-	-	-	-	-	-	158,087,073		(158,087,073)	-
Statutory reserve	-	-	2,212,140,180	-	-	-	-			(2,212,140,180)	-
Balance as at 31 December 2025	**19,909,261,670**	**3,853,767,032**	**16,055,494,638**	**355,218,455**	**9,148,138,893**	**852,496,090**	**10,187,384,306**	**510,994,179**	**(135,637,292)**	**38,964,522,911**	**99,701,640,882**

BRAC Bank PLC.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Amount in Taka

Particulars	Paid up capital	Share premium	Statutory reserve	Dividend equalization fund	Revaluation reserve on Govt. securities	Foreign currency translation reserve	Fair value gain/ (loss) on equity investment*	Start-up Equity Investment Fund	Remeasurement gain/(loss)- Gratuity Fund	Retained earnings	Total
Balance as at 01 January 2024	**16,088,292,270**	**3,853,767,032**	**12,234,525,238**	**355,218,455**	**183,523,000**	**459,993,992**	**7,944,001,202**	**231,545,408**	**(98,942,553)**	**22,761,650,654**	**64,013,574,698**
Revaluation reserve on govt. securities	-	-	-	-	766,229,769	-	-	-	-	-	766,229,769
Changes in translation reserve	-	-	-	-	-	314,299,950	-	-	-	-	314,299,950
Changes in OCI reserve for equity investment	-	-	-	-	-	-	289,328,477	-	-	-	289,328,477
Remeasurement gain/(loss)- Gratuity Fund									(113,809,537)		(113,809,537)
Sub total	**16,088,292,270**	**3,853,767,032**	**12,234,525,238**	**355,218,455**	**949,752,769**	**774,293,942**	**8,233,329,679**	**231,545,408**	**(212,752,090)**	**22,761,650,654**	**65,269,623,357**
Net profit for the year	-	-	-	-	-	-		-	-	12,136,169,761	12,136,169,761
Dividends for the year 2023:											
Stock dividend	1,608,829,220	-	-	-	-	-	-	-	-	(1,608,829,220)	-
Cash dividend	-	-	-	-	-	-	-	-	-	(1,608,829,227)	(1,608,829,227)
Start-up Fund	-	-	-	-	-	-	-	121,361,698	-	(121,361,698)	-
Statutory reserve	-	-	1,608,829,220	-	-	-	-	-	-	(1,608,829,220)	-
Balance as at 31 December 2024	**17,697,121,490**	**3,853,767,032**	**13,843,354,458**	**355,218,455**	**949,752,769**	**774,293,942**	**8,233,329,679**	**352,907,106**	**(212,752,090)**	**29,949,971,050**	**75,796,963,891**

* Detail of fair value gain/(loss) on equity investments has been provided at Note-9.1 & 9.2 and Note- 21.

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC.

CASH FLOW STATEMENT

For the year ended 31 December 2025

Particulars	Note	2025 Taka	2024 Taka
A. Cash flows from operating activities			
Interest receipts in cash		104,094,258,776	68,818,502,061
Interest payment		(60,083,797,217)	(37,809,408,857)
Dividend receipts		595,221,612	408,353,204
Fees and commission receipts in cash		7,951,278,548	9,297,329,106
Recoveries on loans previously written off		1,051,599,957	924,519,756
Cash payments to employees		(14,405,935,180)	(11,410,431,360)
Cash payments to suppliers		(1,377,272,993)	(1,002,160,654)
Income tax paid		(7,112,717,075)	(6,032,802,945)
Receipts from other operating activities	42	5,534,424,961	2,655,035,781
Payment for other operating activities	43	(8,593,401,338)	(5,507,518,181)
Operating cash flow before changes in operating assets and liabilities (i)		**27,653,660,051**	**20,341,417,911**
Increase/decrease in operating assets and liabilities			
Loans and advances		(107,286,950,282)	(103,919,892,718)
Other assets		(3,924,956,561)	(369,725,515)
Borrowings from other banks and financial institutions		12,990,505,220	5,377,762,590
Deposits from customers		197,730,444,192	167,713,297,342
Other liabilities		(6,250,801,611)	(526,491,985)
Cash utilized in operating assets and liabilities (ii)		93,258,240,958	68,274,949,714
Net cash flows from operating activities (i+ii) (a)		**120,911,901,009**	**88,616,367,625**
B. Cash flows from investing activities			
Treasury bills		(7,342,866,890)	69,482,282,515
Treasury bonds		(104,121,168,658)	(155,325,663,377)
Sale/ (Investment) in shares		(1,912,280,560)	(1,434,648,684)
Sale/ (Investment) in bonds		(330,000,000)	(650,000,000)
Acquisition of fixed assets		(4,975,406,808)	(3,050,248,516)
Disposal of fixed assets		121,917,420	116,350,490
Net cash used in investing activities (b)		**(118,559,805,496)**	**(90,861,927,572)**
C. Cash flows from financing activities			
Proceeds from Issuance of subordinated bond		7,250,000,000	6,287,000,000
Dividend paid		(2,216,175,097)	(1,592,563,237)
Net cash flows from financing activities (c)		**5,033,824,903**	**4,694,436,763**
Net increase/decrease in cash (a+b+c)		**7,385,920,416**	**2,448,876,816**
Cash and cash equivalents at the beginning of year		52,268,978,237	49,306,059,073
Effect of exchange rate changes on cash and cash equivalent		1,455,594,992	514,042,348
Cash and cash equivalents at the end of the year	41	**61,110,493,645**	**52,268,978,237**
Cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)		16,431,724,183	14,698,347,260
Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)		34,658,714,842	30,852,940,917
Balance with other banks and financial institutions		10,015,220,320	5,965,262,060
Money at call on short notice		-	750,000,000
Prize Bond		4,834,300	2,428,000
		61,110,493,645	**52,268,978,237**
Net operating cash flow per share (NOCFPS)	47	**60.73**	**44.51**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

The reconciliation of net profit with cash flows from operating activities (standalone basis) has been presented at note - 44.

BRAC Bank PLC. and its subsidiaries

CONSOLIDATED LIQUIDITY STATEMENT (ASSET AND LIABILITY MATURITY ANALYSIS)

As at 31 December 2025

Amount in Taka

Particulars	0 - 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	Above 5 Years	Total
Assets						
Cash in hand and balance with Bangladesh Bank (including foreign currencies)	24,367,476,443	-	-	-	26,722,962,582	51,090,439,025
Balance with other banks and financial institutions	7,915,220,320	2,100,000,000	-	-	-	10,015,220,320
Money at call and short notice	-	-	-	-	-	-
Investments	2,508,763,452	47,970,598	39,099,165,063	108,688,614,849	175,911,926,643	326,256,440,605
Loans and advances	75,852,308,730	127,032,391,311	297,118,324,826	214,223,186,912	16,432,627,034	730,658,838,813
Fixed assets including premises, furniture and fixtures	-	-	-	10,470,754,577	529,983,110	11,000,737,687
Other assets	26,041,308,421	68,882,450	43,855,706	1,099,797,120	23,385,446,900	50,639,290,597
Non-banking assets	-	-	3,327,178	-	7,936,865	11,264,043
Total Assets	**136,685,077,366**	**129,249,244,359**	**336,264,672,773**	**334,482,353,458**	**242,990,883,134**	**1,179,672,231,090**
Liabilities						
Borrowings from other banks, financial institutions & agents	4,669,360,668	17,427,094,500	25,600,394,667	20,245,582,589	1,001,599,328	68,944,031,752
Borrowings from central bank & government agencies	5,898,490,239	7,052,471,579	9,448,304,141	9,568,555,067	19,991,597,813	51,959,418,839
Affordable housing bond	-	-	-	4,751,000,000	-	4,751,000,000
BRAC Bank subordinated bond	-	-	-	13,537,000,000	-	13,537,000,000
Money at call and short notice	1,161,806,300	-	-	-	-	1,161,806,300
Deposits and other accounts	107,700,277,267	174,824,907,259	292,258,596,863	308,948,566,311	5,785,059,514	889,517,407,214
Other liabilities	7,805,007,207	214,043,504	5,581,879,963	5,798,005,775	30,700,989,654	50,099,926,103
Total Liabilities	**127,234,941,681**	**199,518,516,842**	**332,889,175,634**	**362,848,709,742**	**57,479,246,309**	**1,079,970,590,208**
Net Liquidity Gap	**9,450,135,685**	**(70,269,272,483)**	**3,375,497,139**	**(28,366,356,284)**	**185,511,636,825**	**99,701,640,882**

The notes 1 to 48.5 and annexures A to J form an integral part of these financial statements.

BRAC Bank PLC.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

1 THE BANK AND ITS ACTIVITIES

1.1 BRAC Bank PLC.

BRAC Bank PLC. (the "Bank" or "BRAC Bank") is a scheduled commercial bank established under the Bank Company Act, 1991, and incorporated as a public company, limited by shares, on 20 May 1999 under the Companies Act, 1994, in Bangladesh, vide RJSC registration no. C-37782(2082)/99. The primary objective of the bank is to conduct all kinds of banking businesses. On completion of all legal formalities, the bank commenced its operations on 4th July 2001. At present, the bank has 194 banking branches (2024: 189 branches), 116 sub-branches (2024: 74 sub-branches), 281 Area offices (2024: 198 Area offices), 446 SME unit offices (2024: 446 SME unit offices), 1,122 agent banking outlets (2024: 1,119 agent outlets), 329 ATMs (2024: 329 ATMs) and 68 RCDMs (2024: 68 RCDMs) and spread across the country. The registered address of the bank is: Anik Tower, 220/B Tejgaon Gulshan Link Road, Tejgaon, Dhaka-1208. BRAC Bank was listed on the Dhaka Stock Exchange and Chittagong Stock Exchange as a publicly traded company on 28 January 2007 and on 24 January 2007 respectively. The Bank has four subsidiaries and one associate companies in related operations. A brief description of the subsidiaries and associates of the Bank has been provided in Note 1.6.

1.2 Principal activities and nature of operations

The principal activities of the Bank are banking and related activities including accepting customer deposits, lending to retail, small and medium enterprise (SME) and corporate customers, trade financing, lease financing, issuing letter of credit (LCs), inter bank borrowing and lending, dealing in government securities, equity shares etc. There have been no significant changes in the nature of operations of the Bank during the financial year under review.

As a fully operational commercial bank, BRAC Bank PLC. focuses on pursuing unexplored market niches in the SME business, which hitherto has remained largely untapped within the country. With the view to reaching clients, the Bank has established a wide network of branches, zonal offices, SME unit offices and agent banking outlets offering services in the heart of rural and urban communities.

As a founder member of GABV and being the trailblazer of values-based banking in Bangladesh, Bank always strives to contribute towards achieving the Sustainable Development Goals (SDGs), where financing for SMEs to generate employment in an environmentally-friendly manner remains as our top priority. The Bank also serving as intermediary for Triple Bottom Line (TBL) by supporting individual or enterprises delivering impact in at least one of the following categories: social empowerment (people), environmental regeneration (planet), and/or economic resiliency (prosperity).

1.3 Off-shore banking unit (OBU)

The Bank commenced its off-shore banking operation on obtaining permission from Bangladesh Bank in 2010. The Off-shore Banking Unit (OBU) is governed by the rules and guidelines of Bangladesh Bank. The consolidated and separate financial statements of the bank included the operations of OBU. In addition, a separate financial statements of OBU has been presented in **Annexure-J**. In addition, the principal activities of OBU are to provide all kinds of commercial banking services to its customers in Bangladesh in foreign currency.

1.4 Custodian Service

The Bank obtained permission to work as a security custodian from Bangladesh Securities and Exchange Commission vide its certificate no. SC-10/2009 dated 12 November 2009 under the Securities and Exchange Commission (Securities Custodial Service) Rules 2003. Financial performance of Security Custodial Services have been separately reported in **Annexure-H** along with Bank's audited financial statements in compliance with the requirement u/s 10(2) of Security Custodial Services Rules 2003. The due certificate from external auditors has been obtained on internal control and financial statements of security custodial operations of the Bank and annexed with the financial statements.

1.5 Agent banking

BRAC Bank obtained permission from Bangladesh Bank on 11 March 2018, vide reference no. BRPD(P-3)745/(50)2018-1806, to commence agent banking outlets and subsequently started commercial operations on 11 September 2018. Till 31 December 2025, the bank has already opened 1,122 agent banking outlets in 64 districts across the country. Services that are currently being dispensed include account opening (current, savings & term deposit), cash deposit and withdrawal, instant fund transfer through BEFTN, SME loan disbursement & repayment collection, foreign remittance disbursement, retail loan services, credit card bill collection, utility bill collection, cheque book & debit card services and internet and SMS banking etc.

1.6 Subsidiaries and associates of BRAC Bank PLC.

Subsidiaries are entities controlled by the Group. Control exists when the Group has power over an entity, is exposed to or has rights to variable returns from its involvement, and can influence those returns through its power. The Group reassesses control if circumstances change, including when protective rights become substantive. Financial statements of subsidiaries are consolidated from the date control commences until the date it ceases.

Associates are entities over which the Group has significant influence but neither control nor joint control (IAS-28: Investments in Associates and joint venture). Significant influence is the power to participate in financial and operating policy decisions without exercising control. Investments in associates are accounted for using the equity method. Under this method, investments are initially recognized at cost and subsequently adjusted for the Group's share of the investee's profits or losses after acquisition. The Group's share of profits or losses is recorded in the consolidated profit and loss account, and distributions received reduce the carrying amount of the investment.

If the holding in subsidiary disposed-off in such a way that the status of the holding now comes to 'Associate' then the fair value of the holding retained in the said entity at the date of such disposal has been considered as opening balance of investment in associate in consolidated financial statements and related gains and losses have been recognized directly in consolidated equity. Any share of profits and losses after such change/ disposal have been recognized in consolidated profit and loss as per equity method.

Summary of shareholding in subsidiaries and associates

BRAC Bank's shareholding position in its four subsidiaries and one associate is summarized below:

Name of subsidiaries and associates	Face value per share	Nature of business	Total no. of ordinary shares		No. of ordinary shares held by BRAC Bank PLC.		BRAC Bank's percentage of shareholding	
			2025	2024	2025	2024	2025	2024
BRAC EPL Investments Ltd.	BDT 10	Merchant banking	258,500,000	258,500,000	258,358,734	258,358,734	99.95%	99.95%
BRAC EPL Stock Brokerage Ltd.	BDT 100	Stock brokerage	12,768,575	12,768,575	11,491,638	11,491,638	90.00%	90.00%
bKash Ltd.	BDT 10	Mobile financial services (MFS)	2,238,973,146	2,238,973,146	1,141,911,535	1,141,911,535	51.00%	51.00%
BRAC SAAJAN Exchange Ltd.	GBP 1	Remittance & exchange services	4,333,333	2,833,333	4,250,000	2,750,000	98.08%	97.06%
BRAC IT Services Ltd.	BDT 1,000	IT services	233,729	233,729	23,372	23,372	9.9996%	9.9996%

1.6.1 BRAC EPL Investments Limited (subsidiary)

BRAC Bank acquired 51% shares of Equity Partners Limited on 31 July 2009. This entity was incorporated in Bangladesh on 19 April 2000 as a private limited company, under the Companies Act, 1994, and was subsequently renamed as "BRAC EPL Investments Limited". BRAC Bank acquired an additional 25% shares in the entity in 2011 and an additional 18.57% in 2016. During 2017, the bank acquired a further 5.275% in the entity. During 2019, the bank acquired another 0.10%, thus taking the total shareholding to 99.945% at the end of the year 2019.

BRAC EPL Investments was established to cater to the needs of the fast growing capital markets of Bangladesh. It works as a merchant bank with a full-fledged merchant banking license from Bangladesh Securities and Exchange Commission (BSEC). The company's service portfolio comprises lead managing initial public offerings, domestic and international placements, portfolio management and project development and consultancy.

1.6.2 BRAC EPL Stock Brokerage Limited (subsidiary)

BRAC Bank PLC. acquired 51% shares of Equity Partners Securities Limited on 31 July 2009. Equity Partners Securities Limited was incorporated in Bangladesh on 16 May 2000 as a private limited company under the Companies Act, 1994. Subsequently, the management decided to rename Equity Partners Securities Limited as BRAC EPL Stock Brokerage Limited. In the year 2011, the bank acquired an additional 39% shares of EPL Stock Brokerage Limited. As a result, the bank's controlling interest has risen to 90% of EPL Stock Brokerage Limited. BRAC EPL Stock Brokerage Limited was established to cater to the needs of the brokerage business in Bangladesh. It has corporate membership of both Dhaka Stock Exchange and Chittagong Stock Exchange.

1.6.3 bKash Limited (subsidiary)

BRAC Bank PLC. formed bKash Limited, a private company limited by shares incorporated on 1 March 2010 under the Companies Act, 1994. bKash Limited was established to introduce mobile financial services in Bangladesh. The bank has obtained a license from Bangladesh Bank for bKash Limited to render mobile financial services (MFS). BRAC Bank currently holds 51% equity shares in the company.

With the consent of all existing shareholders, in 2014 Bill & Melinda Gates Foundation (B&M), in 2018 Alipay Singapore E-Commerce Private Limited ("Alipay") and in 2021 SoftBank further invested in bKash Limited in the form of convertible preference shares. As on 31 December 2023, out of the total 956,110,570 convertible preference shares, B&M holds 132,040,849 shares, Alipay holds 324,946,520 shares and SoftBank holds 499,123,201 shares. Preference shareholders do not have any voting rights but has same rights as equity shareholders with respect to economic interest in the company. These preference shares are convertible at a 1:1 basis to ordinary shares subject to consent of regulators. Consolidated financial statements have been prepared using 35.74% instead of 51% considering the potential dilution, or otherwise according to economic interest in bKash.

During the year 2023, the Company has increased the authorized share capital to Tk. 35,000,000,000 (Taka three thousand five hundred crore) from Tk. 500,000,000 (Taka fifty crore) divided into 2,240,000,000 (Two hundred and twenty four crore) ordinary shares of Tk. 10 each and 1,260,000,000 (One hundred and twenty six crore) preference shares of Tk. 10 each. The Company has also changed the nominal value of each share to Tk. 10 from Tk. 100.

Pursuant to section 57 (2) of the Companies Act 1994, the company has issued bonus shares from “Share premium account” to its existing ordinary and preference shareholders in proportion to the existing shareholding structure. Incremental costs directly attributable to the issue of shares, net of any tax effects, are recognized as a deduction from equity.

1.6.4 BRAC SAAJAN Exchange Limited (subsidiary)

At the inception, BRAC Bank PLC. acquired 75%+1 shares of ""SAAJAN Worldwide Money Transfer Limited"" (SWMTL) in the UK. Bangladesh Bank provided necessary approvals of GBP 500,000 to acquire SWMTL and setting up two new branches in Luton and Bradford, UK. As per permission of Bangladesh Bank, SWMTL has been renamed as ""BRAC SAAJAN Exchange Ltd” (BSEL). BRAC SAAJAN Exchange Limited was established to offer remittance and exchange services in the UK.

Notable that the operation of BRAC SAAJAN Exchange Limited was suspended in 2021 on regulatory ground by the local regulator in UK. Management lodged an appeal against the suspension before the Court in UK. After long hearing, the honorable Court released a verdict in 2022 in favor of BRAC Saajan and nodded the company to resume its operations. Accordingly, the company has resumed its operations in December 2022.

Considering the minimum capital requirement as per Financial Conduct Authority (FCA), UK and to resume its full-fledged operations, the company (BRAC Saajan) converted the outstanding OD Loan facilities of BRAC Bank as additional share capital of GBP 1,000,000 (equivalent to BDT 112,140,000) with due approval from the regulators in 2022.

In 2024, to comply with the Financial Conduct Authority (FCA), UK minimum capital requirement, the company (BRAC Saajan) converted from the outstanding OD Loan facilities of BRAC Bank as additional paid up share capital of GBP 1,500,000 (equivalent to BDT 232,485,000) with due approval from the regulators.

*In 2025, to further meet the minimum capital requirement as per Financial Conduct Authority (FCA), UK, BRAC Bank PLC injected fresh capital of GBP 1,500,000 (equivalent to BDT 249,195,000) into BRAC Saajan Exchange Limited as additional paid- up capital with due approval from the regulators.

Currently, BRAC Bank PLC. holds 98.08% shares (4,250,000 no. of shares out of the total 4,333,333 shares) of BRAC SAAJAN Exchange Ltd.

1.6.5 BRAC IT Services Limited (biTS) (associate)

BRAC IT Services Ltd. (biTS) was initially founded as Documenta™ Ltd, a digital archiving firm, in 1999. BRAC IT Services Ltd. was then formed in April 2013 through the merger of Documenta™ Ltd and the IT Division of BRAC Bank. BRAC Bank acquired 51% shares of BRAC IT Services Limited, a private company limited by shares under the Companies Act, 1994, incorporated on 9 April 2013. It currently operates as an IT services company. In the year 2017, BRAC Bank reduced its holding in BRAC IT Services Limited from 51% to 48.67% by selling 1,034 shares to BRAC. However, due to additional investment by BRAC, the holding percentage of BRAC Bank further reduced to 12.92% at the end of the year 2020.

In 2022, BRAC Bank further disposed off 6,818 no. of shares (2.92% shareholding) to BRAC upon approval from Bangladesh Bank and the bank's shareholding in biTS reduced to 9.9996%. Considering the significant management involvement, the company is still considered as an associate of the Bank as per international accounting standards (IASs)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Preparation of consolidated and separate financial statements

Preparation of separate financial statements of the bank for the year ended 31 December 2025 comprise the operation of the Domestic Banking Unit (DBU) (main operations), as well as operations of the Off-shore Banking Unit (OBU), together referred to as 'the Bank'.

Consolidated financial statements include separate financial statements of the BRAC Bank PLC. and financial statements of all subsidiaries', as those of a single economic entity and together referred to as 'the Group'. There were no significant changes in the operations of the bank/group entities.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) 10: Consolidated Financial Statements. The consolidated financial statements are prepared to a common reporting year ended 31 December 2025. Intra-company transactions, balances and intra-group gains on transactions between group companies are eliminated on consolidation.

2.2 Statement of compliance with applicable laws, regulations and standards

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 2 November 2020.

The consolidated and separate financial statements of the Group and the bank have been prepared in accordance with the IFRS adopted by FRC and in addition to this, the bank also complied with the requirements of the following laws and regulations from various government bodies:

i) The Bank Company Act, 1991, and amendment thereon;

ii) The Companies Act, 1994;

iii) BRPD circular no. 14 dated 25 June 2003 and other applicable Circulars, Rules and Regulations issued by Bangladesh Bank (BB) time to time;

iv) Bangladesh Securities and Exchange Rules, 2020; Bangladesh Securities and Exchange Ordinance,1969; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 and amendments thereon;

v) The Income Tax Act 2023, and amendments thereon;

vi) The Value Added Tax and Supplementary Duty Act, 2012, the Value Added Tax and Supplementary Duty, 2016 and amendments thereon;

vii) Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations; and

viii) Financial Reporting Act, 2015.

The Central Bank of Bangladesh ('Bangladesh Bank'), as primary regulator of the banking industry, has issued a number of circulars/directives which are not consistent with the requirements specified in IASs/IFRSs. In case any requirement of the Bank Company Act, 1991, and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Bank Company Act, 1991, and provisions and circulars issued by BB shall prevail.

Bank has departed from certain contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i)	Investment in equity instruments except investment in subsidiaries and associates	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per requirements of IFRS 9: Classification and measurement of investment in equity instruments depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors, it would generally fall either under 'at fair value through profit and loss account' or under 'at fair value through other comprehensive income' where any change in the fair value (measured in accordance with IFRS 13) at the year-end is taken to the profit and loss account or other comprehensive income, respectively.	As per Banking Regulation and Policy Department (BRPD) circular no. 14, dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the year-end at market price and as per the book value of the last audited balance sheet, respectively. Provisions should be made for any loss arising from diminution in value of investments; otherwise investments are recognized at cost.

ii)	**Subsequent measurement of Government securities**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	Government securities refer primarily to various debt instruments which include both bonds and bills. As per requirements of IFRS 9: Financial Instruments, these investments can be categorized as "Amortized Cost (AC)", or "Fair Value Through Profit or Loss (FVTPL)", or "Fair Value through Other Comprehensive Income (FVOCI)". Investments designated as Amortized Cost are measured at amortized cost method, and interest income is recognized through profit and loss account. Any changes in fair value of investments designated as FVTPL is recognized in the profit and loss account. Any changes in fair value of investments designated as FVOCI is recognized in other reserves, as a part of equity.	As per DOS Circular no. 05, dated 26 May 2008, and subsequent clarification in DOS Circular no. 05, dated 28 January 2009, Government securities/bills are classified into Held for Trading (HFT) and Held to Maturity (HTM). HFT securities are revalued on the basis of mark-to-market and at year-end, any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity. Any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities, including amortization of discount, are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at year-end, and gains or losses on amortization are recognized in other reserves as part of equity.
iii)	**Provision on loans and advances**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IFRS 9: Financial Instruments, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses, if the credit risk on these loans and advances has increased significantly since initial recognition, whether assessed on an individual or collective basis, considering all reasonable information (including that which is forward-looking). For those loans and advances for which credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12-month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after the reporting date.	According to BRPD Circulars No. 15 (27 November 2024), No. 05 (25 June 2025), and Circular Letter No. 29 (21 December 2025), banks must maintain general provisions of 0.25%–5% on unclassified loans (including standard and SMA), irrespective of impairment evidence. For classified loans, provisions are set at 20%, 50%, and 100% for sub-standard, doubtful, and bad/loss categories respectively, based on overdue periods. Provision for loans and advances of special rescheduling facilities under policy support of BRPD circular no. 07 dated 16 September 2025 has been maintained as per BRPD Letter No. 26 dated 24 November 2025 and relevant instructions as mentioned in specific approval letter for specific loans issued by Bangladesh Bank in this regard. Additionally, BRPD Circular No. 06 (25 April 2023) requires a 0.50%–1% general provision on off-balance sheet exposures, excluding "bills for collection" and "guarantees" backed by counter-guarantees from MDBs or international banks rated equivalent to Bangladesh Bank's grade '1' under Basel III guidelines. It is important to note that these provisioning requirements are regulatory in nature and do not fully align with the expected credit loss model prescribed under IFRS 9.
iv)	**Other comprehensive income**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IAS 1 Presentation of Financial Statements, other comprehensive income is a component of financial statements or the elements of other comprehensive income are to be included in single comprehensive income statements.	Bangladesh Bank has issued templates for financial statements which is followed by all banks. The templates of financial statements issued by Bangladesh Bank neither include Other Comprehensive Income nor the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) statement. As such, the bank does not prepare Other Comprehensive Income statement. However, elements of OCI, if any, are shown in the Statement of Changes in Equity.

v)	Financial instruments – presentation and disclosure	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	Some disclosure and presentation requirements of IFRS 7 Financial Instruments: Disclosures and IAS 32 Financial Instruments: Presentation cannot be made in the financial statements.	In several cases, Bangladesh Bank guideline categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9: Financial Instruments.
vi)	**Repo and reverse repo transactions**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IFRS 9, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan, and the underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).	As per DOS Circular letter no. 6, dated 15 July 2010, and subsequent clarification in DOS Circular no. 03, dated 30 January 2012 and DOS circular no. 2, dated 23 January 2013, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo or stock lending), the arrangement is accounted for as a normal sales transaction, and the financial assets are de-recognized in the seller's book and recognized in the buyer's book. However, as per DMD circular letter no. 7, dated 29 July 2012, non-primary dealer banks are eligible to participate in the Assured Liquidity Support (ALS) programme, whereby such banks may enter collateralized repo arrangements with Bangladesh Bank. Here, the selling bank accounts for the arrangement as a loan, thereby continuing to recognize the asset.
vii)	**Financial guarantees**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IFRS 9: Financial Instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs if a specified debtor fails to make payment when due, in accordance with the term of debt instruments. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount, and the loss allowance determined as expected credit loss under IFRS 9. Financial guarantees are prescribed to be included within other liabilities.	As per BRPD circular no. 14, dated 25 June 2003, financial guarantees, such as Letter of Credit and Letter of Guarantee should be treated as off balance sheet items. No liability is recognized for the guarantee, except the cash margin.
viii)	**Cash and cash equivalents**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	Cash and cash equivalent items should be reported as cash item as per IAS 7: Statement of Cash Flows.	Certain items such as money at call and short notice, treasury bills, Bangladesh Bank bills, and prize bonds are not classified as cash and cash equivalents in the balance sheet. Money at call and short notice is presented separately, while treasury bills, Bangladesh Bank bills, and prize bonds are shown under investments. However, in the cash flow statement, money at call and short notice and prize bonds are included as cash equivalents alongside cash-in-hand, balances with Bangladesh Bank, and other banks.

ix)	**Non-banking assets**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	There is no particular/specific guideline about non-banking assets in IFRS.	As per BRPD circular no. 22, dated 20 September 2021, there is a separate balance sheet item titled as non-banking asset that exists in the standard format.
x)	**Cash flow statement**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IAS 7, The Statement of Cash Flows can be prepared using either the direct or indirect method. The chosen method should best reflect the nature of the business or industry and must be applied consistently.	As per BRPD circular no. 14, dated 25 June 2003, the cash flow statement is a mix of both the direct and indirect methods.
xi)	**Balance with Bangladesh Bank**	
	Balance with Bangladesh Bank should be treated as other asset, as it is not available for use in day to day operations, as per IAS 7: Statement of Cash Flows.	Balance with Bangladesh Bank is treated as cash and cash equivalents.
xii)	**Presentation of intangible asset**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	Intangible assets must be identified and recognized, and the disclosure must be given as per IAS 38: Intangible Assets.	Intangible assets are shown in fixed assets as there is no specific regulation for intangible assets as per BB circular.
xiii)	**Off balance sheet items**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IFRS, there is no requirement for disclosure of off balance sheet items on the face of the balance sheet.	As per BRPD circular no. 14, dated 25 June 2003, off balance sheet items, must be disclosed separately on the face of the balance sheet.
xiv)	**Disclosure of appropriation of profit**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	There is no requirement to show appropriation of profit on the face of statement of comprehensive income.	As per BRPD circular no. 14, dated 25 June 2003, appropriation of profit should be disclosed on the face of profit and loss account.
xv)	**Loans and advances/investments net of provision**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IFRS 9, loans and advances/investments should be presented net of provision.	As per BRPD circular no. 14, dated 25 June 2003, provisions for loans and advances are presented separately as liabilities.
xvi)	**Recognition of interest in suspense**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	Loans and advances to customers are measured at amortized cost under IFRS 9, with interest income recognized using the effective interest rate method on the gross carrying amount over the loan term. When a loan becomes credit-impaired, the effective interest rate is applied to its amortized cost.	As per BRPD circular no. BRPD Circular No. 15 (27 November 2024) once a loan is classified as Sub-standard, Doubtful BL (special reason), interest accrued on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account which is presented as other liability in the balance sheet.
xvii)	**Provision on undrawn loan commitments**	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IFRS 9, the bank shall recognize credit losses on undrawn loan commitments, such as Letter of Credit (L/C), Letter of Guarantee (L/G), etc., as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that the bank expects to receive.	As per BRPD Circular no. 06 dated 25 April 2023, the bank is required to maintain a provision at 1% rate against off balance sheet exposures (which includes all types of undrawn loan commitments).

xviii)	Name of the financial statements	
	Treatment as per IFRS	**Treatment adopted as per BB circulars and guidelines**
	As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes, comprising significant accounting policies and other explanatory information.	The forms of financial statements and directives for preparation thereof of the bank companies in Bangladesh are guided by BRPD Circular no. 14, dated 25 June 2003 and subsequent amendments thereof from time to time. BRPD circular no. 14 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account.

2.2.1 Summary statement of compliance with IFRSs

Ref.	Name of the standards	Status
IFRS S1	General Requirements for Disclosure of Sustainability-related Information	Complied
IFRS S2	Climate-related Disclosure	Complied
IFRS-1	First-Time Adoption of International Financial Reporting Standards	Not applicable
IFRS-2	Share-based Payment	Not applicable
IFRS-3	Business Combinations	Complied
IFRS-4	Insurance Contracts	Not applicable
IFRS-5	Non-current assets Held for Sale and Discounted Operations	Not applicable
IFRS-6	Exploration for and Evaluation of Mineral Resources	Not applicable
IFRS-7	Financial Instruments: Disclosures	Complied *
IFRS-8	Operating Segments	Complied *
IFRS-9	Financial Instruments	Complied *
IFRS-10	Consolidated Financial Statements	Complied
IFRS-11	Joint Arrangements	Not applicable
IFRS-12	Disclosure of Interests in Other Entities	Complied
IFRS-13	Fair Value Measurement	Complied
IFRS-14	Regulatory Deferral Accounts	Not applicable
IFRS-15	Revenue from Contracts with Customers	Complied
IFRS-16	Leases	Complied
IAS-1	Presentation of Financial Statements	Complied *
IAS-2	Inventories	Not applicable
IAS-7	Statement of Cash Flows	Complied *
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS-10	Events after the Reporting Period	Complied
IAS-12	Income taxes	Complied
IAS-16	Property, Plant and Equipment	Complied
IAS-19	Employee Benefits	Complied
IAS-20	Accounting for Government Grants and Disclosure of Government Assistance	Not applicable
IAS-21	The Effect of Changes in Foreign Exchanges Rates.	Complied
IAS-23	Borrowing Cost	Complied
IAS-24	Related Party Disclosures	Complied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Complied
IAS-27	Separate Financial Statements	Complied
IAS-28	Investment in Associates and Joint Venture	Complied
IAS-29	Financial Reporting in Hyperinflationary Economies	Not applicable
IAS-32	Financial Instruments: Presentation	Complied *
IAS-33	Earnings Per Share	Complied

Ref.	Name of the standards	Status
IAS-34	Interim Financial Reporting	Complied
IAS-36	Impairment of Assets	Complied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS-38	Intangible Assets	Complied *
IAS-40	Investment Property	Not applicable
IAS-41	Agriculture	Not applicable

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect.

2.2.2 Standards issued but not yet effective

A number of new standards and amendments to standards are issued but not yet effective for annual periods beginning after 01 January 2025 and earlier application is permitted. However, the Bank has not adopted early the following new or amended standards in preparing these financial statements.

A) Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)

B) IFRS 18 presentation and disclosures in financial statements

C) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7

D) IFRS 19 Subsidiaries without Public Accountability: Disclosures

E) Sales or Contribution of Assets between an Investor and its Associates or Joint Ventures - Amendments to IFRS 10 & IAS 28

The above accounting standards are not expected to have a significant impact on the consolidated financial statements.

2.2.3 Sustainability and Climate-Related Disclosure under IFRS S1 and S2

The International Sustainability Standards Board (ISSB) issued the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) in 2023 to enhance transparency and comparability of sustainability-related financial reporting. IFRS S1 outlines general requirements for disclosing sustainability risks and opportunities affecting an entity's financial position, while IFRS S2 provides climate-related disclosure requirements aligned with the Task Force on Climate-related Financial Disclosures (TCFD). BRAC Bank has voluntarily adopted these standards to strengthen its sustainability reporting and align with global best practices.

1 Governance

BRAC Bank's Board of Directors oversees sustainability and climate-related matters, with responsibilities delegated to the Board Risk Committee. The Sustainable Finance Committee (SFC), led by the DMD and COO, manages climate risk integration across risk management, lending, and investment. The ESG team defines the annual ESG strategy, ensures regulatory compliance, and monitors global frameworks. The Board further ensures transparent ESG disclosures, reinforcing accountability and progress toward sustainability goals.

2 Strategy

Sustainability and climate-related risks and opportunities are embedded in BRAC Bank's core strategy. The Bank actively finances green and sustainable projects that support a low-carbon and inclusive economy. As of 2025, the loan portfolio totals BDT 730,659 million, with BDT 604,561 million in sustainable finance and BDT 61,991 million in green finance. This approach diversifies the portfolio, strengthens the balance sheet, and integrates decarbonization into investment priorities. Focus areas include reducing GHG emissions through energy efficiency, renewable investments, and green technologies. The Bank continues to refine its ESG strategy in line with local and global standards, addressing material ESG risks that may affect cash flow, access to finance, and cost of capital across varying time horizons.

3 Risk Management

BRAC Bank incorporates climate-related risks within its Enterprise Risk Management (ERM) framework, including credit, market, liquidity, and operational risk assessments. Climate risk factors are embedded into:

a) Loan origination and review processes.

b) Physical and transition risks are assessed through scenario analysis and stress testing.

c) Portfolio mapping to assess sectoral and geographic climate risk exposures.

d) High-emitting sectors (e.g., oil & gas, utilities) undergo enhanced credit risk review processes.

In alignment with the IFRS S1 and S2 frameworks, risk parameters within the Environmental and Social Risk Management (ESRM) system are calibrated on a scale of 1 to 100. This allows for the classification of risks into low, medium, or high categories, ensuring that risks are appropriately quantified and prioritized.

4 Metrics and Targets

The bank applies the PCAF methodology to measure financed emissions and reports annually under the TCFD-aligned framework in line with IFRS S2. The Bank calculates GHG emissions from its loan portfolio across scopes 1, 2, and 3, consistent with disclosure guidelines. While a net-zero target is not yet set, the Bank has a Board-approved plan and is committed to reducing emissions through a comprehensive GHG reduction strategy.

Indicator	Financial Year 2025		Financial Year 2024	
	Emissions (Ton CO2eq)	Emissions Share (%)	Emissions (Ton CO2eq)	Emissions Share (%)
Scope 1	1,985	0.13%	1,630	0.11%
Scope 2	18,987	1.23%	16,671	1.13%
Scope 3	1,520,635	98.64%	1,459,166	98.76%
Financed Emission	1,463,372	94.93%	1,423,479	96.35%
Gross total GHG emission	**1,541,607**	**100.00%**	**1,477,467**	**100.00%**
Avoided emission	26,112	1.72%	18,112	1.24%
Net total GHG emission	**1,515,495**	**98.28%**	**1,459,355**	**98.76%**

This Disclosure note reflects our ongoing commitment to transparency and accountability in addressing sustainability-related financial information in accordance with IFRS S1 and S2. We will continue to evolve our disclosures as our understanding and practices mature.

2.3 Implementation of IFRS 9 – Expected Credit Loss (ECL) Framework

In accordance with BRPD Circular Letter No. 03 dated 23 January 2025, BRAC Bank PLC has commenced its transition to implement the IFRS 9 Expected Credit Loss (ECL) framework. This marks a shift from the traditional rule-based provisioning system to a forward-looking methodology that incorporates historical performance, current borrower conditions, and future economic forecasts in loan classification and provisioning. To ensure a structured rollout, the Bank's management has briefed its Board, established a dedicated implementation committee, and initiated risk models for calculating Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD) across Stage 1, Stage 2, and Stage 3 categories of assets in all three segments. Through targeted capacity building and data infrastructure improvements, the BRAC Bank remains committed to achieving full regulatory compliance by the 2027 as fixed the implementation deadline by Bangladesh Bank, while safeguarding capital adequacy in alignment with Bangladesh Bank's roadmap.

2.4 Going concern

The accompanying financial statements have been prepared on a going concern assumption that the Bank will continue in operation over the foreseeable future. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The rating outlook of the bank, as reported by all the rating agencies is 'Stable'. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the bank's ability to continue as a going concern.

2.5 Materiality and aggregation

Each material item considered by the management as significant has been displayed separately in the financial statements. No amount has been set off, unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

2.6 Comparative information

Accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is rearranged wherever necessary to conform with the current presentation.

2.7 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT), which is the bank's functional currency. The functional currency of the Bank's Off-shore Banking Unit (OBU) and one of the Bank's subsidiaries, namely BRAC SAAJAN Exchange Limited, is in United States Dollar (USD) and Great Britain Pound (GBP), respectively. Financial statements of the above-mentioned unit and subsidiary have been translated into the presentation currency, i.e. Bangladeshi Taka (BDT), following the guidelines of *IAS 21: The Effect of Changes in Foreign Exchange Rates*. The functional and presentation currency of other subsidiaries and associates is in Bangladeshi Taka (BDT). Except as indicated, figures have been rounded-off to the nearest Taka.

2.8 Reporting period

These financial statements cover one calendar year - from 01 January to 31 December 2025.

2.9 Basis of measurement of elements of financial statements

The financial statements of the Bank have been prepared on historical cost basis except for the following:

- Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marked to market with gains, if any, credited to revaluation reserve.
- Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.

2.10 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates. It also requires disclosures of contingent assets and liabilities at the date of the financial statements. Provisions and accrued expenses are recognized in the financial statement in line with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the year in which the estimates are revised and in any future periods affected. Significant areas where management requiring the use of estimate and judgment:

a) Provision for loans and advances, investments and leases for future impairment
b) Useful life of fixed assets and Right of use of assets (RoU) as per IFRS 16
c) Remeasurement gain/(loss) of defined benefit obligation and plan assets
d) Deferred Tax assets/liabilities
e) Provision for gratuity fund
f) Right of use of assets (RoU) as per IFRS 16
g) Lease liabilities
h) Impairment testing of goodwill
i) Provision for taxation
j) Fair value determination of unquoted investments/shares

2.11 Foreign currency transactions

Mark-to-market valuation of foreign currency transaction

The treasury back-office values all outstanding positions (Spot and Forward including on and off balance sheet items) at the current market rate to determine the current market value of these positions. This exercise also provides the profitability of the outstanding contracts. The treasury back office gathers the market rates from an independent source i.e. other than traders (Reuters/Bloomberg, BAFEDA, calling other bank back offices) of the same organization which is required to avoid any conflict of interest. Revaluation is done daily and the profit and loss impact is adjusted accordingly.

Translation of foreign currency operations

The results of financial statements of any foreign operation (including subsidiaries, off-shore banking unit, etc.) whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

a. assets and liabilities for each statement of balance sheet have been translated at the closing rate on the date of the balance sheet.
b. income and expenses for the profit and loss account have been translated at average rate.

Foreign currency differences are recognized in OCI and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to NCI.

Exchange rates

The assets and liabilities as at 31 December in foreign currencies have been converted to BDT at the following rates:

Direct Exchange rate	2025	2024
USD 1= BDT	122.30	120.00
SGD 1= BDT	95.40	88.42
SAR 1=BDT	32.61	31.96
GBP 1= BDT	165.44	151.10
AUD 1= BDT	82.08	74.75
EUR 1= BDT	144.01	125.27
CHF 1= BDT	155.24	133.10
JPY 1= BDT	0.79	0.76
CAD 1= BDT	89.37	83.45
AED 1= BDT	33.30	32.67
CNY 1= BDT	17.51	16.41

Translation reserve in separate financial statements

The functional currency of the Bank's Off-shore Banking Unit (OBU) is in United States Dollar (USD). So, translation reserve has been generated in separate financial statements for translating offshore banking operations in bank's presentation currency (BDT).

Translation reserve in consolidated financial statements

The functional currency of one of the Bank's subsidiaries BRAC SAAJAN Exchange Limited is in Great Britain Pound (GBP). As a result, in consolidated financial statements translation reserve includes the balances of separate financial statements as well as the balances for translating SAAJAN's GBP operations to bank's presentation currency (BDT).

2.12 Provisions, contingent liabilities and contingent assets

The Bank recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. No provision is recognized for-

a. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the bank; or

b. Any present obligation that arises from past events but is not recognized because-

   I) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   ii) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as contingent liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in extremely rare circumstances where no reliable estimate can be made.

Contingent assets are not recognized in the financial statement since these may result in the recognition of income that may never be realized. However, due to regulations of Bangladesh Bank (Central Bank of Bangladesh) and Bank Company Act, 1991, as amended, all items of such contingent assets/liabilities are shown as off balance sheet items under balance sheet of the bank as a separate section.

2.13 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

2.14 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS 7 " Statement of Cash Flows" under the guidelines of BRPD circular no.14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. It Cash Flows during the period have been classified as operating activities, investing activities and financing activities.

2.15 Basis of preparation of liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis:

a) Balances with other bank and financial institutions, money at call and short notice etc. are on the basis of their maturity term.

b) Investments are on the basis of their residual maturity term.

c) Loans and advances are on the basis of their repayment/ maturity schedule.

d) Fixed assets are on the basis of their useful life.

e) Other assets are on the basis of their adjustment.

f) Borrowing from other banks, financial institutions and agents as per their maturity/ repayment term.

g) Deposits and other accounts are on the basis of their maturity term and behavioral past trend.

h) Other long term liability on the basis of their maturity term.

i) Provisions and other liabilities are on the basis of their settlement.

2.16 Changes in accounting policies, estimates and errors

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, states that the effect of a change in accounting policy and correction of errors, if material, is to be applied retrospectively, and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The bank followed the same accordingly.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements except the recognition of defined benefit obligation and plan assets relating to the gratuity fund on the balance sheet of the Bank from 2018. The net effect in opening balance for such recognition has been charged in profit and loss considering the effect as immaterial as per IAS - 8.

3.1 Assets and the basis of their valuation

3.1.1 Cash and Cash Equivalents

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash in hand and cash at bank (regardless of maturity), highly liquid interest bearing investment/ securities with original maturities of less than three month. Cash flow statement is prepared in accordance with IAS 7 Statement of Cash Flows. However cash flows from operating activities have been presented according to the format mentioned in BRPD circular no. 14 dated 25 June 2003.

However unencumbered portion of balance with Bangladesh Bank is presented in liquidity statement with maturity more than five years but considering the requirement of BRPD 14 dated 25 June 2003, this amount is considered as cash and cash equivalents in the cash flow statement.

3.1.2 Inter-Bank Accepted Bill Financing (IBABF)

Inter-Bank Accepted Bill Financing is a mechanism designed to provide short-term financing or refinancing to banks against import bills accepted under Letters of Credit (LCs) issued by scheduled commercial banks in Bangladesh. In accordance with the relevant Bangladesh Bank circular, this facility is reported under 'Balance with other banks and financial institutions' in the balance sheet.

3.1.3 Investments (Categorized and reported as per Bangladesh Bank)

Investment in securities

All investment securities are initially recognized at cost, including acquisition charges associated with the investment. Premiums are amortized and discount accredited, using the effective yield method, and are taken to discount income. The valuation method of marking-to-market for investments used are:

Held To Maturity (HTM)

Investments which have fixed or determinable payments and fixed maturity that the group has the positive intent and ability to held to maturity, other than those that meet the definition of 'Held at amortized cost others' are classified as held to maturity. These investment are subsequently measured at amortized cost, less any provision for impairment in value. Amortized cost is calculated by taking into account any discount or premium in acquisition. Any gain or loss on such investments is recognized in the statement of income when the investment is de-recognized or impaired.

Held For Trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing - in short trading or if designated as such by the management. After initial recognition, investments are measured at market value, and any change in the fair value is recognized in the statement of income for the period in which it arises. Transaction costs, if any, are not added to the value of investments at initial recognition.

Revaluation of government securities

According to DOS Circular no. 05, dated 26 May 2008, DOS Circular no. 05, dated 28 January 2009 and DOS Circular no. 02, dated 19 January 2012, HFT securities are revalued once each week using marking-to-market concept, and the HTM securities are amortized once a year according to Bangladesh Bank guidelines. HTM securities are also revaluated if they are reclassified to HFT category with the Board's approval. Moreover, as per DOS circular letter no. 27 dated 04 December 2023, amortization on HTM securities can be taken into profit and loss account before maturity. Gains arising from revaluation of HFT securities on 'Marking to Market' basis are recognized in revaluation reserve account while losses from revaluation of the same securities are recognized in profit and loss account.

Investment in quoted securities

These securities are bought and held primarily for the purpose of selling them in the future or holding for dividend income, which are reported at cost. Unrealized gains are not recognized in the profit and loss statement. But required provisions are kept for diminution in value of investment.

Investment in mutual funds

The Department of off-site Supervision (DOS) of Bangladesh Bank vide its circular letter no. 03 dated 12 March 2015 directed that investment in mutual fund (closed end) will be revalued at lower of cost and (higher of marker value and 85% of NAV). Provision should be made for any loss arising from diminution in value of investment on portfolio basis; otherwise investments are recognized at cost.

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities. As per Bangladesh Bank DOS Circular no. 04, dated 24 November 2011, provision for diminution in value of investment was made by netting off unrealized gain (loss) of shares from market price/book value less cost price.

Besides, the Bank complied with Bangladesh Bank BRPD Circular no. 14, dated 25 June 2003, as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of the last audited balance sheet. Provisions should be made for any loss arising from diminution in value of investment."

Summary of recognition and measurement basis has been shown as under:

Investment Class	Initial Recognition	Measurement after Recognition	Recording of changes
Government Treasury Bills (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bills (HTM)	Cost	Amortized cost	Amortized gain to revaluation reserve and loss to profit and loss
Government Treasury Bonds (HFT)	Cost	Marking to Market/ fair value	Loss to profit and loss A/C, gain to revaluation reserve
Government Treasury Bonds (HTM)	Cost	Amortized cost	Amortized gain to revaluation reserve and loss to profit and loss
Zero Coupon Bond	Cost	Cost	N/A
Prize Bond and Other Bond	Cost	Cost	N/A
Debentures	Cost	Cost	Profit and Loss Account
Un-quoted Shares (ordinary)	Cost	Lower of cost or NAV of last audited accounts	Profit and Loss Account
Quoted Shares (ordinary)	Cost	Lower of cost or market price at balance sheet date	Loss (net off gain) to Profit and Loss Account but no unrealized gain booking
Mutual Fund (open-end)	Cost	Lower of cost or 95% of NAV	Provision for unrealized loss (net) to profit and loss account but no unrealized gain booking.
Mutual Fund (closed-end)	Cost	Lower of cost or (higher of market value or 85% of NAV)	Provision for unrealized loss (net) to profit and loss account but no unrealized gain booking.

3.1.4 Loans and advances

a) Loans and advances are stated in the balance sheet on the gross basis.

b) Interest on loans and advances is calculated daily on accrual basis for all loans accounts but charged in client statements monthly, quarterly and instalment date based on product type.

c) Commission and discounts on bills purchased and discounted are recognized at the time of realization.

d) Provisions for loans and advances are made on the basis of period-end reviews conducted by management, in accordance with the instructions contained in BRPD Circular No. 15 (27 November 2024), BRPD Circular No. 05 (25 June 2025), and BRPD Circular Letter No. 29 (21 December 2025). In compliance with the First Schedule of the Bank Company Act 1991 (amended up to 2023), provisions and interest suspense are presented separately under "Other Liabilities." The applicable provision rates for loans and advances are as follows:

Type of Loans and Advances	Unclassified				Classified		
	Standard-0	Standard-1	Standard-2	Special Mention Account (SMA)	Substandard (SS)	Doubtful (DF)	Bad and Loss (BL)
Agricultural Credit (Other than Short Term)	1%	1%	1%	5%	20%	50%	100%
CMSME Financing (Medium)	1%	1%	1%	5%	20%	50%	100%
CMSME Financing (Cottage, Micro & Small)	0.5%	0.5%	0.5%	0.5%	20%	50%	100%
Consumer Financing	1%	1%	1%	5%	20%	50%	100%
Consumer Financing (Other than Credit Card)	1%	1%	1%	5%	20%	50%	100%
Consumer Financing (Other than Housing)	1%	1%	1%	5%	20%	50%	100%
Housing Finance	1%	1%	1%	5%	20%	50%	100%
Industrial Credit	1%	1%	1%	5%	20%	50%	100%
Service Sector Credit	1%	1%	1%	5%	20%	50%	100%
Trade & Commerce Sector Credit	1%	1%	1%	5%	20%	50%	100%
Short Term Agri. Credit	0.5%	0.5%	0.5%	0.5%	20%	50%	100%
Other Credit	1%	1%	1%	5%	20%	50%	100%
Credit Card	1%	1%	1%	5%	20%	50%	100%
Off Balance Sheet exposure	0.5% -1%	N/A	N/A	N/A	N/A	N/A	N/A

e) As per BRPD Circular No. 15 dated 27 November 2024, interest on classified loans and advances is transferred to a suspense account, except in the case of bad or loss loans. Such interest is recognized as income only upon realization. Interest is not charged on bad and loss loans as per the guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate accounts.

f) **Write off Loans and Advance:** Loans and advances are written-off to the extent that (i) there is no realistic prospect of recovery and (ii) against which legal cases are filed and classified as bad and loss, as per BRPD circular no. 02, dated 13 January 2003 and 13, dated 07 November 2013. These write-offs however will not undermine/affect the claim amount against the borrower. Detailed memorandum records for all such write-off accounts are meticulously maintained and followed up. Loan and advances are written off as per BRPD circular no 04, dated 18 February 2024.

3.1.5 Fixed assets including premises, furniture and fixtures

A. Property, plant and equipment (PPE)

Property, plant and equipment (PPE) include all type of tangible assets i.e. land, office floor space, furniture & fixtures, office equipment, IT hardware and motor vehicles etc.

Recognition and measurement

All fixed assets including land are stated at cost less accumulated depreciation, as per IAS 16 Property, Plant and Equipment. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities.

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

The cost of the items of property, plant and equipment comprises:

i) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

ii) any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

iii) the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as consequence of having used the item during a particular period of purpose other than to produce during that period.

Subsequent costs

Subsequent costs of enhancement of existing assets are recognized as an addition to the asset, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit and loss account during the financial period in which they are incurred.

Depreciation of PPE

Land is not depreciated. Depreciation is charged on straight-line basis. In case of acquisition of fixed assets, depreciation is charged from the month of acquisition, whereas no depreciation on assets disposed-off is charged from the month of disposal. Asset category-wise depreciation rates are as follows:

Category of assets	BRAC Bank PLC.	BRAC EPL Investments Limited	BRAC EPL Stock Brokerage Limited	BRAC Saajan Exchange Limited	bKash Limited
Furniture and fixture	10%	10%-20%	12.5%	10%	20%
Building	2.5%	5%	2%	-	-
Office equipment	20%	10%-20%	20%	10%	20%
IT equipment - Hardware	20%	25%	-	-	20%
IT equipment - PC, Laptop, UPS, Printer and Scanner	33.33%	33.33%	25%	33.33%	33.33%
IT equipment - Software	10%-20%	33.33%	33.33%	20%	20%
IT Equipment-Software (Subscription Based)	Over Subscription Period	-	-	-	-
Motor vehicles	20%	20%	20%	-	20%
Mobile Devices/Tabs	50%	-	-	-	-
Office decoration/ renovation	10%	15%	15%	10%	20%

The consolidated financial statements of BRAC Bank for the year ended 31 December 2025 have been prepared applying uniform depreciation policy in compliance with IFRS 10 " Consolidated Financial Statements".

Gain or loss on disposal of PPE

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss on sale of assets are recognized in the profit and loss account as per provision of IAS 16 Property, Plant and Equipment.

Impairment of PPE

At each balance sheet date, the bank assesses whether there is any indication that the carrying amount of the asset exceeds its recoverable amount. If any such indication exists, the Bank should estimate the recoverable amount of the asset. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and impairment loss is recognized as an expense in the profit and loss account unless the asset is carried at revalued amount in accordance with IAS 16 Property, Plant and Equipment, in which case any impairment loss of a revalued asset should be treated as revaluation decrease under the accounting standard. No impairment loss was recognized up to the reporting period in separate financial statement, as no such indication existed as on the balance sheet date.

B. Intangible assets

Software

Software acquired by the bank is stated at cost less accumulated amortization and accumulated impairment losses. Subsequent expenditure on software assets is capitalized only when it increases future economic benefits embodied in the specific asset to which it relates. All expenditure is expensed as incurred. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is five to ten years. Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

License

Value of the license is recognized at cost less accumulated impairment losses.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries represents the excess of the fair value of the purchase consideration over the fair value of the BRAC Bank group's share of the assets acquired and the liabilities and contingent liabilities assumed on the date of the acquisition and is measured at cost less accumulated impairment losses in accordance with IFRS 3 Business Combinations and IAS 36 Impairment of Assets.

Impairment of intangible assets

Intangible assets with indefinite useful life, like goodwill etc., are tested for impairment at the end of each year. As per IAS 36 Impairment, any intangible assets with definite useful life are first reviewed for any indication of impairment. If any indication exists, then the impairment test is carried out.

As at the reporting date, the group carries goodwill only in respect of BRAC EPL Stock Brokerage Ltd. Goodwill relating to all other subsidiaries has been fully impaired in prior years based on impairment assessments performed in accordance with IAS 36.

C. IFRS 16 "Leases" and its relevant assumptions and disclosures

IFRS 16: "Leases" has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). BRAC Bank applied IFRS 16 using modified retrospective approach where the bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of-use assets

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments, and re-measuring the carrying amount to reflect any reassessment or lease modifications.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Short-term leases and leases of low value assets

The Bank has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and short-term leases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognizes lease payments associated with these leases as an expense.

The contracts for premises with all branches, head office, regional offices, data centers and disaster recovery centers are considered for lease calculation.

Accounting of lease modification

IFRS 16 defines a modification as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease. Any change that is triggered by a clause that is already part of the original lease contract (including changes due to a market rent review clause or the exercise of an extension option) is not regarded as a modification.

Gain or loss on termination of lease agreements

As per IFRS-16, if the lease is modified to terminate the right of use of one or more underlying assets or to shorten the contractual lease term, the bank (lessee) remeasures the lease liability at the effective date of the modification using a revised discount rate. Furthermore, it decreases the carrying amount of the right-of-use assets to reflect the partial or full termination of the lease. Any gain or loss relating to the partial or full termination is recognized in profit or loss.

D. Capital work-in-progress (CWIP)

Costs incurred, but if the related asset is yet not ready or available for use as intended by management, are recognized as capital work-in-progress and disclosed as a part of fixed assets. Once the underlying asset is ready and available for use, it is transferred to fixed assets. However, no depreciation is charged on CWIP.

E. Investment properties

Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for sale in the ordinary course of business. Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost, less accumulated depreciation and accumulated impairment loss.

3.1.6 Other assets and basis of their measurement

Other assets include mainly all other financial assets, interest and other unrealized income receivable, advance for operating expenditure and stocks of stationery and stamps etc.

a. Interest receivables

Interest receivable is the amount of interest that has been earned but has not yet been received in cash. Interest on loans and advances is calculated and accrued on a daily product basis but charged to customer accounts in different frequency based on product nature. The accrued but uncharged interest portion is reported as interest receivables on reporting date. Interest receivables is recognized only when the unconditional right to receive the cash flows of the loans and advances is established.

b. Reporting investment in subsidiaries and associates in separate financial statements

In accordance with the IAS 27 "Separate Financial Statements", an entity may choose any of the following methods to account for investment in subsidiaries, associates and joint ventures in its separate financial statements:

- at cost;
- in accordance with IFRS 9; or
- using the equity method as described in IAS 28;

BRAC Bank adopted IFRS 9 Fair value through other comprehensive income (FVOCI) method for accounting equity investment in subsidiaries and associates since June 2020. As all of the investment are in unquoted investment, management used net assets value of the each investment as per the financial statements of the entity every year as fair value because if buyer offer any price of our investments, they will refer to NAV as reference price.

Accordingly, below cumulative fair value gain/(loss) has been directly recognized in equity in the separate financial statements of the bank till to date 31 December 2025.

Name of the subsidiaries and associates	BRAC Bank's investment at cost	Net asset value of investee	BRAC Bank's share of net asset	Gross fair value gain/ (loss)	Gain/ (loss) net of deferred tax
BRAC EPL Investments Ltd.	2,891,704,014	733,594,134	733,193,237	(2,158,510,777)	(1,834,734,160)
BRAC EPL Stock Brokerage Ltd.	1,344,147,500	1,516,680,427	1,365,003,037	20,855,537	17,727,206
bKash Ltd.	168,921,800	41,312,659,287	14,764,997,232	14,596,075,432	12,406,664,117
BRAC Saajan Exchange Ltd.	653,208,531	152,229,327	149,301,852	(503,906,679)	(428,320,677)
BRAC IT Services Ltd. (biTS)	23,372,000	540,185,737	54,016,494	30,644,494	26,047,820
Total	**5,081,353,845**	**44,255,348,912**	**17,066,511,852**	**11,985,158,007**	**10,187,384,306**

For shareholding percentage, please refer to Note 1.6 "Summary of shareholding in subsidiaries and associates". Economic shareholding percentage of bKash 35.74% has been used for BRAC Bank's share of net asset considering dilution for bKash's preference shares having rights like ordinary shares.

c. Reporting investment in subsidiaries and associates in consolidated financial statements

Investment in subsidiary is consolidated in the consolidated financial statements considering as a single economic entity in accordance with the IAS 27 Separate Financial Statements and IFRS 10 Consolidated Financial Statements respectively.

Investment in associate is recognized in the consolidated financial statements under equity method as per IAS 28 Investments in Associates and Joint Ventures.

The summary of accounting of equity investment in subsidiaries and associate both in consolidated and separate financial statements is as follows:

Investment class	Initial recognition	Measurement after recognition	Recording of changes
Investment in subsidiary	Cost	Fair value through other comprehensive income in separate financial statements and equity method less accumulated impairment, if any, in consolidated financial statements.	Impairment loss is adjusted automatically in OCI due to fair value accounting. Goodwill impairment is recognized in profit and loss in consolidated financial statements.
Investment in associate	Cost	Fair value through other comprehensive income in separate financial statements and equity method less accumulated impairment, if any, in consolidated financial statements.	Impairment loss is adjusted automatically in OCI due to fair value accounting. The share of post acquisition income is recognized in consolidated profit and loss account.

3.2 Liabilities and provisions

3.2.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call, on-demand and short-term deposits lodged for periods of less than 6 months. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

3.2.2 Deposits and other accounts

Deposits include non interest-bearing current deposit redeemable at call, interest bearing on-demand and short-term deposits, savings deposit and term deposit lodged for periods from 3 months to 12 years. These items are brought to account at the gross value of the outstanding balance which includes accrued interest.

3.2.3 Other liabilities

Other liabilities comprise items such as provision for loans and advances, provision for interest receivables, provision for taxes, interest suspense, accrued expenses. Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank, IAS and IFRS, Income Tax Act 2023 and internal policies of the Bank. Provisions and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

a. Provision for loans and advances

Provision for loans and advances is created for covering the Bank from possible loan losses in the future. General provision is made on the outstanding amount of loans and advances without considering the classification status following the prescribed rate of Bangladesh Bank. Classified loans and advances of the Banks are categorized as Sub-Standard, Doubtful and Bad/Loss as per Bangladesh Bank guidelines. For loans which are classified as sub-standard, doubtful or bad/loss, specific provision is created netting off security value and interest suspense from the amount outstanding.

b. Provision for other assets

Other assets excluding investment in subsidiaries is subject to making provision based on their ageing as per Bangladesh Bank BRPD circular no. 14 dated 25 June 2001 and BRPD circular no. 04 dated 12 April 2022. Full provision is kept on other assets which are outstanding for one year or more or classified as Bad/Loss.

c. Provision for diminution in value of investments

Please refer to above note 3.1.3 for detail policies for recognition, measurement and provisioning of investment.

d. Provisions for off balance sheet items

No provision is kept on items of derivatives as there is no exposure on such gross value for the Bank. Provision for other off balance sheet items made as per BRPD circular no. 6 dated 25 April 2023 except on 'bills for collection' and 'guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III).

e. Provisions for nostro accounts

Provisions for unsettled transactions on nostro accounts made are reviewed on a monthly basis by management in Risk management meeting (RMM) and certified by the Bank's external auditors on a semi-annual basis in accordance with Bangladesh Bank Foreign Exchange Policy Department (FEPD) circular letter No. (FEPD)/01/2005-677 dated 13 September 2005. At the Balance Sheet date, Bank is not required to make provision regarding un-reconciled debit entries which are outstanding for more than six (06) months in accordance with BRPD circular no. 04 dated 12 April 2022 .

f. Interest suspense

Classified loans and advances of the Banks are categorized as sub-standard, doubtful and bad/loss as per guidelines of Bangladesh Bank. Interest accrued on Sub-Standard and Doubtful loans is transferred to interest suspense account and not considered as interest income. This interest is recognized as interest income when it is realized in cash by the bank.

3.2.4 Share capital and shareholders' equity

Capital Management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and meet longer-term internal capital targets, maintain strong credit ratings, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the Board-approved Capital Management Planning from time to time. Senior management develop the capital strategy and oversee the capital management planning of the Bank. The Bank's Finance, Treasury and Risk Management department are key in implementing the Bank's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal matrix.

a. Authorized capital

Authorized Capital is the maximum amount of share capital that the bank is authorized by its Memorandum of Association and Article of Association to issue to shareholders.

b. Issued, Subscribed and Paid up capital

The issued share capital of the bank is the total nominal value of the shares of the bank which have been issued to shareholders and which remain outstanding.

Paid up share capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

c. Share Premium

Share premium is the capital that the Bank raises upon issuing shares that is in excess of the nominal value of the shares. The share premium shall be utilized in accordance with provisions of section 57 of the Companies Act, 1994 and as directed by Bangladesh Securities and Exchange Commission in this respect.

d. Statutory reserve

The Bank is required to transfer at least 20% of its profit before tax to the Statutory Reserve in accordance with provisions of section 24 of the Banking Companies Act, 1991. This is mandatory until such reserve is equal to the paid up capital together with amount in the share premium account.

e. Dividend Equalization Fund

According to BRPD Circular No. 18, dated 20 October 2002, the equivalent amount of exceeding 20% cash dividend shall be kept separately under Dividend Equalization Fund which shall be treated as permanent capital. On June 02, 2016 cash dividend @ 25% (Tk. 2.5 per share of 10 each) amounting to Taka 1,776,092,275 was approved by the shareholders in 17th Annual General Meeting and the cash dividend was paid accordingly. Therefore the excess 5% cash dividend equivalent amounting to Taka 355,218,455 has been transferred to Dividend Equalization Fund. This is treated as Common Equity Tier-1 (CET1)' of the Bank.

f. Revaluation reserve on govt. securities

Revaluation reserve represents revaluation on Treasury bond (HFT and HTM) in accordance with the DOS circular no. 05, dated 26 May 2008 and DOS circular no. 05, dated 28 January 2009.

g. Remeasurements gain/(loss) of defined benefits liability (assets)

Remeasurement gain/loss arises from the actuarial valuation report carried out by professional actuary time to time on BRAC Bank Employees' Gratuity Fund. The last actuarial valuation were carried out based on 31 December 2025 and actuarial gain/loss was recognized in equity as a component of equity net of any deferred tax impact.

h. Non Controlling Interest

Non-controlling interest (NCI) in business is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent. The portion of the NCI (percentage of ordinary shares owned by non-controlling shareholders) in BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited and BRAC SAAJAN Exchange Limited are 0.05%, 10%, 49%, and 1.92% respectively.

3.2.5 Off-balance sheet exposures and other commitments

Off Balance Sheet Items include various non-derivative financial instruments primarily letter of credit (L/C), letter of guarantee (L/G), acceptance and endorsements, bills for collection etc. and various derivative instruments like forward contracts and currency rate swaps etc.

3.2.6 Revenue and expense recognition

Interest Income

Interest income is recognized on an accruals basis. Interest on loans and advances ceases to be taken into income when such advances are classified, kept in interest suspense account. Interest on classified advances is accounted for on a realization basis as per Bangladesh Bank guidelines.

a. Interest and fees receivable on credit cards

Interest and fees receivable on credit cards are recognized on an accruals basis. Interest and fees cease to be taken into income when the recovery of interest and fees is in arrear for over three months. Thereafter, interest and fees are accounted for on realization basis.

b. Income on Bills purchased and discounted

Income on Bills purchased and Discounted is recognized on accrual basis.

Interest paid on deposits and borrowings etc.

Interest paid and other expenses are recognized on an accrual basis.

Investment income

Income on investments is recognized on an accruals basis. Investment income includes interest on treasury bills, treasury bonds, zero coupon, shares, debentures etc. Moreover, as per DOS circular letter no. 27 dated 04 December 2023, amortization on HTM securities can be taken into profit and loss account before maturity. However, amortization of HTM securities before maturity has been taken into equity in consistent with earlier years. However, amortization of HTM securities before maturity has been taken equity in consistent with earlier years.

Dividend Income on Shares

Dividend income from investment in shares is recognized when the right to receive the dividend is established. It is recognized when:

a) It is probable that the economic benefit associated with the transaction will flow to the entity; and

b) The amount of the revenue can be measured reliably.

Commission, exchange and brokerage

The Bank earns fees and commission from a diverse range of services provided to its customers. These include fees and commission income arising on financial and other services provided by the Bank including trade finance, credit cards, debit cards, passport endorsement, visa processing, student service, loan processing, loan syndication, locker facilities and SMS banking etc. Fees and commission income arises on services rendered by the Bank are recognized on a realization basis. Moreover, as per BRPD circular letter no. 18 dated 20 December 2023, commission income from bancassurance has been reported into profit and loss account.

Other operating income

The profit on sale of fixed assets is determined as the difference between the carrying amount of the assets at the time of disposal and the proceeds of disposal, and is recognized as an item of other income in the year in which the significant risks and rewards of ownership are transferred to the buyer.

3.2.7 Employee benefits

a. Provident Fund (Defined Contribution Plan)

A "Defined Contribution Plan" is a post employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal constructive obligation to pay further amounts. Provident Fund benefits are given to the staff of the Bank in accordance with the registered Provident Fund Rules. The commissioner of Income Tax, Large Tax Payers Unit, Dhaka has approved the Provident Fund as a recognized fund within the meaning of section 2(90) read with the provisions of part-3 of the 2nd Schedule of Income Tax Act 2023. The fund is operated by a Board of Trustees consisting of employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription of the fund. The bank also contributes equal amount of the employees' contribution to the fund. In addition, there will be an option for a voluntary contribution of a maximum of 10% (at a multiple of 5%) from the monthly basic salary of the employee at the time of payment thereof and will be paid to the Trustees account mentioned in Rule -13. Upon completion of 1 year of service length after confirmation employees are entitled to 100% of employer's contribution along with his/her own contribution. Interest earned from the investments is credited to the members' account on half yearly basis.

b. Gratuity Fund (Defined Benefit Plan)

Gratuity Fund benefits are given to the staff of the Bank in accordance with the approved Gratuity Fund rules. Employees are entitled to Gratuity benefit after completion of minimum 05 (five) years of service in the Bank. The Gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year of service, or in the case of service of 10 years or more at the rate of one and half month's basic pay for every completed year of service. Beyond 5 years, 6 months and more shall be considered as full year of service. Gratuity fund is a "Defined Benefit Plan" and contribution to Gratuity Fund is measured through the result of actuarial valuation of the fund.

The Bank's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in OCI. The Bank determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense, current service cost and other expenses related to defined benefit plans are recognized as salaries and allowances in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

c. Worker's Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with section 11(1) of the Bank Company Act,1991 (as amended up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by bank in the reporting period for WPPF.

d. Life Insurance

The objective of the scheme is to provide death or permanent disability benefits to its confirmed employees and on their families with a sum equal to 50 times (in case of normal death) and 100 times (in case of accidental death) of the last drawn basic salary to the nominee.

e. Welfare Fund

The objective of the Employees' Welfare Fund is to provide regular category employees from Officer Grade-1 to Senior Principal Officer of the BRAC Bank incurring severe accidents during official job, extended illness (not less than 3 months), Education for Children, Marriage of Children which costs would not be affordable by the employee and which are not covered by any other means. All regular confirmed employees of the Bank are contributing monthly to the Fund according to the designation. The sum subscribed monthly from salaries of the employees is credited separately in an "Employee Welfare Fund" as a liability of the Bank. There are at least 3 (three) members of Management Committee to manage the fund. The Managing Director and CEO of the Bank is the Chairman of this committee and other 2 (two) members are nominated from the regular category staff.

f. Hospitalization Insurance

The Bank has introduced a health insurance scheme to its confirmed employees and their respective dependents at rates provided in the health insurance coverage policy.

g. Performance bonus

BRAC Bank provides performance bonus to the eligible employees every year. This bonus amount is being distributed among the employees based on their performance rating and management decision. The bonus amount is paid annually, normally in the following year and the costs are accounted for in the period to which it relates.

h. Staff leave facilities

Annual leave

The provision for leave fare represents the current outstanding liability to employees at the balance sheet date. Leave Fare Assistance is a non-recurring benefit for all permanent employees of the Bank who are entitled to annual leave. According to Bangladesh Bank policy all permanent employees have to avail 15 consecutive days of mandatory leave and LFA will be given in this leave period.

Casual leave

Casual leave means a leave of absence for a very short period granted to an employee who may be unable to attend duty due to sudden illness or urgent private affairs. Casual leave up to 5 working days can be granted per year. Not more than 3 days casual leave can be taken at a time.

Sick leave

Employee may avail Sick leave up to 14 calendar days in a year. Sick Leave for more than 2 days can be taken subject to submission of medical certificates.

Paternity leave

All regular male employees are entitled to avail paternity leave for a period of 5 working days. Such leave can be taken before and/or after the birth of the child only to look after his family and home. A male employee can avail this leave only twice during his service life.

Maternity leave

Female employees of the Bank are entitled to 6 (six) months of paid maternity leave. They will be eligible to avail this paid maternity leave after 6 (six) months of continuous service with the bank for the first 2 (two) children. A female employee who wants to avail maternity leave before completion of 6 (six) months of continuous service with the bank will also be entitled to maternity leave but that would be without pay.

i. Subsidized Scheme - Staff Loan

Personal, House building and car loans are provided to the permanent staff at a subsidized rate. Criteria and details of types wise staff loan is given below:

Personal Loan: A permanent staff can avail personal loan taking approval from department head and Head of HR subject to completion of a specific service length and performance rating.

House building Loan: A permanent staff completing 5 year of service can avail house building loan taking approval from House Building Loan Committee subject to performance rating and completed service length with BRAC Bank.

Car Loan: All confirmed staff at job grade from PO can avail staff car loan taking approval from department head and head of HR.

3.2.8 Taxation

Income tax expense represents the sum of current tax and deferred tax. Income tax is recognized as an expense in the income statement, except to the extent that it relates to items recognized in other comprehensive income, in which case the related tax expense or credit is recognized in other comprehensive income.

a. Current Tax

Current tax is based on the taxable profit for the reporting period. Taxable profit differs from net result as reported in the income statement because it is determined in accordance with the rules established by the applicable tax authorities, including any adjustments for taxes due in prior periods. It therefore excludes items of income or expense that are taxable or deductible in other periods, as well as items that are not subject to tax.

The amount of expected income tax due or recoverable for the year's taxable profit or loss is known as current tax. It is computed using tax rates and tax laws that were enacted or substantially enacted in Bangladesh on the reporting date, taking into account any adjustments made for earlier periods. The amount expected to be paid to (recovered from) the tax authorities is used to calculate current tax liabilities and assets for both the current and previous periods. Tax payable adjustments for previous years are recorded in the period in which they are calculated.

b. Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes.

Deferred tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income.

Deferred tax assets are recognized for deductible temporary differences, carry-forward of unused tax credits and losses, to the extent that it is probable that taxable profit will be available against which they can be used. Deferred tax is not recognized if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. In respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and are not discounted. Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities and where the deferred tax balances relate to income taxes levied by the same tax authority.

3.2.9 Earnings Per Share

Earnings Per Share (EPS) has been computed by dividing the basic earning by the weighted average number of ordinary shares outstanding at the end of the year as per IAS 33 Earnings Per Share.

a. Basic earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax less preference dividend has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighted factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

The basis of computation of number of shares is in line with the provisions of IAS 33 Earnings Per Share. The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings. In contrast, other shares were issued against consideration in cash or in kind, and accordingly there is an increase in resource generating new earnings. Therefore, the total number of shares issued in particular year are multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

b. Diluted earnings per share

The objective of diluted earnings per share is consistent with that of basic earnings per share; that is, to provide a measure of the interest of each ordinary share in the performance of an entity taking into account dilutive potential ordinary shares outstanding during the year.

As per IAS-33 "Earnings Per Share", the calculation of diluted earning per share does not assume conversion, exercise or other issue of potential ordinary shares that would have an anti dilutive effect on earning per share. The bank has no dilutive instruments that is why we are not considering the diluted earning per share.

3.3 Dividend policy

Dividend on ordinary shares is recognized as a liability and deducted from retained earnings when they are approved by shareholders at the Annual General Meeting (AGM) of the Bank.

Dividend on ordinary shares for the year that is recommended by the Directors after the balance sheet date for approval of shareholders at the Annual General Meeting are disclosed in Note - 48.5 to the financial statements.

3.3.1 Dividend Distribution Policy of BRAC Bank

Bangladesh Securities and Exchange Commission (BSEC) has made it mandatory for the listed Company to have their dividend distribution policy and disclosed it in the Company's website and in the Annual Report. Accordingly, BRAC Bank has formulated the dividend distribution policy which has been approved by Board of Directors in its 303rd meeting held on 20 September 2021. The policy is also available in bank's website accordingly.

The BRAC Bank PLC. shall propose and declare dividend by ensuring compliance with the regulatory guidelines on dividend declaration and other directives from Bangladesh Securities and exchange commission (BSEC), DSE, CSE, Bangladesh Bank, NBR and other applicable regulatory requirements as well as aligned with company's business strategy.

3.4 Reconciliation of inter-bank/inter-branch account

Books of accounts with regard to interbank (in Bangladesh and outside Bangladesh) are reconciled on a monthly basis, and there are no material differences which may affect the financial statements significantly.

3.5 Statement of Segment Reporting

As per IFRS 8 "Operating Segments", an operating segment is a component of an entity:

i) That engages in business activities from which it may earn revenues and incur expenses (include revenues and expenses relating to transactions with other components of the same entity);

ii) Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and

iii) For which discrete financial information is available.

Business segment comprises SME, Retail, Corporate and Treasury. The Bank reviews the segments at the end of each reporting period to identify which of its segments are reportable and disclose the related information for those reportable segments accordingly.

There are 4 (four) operating segments (SME, Retail, Corporate, and Treasury) on consolidation basis as on 31 December 2025.

In consolidated basis, we have incorporated subsidiaries financial information in the segment reporting disclosures. There are no segmentable item that remain unallocated to the segment reporting disclosures in accordance with the requirements of IFRS 8 – Operating Segments.

3.6 Related party disclosures

Related Party is a party related to an entity if:

i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under control with, the company; has an interest in the company, that gives it significant influence over the company; or has join control over the company;

ii) The party is an associate (as defined in IAS 28 Investment in Associates and Joint ventures);

iii) The party is a joint venture in which the entity is a venture (as per IAS 31 Interests in Joint Ventures);

iv) The party is member of the key management of personal of the entity or its parent;

v) The party is a close member of the family of any individual referred to in (i) or (iv);

vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

vii) The party is post-employment benefit plan for the benefit of employees of the entity. or of any entity that is related party of the entity.

3.7 Events after the Balance Sheet Date

As per IAS - 10 "Events after the Reporting Period" events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of event can be identified:

a) Adjusting events after the reporting period which provide evidence of conditions which existed at the end of the reporting period; and

b) Non adjusting events after the reporting period, are those that are indicative of conditions that arose after the reporting period.

The details about the events after reporting period can be found at note - 48.5.

3.8 Risk management

Risk management is a core discipline integrated into every aspect of an organization's operations, influencing its risk profile and ensuring business safety. Globally recognized standards, such as those established by the Bank for International Settlements (BIS) and the Basel Committee on Banking Supervision (BCBS) serve as benchmarks for financial institutions worldwide. Reflecting these standards, Bangladesh Bank issued updated risk management guidelines in October 2018, which form the foundation for all scheduled banks operating in Bangladesh. BRAC Bank aligns its practices with both international and national standards to maintain a robust risk management framework.

To meet regulatory requirements and enhance its risk management capabilities, BRAC Bank has implemented comprehensive risk management guidelines approved by its Board of Directors. The bank nurtures an integrated, organization-wide risk culture, beginning with a clear understanding of risks, risk tolerance and appetite. This culture is reinforced through policies, processes, risk awareness initiatives and staff training to ensure accountability for managing risks effectively.

BRAC Bank follows a robust enterprise-wide risk management framework anchored in the "three lines of defense" model. Each line of defense plays a distinct role within the governance framework. The risk management approach incorporates policies, procedures, limits and controls that enable continuous identification, assessment, measurement, monitoring, mitigation, reporting and assurance of risks at both business-line and enterprise levels.

To strengthen its risk management systems, BRAC Bank continues to adopt data-driven, proactive tools designed to enhance risk-adjusted returns and optimize capital usage while supporting its strategic business objectives.

A. Operating Environment

In 2025, banks faced a dynamic operating environment shaped by a convergence of technological advancements, evolving customer expectations, regulatory pressures, Foreign exchange crisis and economic uncertainties. The rapid digitization of financial services continued to reshape traditional banking models, compelling institutions to prioritize digital transformation initiatives to enhance customer experiences and streamline operations. Moreover, increase in fuel and commodity prices, strengthening of US Dollars, etc. Most of these events also had significant impact on the local economic environment affecting the Bank's operations. Amidst geopolitical tensions and economic fluctuations, banks navigated through market volatility, focusing on resilience and agility to adapt to changing economic landscapes. Overall, 2025 marked a pivotal year for bank, characterized by a relentless pursuit of innovation, regulatory compliance, and strategic adaptation to thrive in an increasingly complex operating environment.

B. Credit risk management

Effective credit risk management is a vital component of a comprehensive risk management strategy and critical to any bank's long-term sustainability. Considering key elements of credit risk, the bank has separate divisions for Corporate, SME, Retail and Credit Cards are entrusted with the responsibility of maintaining effective relationship with customers, marketing credit products, exploring new business opportunities, etc. For transparency in operations during the entire credit process, teams for i. Credit Approval, ii. Asset Operations, iii. Recovery Unit and Special Asset Management have been set up.

The entire process involves relationship teams of respective asset portfolios (Retail, SME and Corporate) booking clients and the underwriting team conducting thorough assessment before placing the facility for approval with the authority. Risk assessment includes borrower risk analysis, industry risk analysis, financial risk analysis, security risk analysis, account performance risk analysis, AML risk analysis and environmental & social risk analysis of the customer. Post-approval, the Credit Administration Department ensures compliance with all legal formalities, completion of documentation, including security of proposed facility, and eventual disbursement. This arrangement has not only ensured segregation of duties and accountability but also helped in minimizing risk of compromise with quality of the credit portfolio.

To ensure sound practices in credit risk management, including taking calculated risk and maintaining asset portfolio quality, BRAC Bank follows well-established Credit Policy Guidelines, as approved by the Board of Directors and prepared in line with internationally accepted risk management principles and best practices. The guidelines are also aligned with the 'Guidelines on Credit Risk Management (CRM) for Banks' (March, 2016) by Bangladesh Bank, the Bank Company Act, 1991 (Amended in 2013 and 2023), Risk Management Guidelines for Banks (October, 2018) and credit-related circulars and instructions of Bangladesh Bank circulated from time to time. In 2025, BRAC Bank has updated its credit policy in line with the instructions issued by Bangladesh Bank for the loan accounts at the time of sanctioning or renewal, where applicable.

In 2025, BRAC Bank has complied with the instructions given by Bangladesh Bank time to time, where applicable.

C. Foreign exchange risk management

Treasury activities range from basic currency buying and selling, import-export transactions, and remittances to complex structured products, giving rise to foreign exchange risk due to currency price fluctuations driven by macroeconomic and microeconomic factors. The Treasury Front Office is responsible solely for dealing activities, with all transactions executed by trained dealers in compliance with local and global regulations.

The Treasury Mid Office independently monitors key risk limits, including counterparty, trading, and stop-loss limits, calculates Value at Risk (VaR), and reports directly to the Chief Risk Officer / Chief Operating Officer. Clearly defined trading, stop-loss, and currency-wise open position limits are in place and continuously monitored through the bank's robust treasury system. Counterparty limits, approved by the Credit Committee, are also overseen by the mid office. Together, these controls ensure effective monitoring and mitigation of foreign exchange risk.

D. Asset liability management

Changes in market liquidity and or interest rate exposes the bank's business to the risk of loss, which may, in extreme cases, threaten the survival of the institution. Thus, it is essential that the level of balance sheet risks are effectively managed, appropriate policies and procedures are established to control and limit these risks and proper resources are made available for evaluating and controlling these risks. The Asset Liability Management Committee (ALCO) of the bank monitors liquidity and market risks of the bank and plans balance sheet & pricing strategy accordingly. Bank has dedicated ALM desk under Treasury and FI division, to support ALCO in decision making.

ALCO also reviews the country's overall economic position, the bank's liquidity position, ALM ratios, interest rate risks, capital adequacy, deposit/advances growth, cost of deposit and yield on advances, FX gap, market interest rates, loan loss provision adequacy and deposit and lending pricing strategy.

E. Operational Risk

Operational risk is the risk of direct or indirect loss resulting a wide variety of causes associated inadequate or failed internal processes, people or technology or the impact of external events such as employee, customer or third party frauds, natural disasters, technology failures, process breakdowns, unethical business practices etc. Operational risk is an integral part of any banking activity which is inherent in all banking products, activities, processes and systems and as with other core risks it is managed through an overall framework with checks and balances that include implementation of three line of defense, and a comprehensive framework for identifying, assessing, managing, monitoring, and reporting operational risks.

BRAC Bank has prepared an Operational Risk Management (ORM) policy incorporating regulatory directives and International best practices with the aim to provide a framework for robust management of operational risks. The operational risk policy outlines the core governing principles for operational risk upon which a holistic framework is designed for identifying, assessing, managing, monitoring, and reporting operational risks to ensure that the bank operates in a safe and sound manner, protecting the bank's assets, reputation, and customers. The framework is developed encompassing integration, design, implementation, evaluation and improvement of risk management across the organization, where each business area is responsible to identify its key operational risks as well as the controls established through a defined operational risk appetite to mitigate those risks and to ensure compliance with laws, regulations, regulatory administrative actions and the Bank's policies.

F. Equity Risk

Equity risk arises from movement in market value of equities held. The risks are monitored by Bank's Treasury and Fis Division under a well designed policy framework.

G. Prevention of Money Laundering (ML), Terrorist Financing (TF) and Proliferation Financing (PF)

BRAC Bank has been consistently enhancing its AML/CFT framework to mitigate money laundering and terrorist financing risks in line with evolving regulatory expectations and international standards, thereby maintaining a secure, transparent and resilient financial environment. During the year 2025, the Bank enhanced its AML/CFT capabilities through targeted improvements in governance, supervision and technology. Key initiatives and achievements include:

a) Expanded the Anti-Money Laundering Division with experienced professionals to strengthen oversight and investigation of suspicious transactions.
b) Strengthened supervision across customer onboarding and transaction activities, ensuring robust due diligence and effective risk management throughout the customer lifecycle.
c) Enhanced automated transaction monitoring and name screening systems, enabling risk-based alerts, scenario optimization and timely identification of suspicious and sanctioned activities.

d) Reinforced controls for Trade-Based Money Laundering prevention and compliance with international sanctions regimes.
e) Continued targeted AML/CFT training and awareness programs to support effective frontline monitoring and escalation.
f) Advanced customer identification, verification and data analytics capabilities to support proactive and intelligence-led transaction monitoring.

AML/CFT risk oversight is embedded within the Bank's governance structure, led by the Board of Directors and supported by the Management Committee. Through regular policy approvals, risk reviews and active engagement with management and employees, the Board ensures that AML/CFT controls remain robust and aligned with regulatory expectations.

H. Internal Control and Compliance (ICC)

BRAC Bank has instituted internal control mechanism to provide reasonable assurance regarding the attainment of objectives of the bank. Such assurance is provided in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations and internal policies. Through internal control systems, the bank identifies weaknesses associated with the process and adopts appropriate measures to overcome these deficiencies.

The main objectives of internal control are as follows:

a) Operations objectives: Attainment of the bank's mission and vision.
b) Reporting objectives: Timely, accurate and comprehensive reporting - financial and non-financial, internal and external.
c) Compliance objectives: Conducting activities and taking specific actions in accordance with applicable laws and regulations.

The bank has established an effective internal control system whose primary aim is to ensure that the bank operates in a sound and effective manner, adheres to regulatory requirements, and mitigates risks. It has been designed to develop a high level of compliance culture among our people, establish efficient and effective operating standards, ensure reliability of internal and external information, including financial and other information, secure the bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The key functions that have been established in reviewing adequacy and integrity of the system of internal controls are as follows:

a) Various committees are established by the Board to assist it in ensuring the effectiveness of the bank's daily operations are in accordance with the corporate objectives and strategies as well as approved policies and business directions.
b) The Audit Department of the Bank conducts regular audits to assess compliance with policies and procedures and the effectiveness of the internal control systems on an ongoing basis using risk based audit methodology and highlights significant findings to Board Audit Committee in respect of any non-compliance.
c) Audits are carried out on various departments/divisions, branches, business functions, support functions, subsidiaries in accordance with the annual audit plan, approved by the Audit Committee of the Board. Findings of the audit are submitted to the Audit Committee of the Board for review at their periodic meetings.
d) The Audit Committee of the Board of the bank reviews internal control issues identified by the Audit Department, Bangladesh Bank, External Auditors and the management, and evaluates the adequacy and effectiveness of the risk management and internal control systems. The minutes of the Audit Committee meetings of the Board are tabled at the meetings of the Board of Directors of the bank on a periodic basis.
e) Self-assessment of anti-fraud internal controls is carried out on a semi-annual basis and is sent to Bangladesh Bank, as per requirements of DOS Circular Letter No. 10, dated 09 May 2017, issued by Bangladesh Bank.

I. Information and communication technology (ICT) security

BRAC Bank is dedicated to delivering superior service quality and ensuring robust banking security. Cybersecurity remains a key priority for its Board and management, seamlessly integrated into the bank's ongoing digital transformation journey. The bank has an ICT security strategy for cyber security and ICT risk mitigation, in accordance with the Bangladesh Bank ICT guidelines stated in BRPD circular no. 14 dated 23 October 2005 regarding "Guideline on Information and Communication Technology for Scheduled Banks", BRPD circular no. 21 dated 20 May 2010 and BRPD circular no. 09 dated 17 September 2015 and well-established frameworks and international standards and controls, such as COBIT, ITIL, ISO 27001, ISO 18788, NIST, GDPR, PCI, and SANS.

As one of the few banks in Bangladesh certified with Payment Card Industry Data Security Standard (PCI DSS) PCI DSS — the world's most rigorous payment card security standard — BRAC Bank ensures safer and more reliable services for customers. It also pioneered adoption of ISO 27001:2013 for Information Security Management, underscoring its commitment to best practices and continuous improvement.

To strengthen resilience, the bank has deployed advanced solutions against malware, zero-day threats, and data leakage, while proactively reducing insider risks. With cybersecurity at the heart of its transformation, BRAC Bank has built a comprehensive roadmap, investing in top talent, cutting-edge technologies, and robust processes. BRAC Bank utilizes premier worldwide external organizations to undertake assessments and regularly assesses its cyber security posture and future readiness.

J. Implementation of BASEL- III

To cope up with the international best practices and to make the bank's capital shock absorbent 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks was introduced by Bangladesh Bank as per BASEL III. BASEL III framework has three main components referred to as pillars:

i. Pillar I addresses minimum capital requirement;
ii. Pillar II elaborates the process for assessing the overall capital adequacy aligned with risk profile of a bank as well as capital growth plan; and
iii. Finally, Pillar III gives a framework of public disclosure on the position of a bank's risk profiles, capital adequacy, and risk management system.

BRAC Bank has fully complied with all the directives provided by the Central bank from time to time, starting from Pillar I, II and III reporting requirements to periodic Stress Testing activity etc. Formation of BASEL Steering Committee chaired by the Managing Director of the bank helps us to ensure supreme governance and strict regimentation at execution level. As yet, BRAC bank has been able to successfully implement the phase in transition arrangement for Basel III, which started from the year 2015 and ended in 2020.

As per RBCA Guideline, all scheduled banks are required to calculate Capital to Risk Weighted Asset Ratio (CRAR) based on 'Solo' basis as well as on 'Consolidated' basis. The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy as issued by Bangladesh Bank vide BRPD Circular no. 18 dated December 21, 2014 and subsequent related circulars of Bangladesh Bank.

K. Disclosure on country risk exposure

Country risk refers to the possibility that a foreign obligator may be incapable or unwilling to fulfil his obligations due to country specific economic, political, social ecological conditions. This may include the consequences of exchange control, currency devaluation, official government actions or any significant socio-political changes in the country where placements, lending and investments made. Major categories of country risk comprises of sovereign risk, contagion risk, currency risk, indirect country risk, macroeconomic risk and transfer risk.

BRAC Bank PLC manages and monitor its country risk exposure in accordance with the guidelines issued by Bangladesh Bank in its BRPD circular number 07 circulated on April 13, 2021. In compliance with this regulatory guideline, bank has assessed its position and found banks' net funded exposure to a single country is below 2% of its total asset as on December 31, 2025. Hence there is no additional provision/capital requirement for exposure to any single country.

L. Disclosure on credit rating information

In compliance with Bangladesh Bank's BRPD circular No. 06, dated July 05, 2006, and with a view to assure investors and other stakeholders of the sustainable operating positions of the bank, while also safeguarding stakeholder interests, BRAC Bank is subject to ratings assessment by reputed credit rating agencies. The summary of Bank's credit rating as of 31 December 2025 is presented below:

Rating agency	Long-term rating	Short-term rating	Outlook	Valid up to
Credit Rating Agency of Bangladesh (CRAB)	AAA	ST-1	Stable	30 June 2026
Emerging Credit Rating Ltd (ECRL)	AAA	ST-1	Stable	30 June 2026
S&P Global Ratings	B+	B	Stable	November, 2026
Moody's	B2	NP	Negative	December, 2026

Credit rating disclosure on financial instruments

Instruments	Long-term rating	Outlook	Valid up to
Affordable housing bond	AAA	Stable	16 June 2026
BRAC Bank 2nd subordinated bond	AA_1(Hyb)	Stable	16 June 2026
BRAC Bank Social Sub-bond	AA_1(Hyb)	Stable	23 June 2026

3.9 Director's and management's responsibilities on statement

The Board of Directors and managements take responsibility for the preparation and presentation of these financial statements.

3.10 Approval of the financial statements

The financial statements have been approved by the Board of Directors on 26 April 2026.

3.11 General

a) Figures appearing in the financial statements have been rounded-off to the nearest Taka.

b) Figures of previous year have been rearranged, wherever considered necessary, to conform with the current year's presentation.

c) The expenses, irrespective of capital or revenue in nature, accrued/due but not paid have been provided for in the books of accounts.

d) The expenses include VAT charges on respective services or goods received.

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
4	**Cash**					
	Cash in hand (Including foreign currency)	4.1	16,436,564,244	15,000,490,086	16,431,724,183	14,698,347,260
	Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	4.2	34,658,714,842	30,852,940,917	34,658,714,842	30,852,940,917
			51,095,279,086	**45,853,431,003**	**51,090,439,025**	**45,551,288,177**
4.1	**Cash in hand (Including foreign currency)**					
	Local currency		16,115,432,711	14,799,474,634	16,110,592,650	14,497,331,808
	Foreign currency		321,131,533	201,015,452	321,131,533	201,015,452
			16,436,564,244	**15,000,490,086**	**16,431,724,183**	**14,698,347,260**
4.2	**Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)**					
	Local currency		30,678,694,661	27,442,403,976	30,678,694,661	27,442,403,976
	Foreign currency		3,013,657,599	2,223,377,805	3,013,657,599	2,223,377,805
			33,692,352,260	29,665,781,781	33,692,352,260	29,665,781,781
	Sonali Bank as an agent of Bangladesh Bank (local currency)		966,362,582	1,187,159,136	966,362,582	1,187,159,136
			34,658,714,842	**30,852,940,917**	**34,658,714,842**	**30,852,940,917**

4.3 Cash reserve ratio (CRR) (Bank only)

As per section 33 of Bank Company Act, 1991 (amended up to 2013), MPD circular No. 01 dated 04 March 2025 for Domestic Banking Operation (DBO) and FE circular 07 dated 29 February 2024 for Offshore Banking Operation (OBO) issued by Bangladesh Bank, BRAC Bank PLC. has been maintaining 3.0% CRR on daily basis and 4.0% on bi-weekly basis for DBO. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2025 is maintained on the basis of weekly ATDTL of October 2025), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 for DBO & OBO.

Daily basis

Reserves maintained by the bank as at 31 December are as follows:

	2025	2024
Average total demand and time liabilities of October 2025 and October 2024		
DBU	852,984,094,978	658,674,953,021
OBU	53,938,663,962	54,161,041,176
	906,922,758,940	**712,835,994,197**
Required reserve		
DBU (2025: 3.0% and 2024: 3.5%)	25,589,522,849	23,053,623,356
OBU (2025: 0% and 2024: 0%)	-	-
	25,589,522,849	**23,053,623,356**
Actual reserve maintained (2025: 3.61%, 2024: 3.97%)	30,767,240,955	26,153,899,922
Surplus	**5,177,718,106**	**3,100,276,566**

Bi-weekly basis

The Bank maintained excess cash reserve of Tk. 15,681,946,734 against minimum requirement of 4.0% of ATDTL for DBO on bi-weekly basis which is the summation of excess cash reserve maintained over required in the last fortnight (bi-week) of 2025.

4.4 Statutory liquidity ratio (SLR) (Bank only)

As per section 33 of the Bank Company Act 1991 (amended up to 2013) & MPD circular no. 2 dated 10 December 2013 issued by Bangladesh Bank (effective from 1 February 2014), BRAC Bank PLC. has been maintaining 13% SLR on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2025 is based on weekly ATDTL of October 2025), according to DOS Circular No. 1 & 26 and BRPD circular No. 31 issued on 19 January 2014, 19 August 2019 and 18 June 2020 respectively for both DBO & OBO.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Required reserve (13% of ATDTL)				117,899,958,662	92,668,679,246
Actual reserve maintained (2025: 34.45%, 2024: 26.84%)	4.4.1			312,471,743,155	191,296,548,092
Surplus				**194,571,784,493**	**98,627,868,846**
4.4.1 Actual reserve maintained					
Cash in hand				16,431,724,183	14,698,347,260
Balance with Sonali Bank as per statement				965,339,468	1,185,943,000
Un-encumbered approved securities (HFT)				172,698,497,814	79,906,252,215
Un-encumbered approved securities (HTM)				122,371,347,390	95,503,577,617
Un-encumbered approved securities (other eligible)				4,834,300	2,428,000
				312,471,743,155	**191,296,548,092**
5 Balance with other Banks and Financial Institutions					
Inside Bangladesh	5.1	50,908,334,177	29,709,255,296	2,322,808,158	3,438,563,039
Outside Bangladesh	5.2	7,748,357,925	2,554,474,400	7,692,412,162	2,526,699,021
		58,656,692,102	**32,263,729,696**	**10,015,220,320**	**5,965,262,060**
5.1 Balance inside Bangladesh					
In current deposit accounts with:					
Banks		40,456,783,500	30,040,098,922	222,808,158	338,563,039
Less: Inter unit/company elimination		9,190,659,572	4,559,204,443	-	-
	5.1.1	31,266,123,928	25,480,894,479	222,808,158	338,563,039
In Term deposit accounts with:					
Banks		19,871,231,948	4,288,977,309	2,000,000,000	3,000,000,000
Non-banking financial institutions (NBFIs)	5.1.1	100,000,000	100,000,000	100,000,000	100,000,000
		19,971,231,948	4,388,977,309	2,100,000,000	3,100,000,000
Less: Inter unit/company elimination		329,021,699	160,616,492	-	-
		19,642,210,249	4,228,360,817	2,100,000,000	3,100,000,000
Total balance at the end of the year		**50,908,334,177**	**29,709,255,296**	**2,322,808,158**	**3,438,563,039**
5.1.1 Balance with other banks and financial institutions (Inside Bangladesh)					
Current accounts					
Standard Chartered Bank		255,642,594	545,761,590	17,142,746	283,387,278
Prime Bank PLC		422,276,473	187,071,746	808,429	1,790,121
Global Islami Bank PLC		778,775	1,200,000	778,775	1,200,000
Midland Bank PLC		570,213	570,713	570,213	570,713
Pubali Bank PLC		359,990,938	1,238,526,390	11,212,760	18,619,769
Janata Bank PLC		266,016,120	193,567,574	10,435,170	313,549
Bangladesh Krishi Bank		469,851	10,871,272	251,118	508,947
City Bank PLC		3,984,906,979	1,544,739,023	430,889	433,117
Agrani Bank PLC		138,562,157	85,755,553	22,454,047	1,519,788
Islami Bank Bangladesh PLC		711,694,118	277,956,829	241,079	295,214
United Commercial Bank PLC		2,827,639,293	3,634,597,980	54,885	54,966
National Bank PLC		304,360	298,385	304,360	298,385
Sonali Bank PLC		211,010,930	111,282,313	76,803,941	1,184,303
Dutch-Bangla Bank PLC		46,729,699	20,005,824	46,729,699	20,005,825
Rupali Bank PLC		24,101,650	87,912,690	4,136,899	427,134
First Security Islami Bank PLC		3,264,563	3,759,226	1,045,745	1,512,841
Eastern Bank PLC		5,991,940,492	5,262,315,512	23,468,409	-
EXIM Bank PLC		2,054,477	2,023,572	2,054,477	2,023,572

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
BASIC Bank PLC		919,360	884,784	919,360	884,784
One Bank PLC		324,850,916	21,375,246	17,032	584,108
Mercantile Bank PLC		3,526,838,602	4,131,408,864	2,449,625	2,449,625
Union Bank PLC		498,500	499,000	498,500	499,000
Bank Asia PLC.		1,120,969,194	37,520,006	-	-
Social Islami Bank PLC		251,553	1,552,771	-	-
IFIC Bank PLC		60,112,811	40,989,301	-	-
Mutual Trust Bank PLC		1,474,634,187	1,010,676,566	-	-
Southeast Bank PLC		1,920,755,569	3,562,307,880	-	-
Jamuna Bank PLC		3,970,347,886	789,472,730	-	-
Trust Bank PLC		1,875,499,273	1,190,339,849	-	-
Dhaka Bank PLC		1,085,177,378	1,282,309,130	-	-
National Credit & Commerce Bank PLC		585,767,911	162,847,044	-	-
Habib Bank Ltd		-	1,257,667	-	-
Premier Bank PLC		16,959,596	11,720,746	-	-
AB Bank PLC		1,133,729	3,672,123	-	-
Uttara Bank PLC		11,451,724	2,167,601	-	-
Community Bank Bangladesh PLC.		1,504,118	3,131,698	-	-
Bengal Commercial Bank PLC		1,700,479	8,926,887	-	-
Al-Arafah Islami Bank PLC		38,797,460	9,618,394	-	-
		31,266,123,928	**25,480,894,479**	**222,808,158**	**338,563,039**
Fixed deposit with banks					
The Hong Kong and Shanghai Banking Corporation		2,000,000,000	-	2,000,000,000	-
Islami Bank Bangladesh PLC		-	2,000,000,000	-	2,000,000,000
Exim Bank PLC		-	1,000,000,000	-	1,000,000,000
National Credit & Commerce Bank PLC		5,000,000,000	10,000,000	-	-
Jamuna Bank PLC		100,000,000	145,467,333	-	-
Mercantile Bank PLC		379,049,826	330,554,500	-	-
Bank Asia PLC.		-	100,000,000	-	-
Eastern Bank PLC		2,000,000,000	500,000,000	-	-
Standard Chartered Bank		-	30,108,109	-	-
Padma Bank PLC		13,160,423	12,230,875	-	-
Pubali Bank PLC		5,000,000,000	-	-	-
City Bank PLC		2,050,000,000	-	-	-
Trust Bank PLC		3,000,000,000	-	-	-
		19,542,210,249	**4,128,360,817**	**2,000,000,000**	**3,000,000,000**
Fixed deposit with financial institutions					
Industrial and Infrastructure Development Finance Co. Limited		100,000,000	100,000,000	100,000,000	100,000,000
		100,000,000	**100,000,000**	**100,000,000**	**100,000,000**
		19,642,210,249	**4,228,360,817**	**2,100,000,000**	**3,100,000,000**
		50,908,334,177	**29,709,255,296**	**2,322,808,158**	**3,438,563,039**

There are some unreconciled entries as on 31 December 2025 and status of unreconciled entries has been presented in Annexure-B-2.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
5.2 Balance outside Bangladesh					
On shore balance	5.2.1	26,820,641,544	15,969,228,689	26,764,695,781	15,941,453,310
Off shore balance	5.2.1	4,561,459,344	605,171,391	4,561,459,344	605,171,391
		31,382,100,888	16,574,400,080	31,326,155,125	16,546,624,701
Less: On shore to BRAC Bank off-shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
		7,748,357,925	**2,554,474,400**	**7,692,412,162**	**2,526,699,021**
5.2.1 Balance with other banks and financial institutions (outside Bangladesh)					
On shore balance					
Standard Chartered Bank, New York, USA		225,684,780	47,803,505	225,684,780	47,803,505
Standard Chartered Bank, United Kingdom		467,878,196	183,382,752	467,878,196	183,382,752
Standard Chartered Bank, Frankfurt, Germany		108,123,162	243,716,470	108,123,162	243,716,470
Mashreq Bank, New York, USA		143,738,963	76,297,372	143,738,963	76,297,372
Bank of Tokyo Mitsubishi UFJ Ltd		17,606,369	21,645,163	17,606,369	21,645,163
ICICI Bank Limited, Mumbai, India		93,426,957	160,924,231	93,426,957	160,924,231
Zuercher Kantonal Bank, Switzerland		53,660,962	29,371,390	53,660,962	29,371,390
Commerz Bank AG, Germany (USD)		835,313	1,359,558	835,313	1,359,558
Commerz Bank AG, Germany (EURO)		38,501,815	15,971,006	38,501,815	15,971,006
Commerz Bank, Frankfurt, Germany (GBP)		8,315	7,594	8,315	7,594
JP Morgan Chase Bank, New York, USA		825,025,087	210,477,804	825,025,087	210,477,804
HDFC Bank Limited, India		122,743,223	76,494,517	122,743,223	76,494,517
JP Morgan Chase Bank, Sydney (AUD)		25,360,500	50,258,401	25,360,500	50,258,401
AB Bank Limited, Mumbai, India		1,415,309	2,331,005	1,415,309	2,331,005
AXIS Bank Limited, Kolkata (ACU)		316,657,096	66,467,166	316,657,096	66,467,166
Abu Dhabi Commercial Bank (AED)		184,085,778	157,051,188	184,085,778	157,051,188
Kookmin Bank, Seoul, South Korea (USD)		1,901,701	34,395,728	1,901,701	34,395,728
Citi Bank N.A., New York, USA		53,074,548	85,476,425	53,074,548	85,476,425
Shanghai Pudong Development Bank Co. Ltd, China (CNY)		9,178,150	8,858,248	9,178,150	8,858,248
DBS Bank Ltd, Singapore (SGD)		208,421,559	44,718,241	208,421,559	44,718,241
Punjab National Bank, Kolkata (USD)		115,146,008	293,815,819	115,146,008	293,815,819
Al Rajhi Bank, Riyadh (SAR)		3,082,065	3,230,176	3,082,065	3,230,176
Meezan Bank Limited, Gtb Karachi, ACU (USD)		82,861,731	101,473,871	82,861,731	101,473,871
Emirates NBD Bank Pjsc. India, ACU (USD)		19,125,646	6,000,000	19,125,646	6,000,000
Mashreq Bank Psc Dubai-(AED)		13,409,585	-	13,409,585	-
Balance with different banks maintained by BRAC SAAJAN Exchange Ltd.		55,945,763	27,775,379	-	-
		3,186,898,581	1,949,303,009	3,130,952,818	1,921,527,630
Add: On shore to off shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
Total on shore balance		**26,820,641,544**	**15,969,228,689**	**26,764,695,781**	**15,941,453,310**
Off shore balance					
JP Morgan Chase Bank, New York		569,140,651	339,355,512	569,140,651	339,355,512
JP Morgan AG, Frankfurt, Germany		84,319,935	52,207,562	84,319,935	52,207,562
JP Morgan Chase Bank, NA, London		125,407,692	213,608,317	125,407,692	213,608,317
Mutual Trust Bank PLC. OBU		428,033,900	-	428,033,900	-
Midland Bank PLC. OBU		489,181,600	-	489,181,600	-
Inter-Bank Accepted Bill Financing-OBU	5.2.1.1	2,865,375,566	-	2,865,375,566	-
Total off shore balance		4,561,459,344	605,171,391	4,561,459,344	605,171,391
		31,382,100,888	16,574,400,080	31,326,155,125	16,546,624,701
Less: On shore to BRAC Bank off-shore placement		23,633,742,963	14,019,925,680	23,633,742,963	14,019,925,680
		7,748,357,925	**2,554,474,400**	**7,692,412,162**	**2,526,699,021**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
5.2.1.1 Inter-Bank Accepted Bill Financing-OBU					
Eastern Bank PLC.		870,982,183	-	870,982,183	-
Trust Bank PLC.		1,834,431,000	-	1,834,431,000	-
NCC Bank PLC.		159,962,383	-	159,962,383	-
		2,865,375,566	**-**	**2,865,375,566**	**-**

There are some unreconciled entries as on 31 December 2025 and status of unreconciled entries has been presented in Annexure-B-1 and detail balance has been presented in Annexure - C except BRAC Bank OBU to Other Bank OBU placement.

5.3 Maturity grouping of balance with other banks and financial institutions					
On Demand	7,915,220,320	4,865,262,060	7,915,220,320	4,865,262,060
Up to 1 month	10,199,767,440	12,029,371,016	-	-
More than 1 month but not more than 3 months	31,341,342,722	14,937,494,311	2,100,000,000	1,100,000,000
More than 3 months but not more than 1 year	9,200,361,620	431,602,309	-	-
More than 1 year but not more than 5 years	-	-	-	-
	58,656,692,102	**32,263,729,696**	**10,015,220,320**	**5,965,262,060**

6 Investments					
Government	6.1	406,471,261,977	286,713,242,602	313,828,787,504	194,166,365,832
Others	6.2	12,907,201,499	11,246,383,134	12,427,653,101	10,185,372,541
		419,378,463,476	**297,959,625,736**	**326,256,440,605**	**204,351,738,373**

6.1 Government (investment in Govt. securities)					
Treasury bills	6.1.1	23,985,577,951	26,452,043,460	16,014,456,703	8,671,589,814
Treasury bonds	6.1.2	382,480,849,726	260,258,771,142	297,809,496,501	185,492,348,018
Prize bonds		4,834,300	2,428,000	4,834,300	2,428,000
		406,471,261,977	**286,713,242,602**	**313,828,787,504**	**194,166,365,832**

6.1.1 Treasury bills				
Treasury bills (91 Days)	4,998,327,482	17,781,143,374	-	689,728
Treasury bills (182 Days)	498,295	296,792	498,295	296,792
Treasury bills (364 Days)	18,986,752,174	8,670,603,294	16,013,958,408	8,670,603,294
	23,985,577,951	**26,452,043,460**	**16,014,456,703**	**8,671,589,814**

6.1.2 Treasury Bonds				
Treasury bonds (2 years BGTB)	68,556,486,000	45,085,691,493	57,049,739,411	32,053,343,687
Treasury bonds (3 years FRTB)	6,012,858,000	2,996,553,000	6,012,858,000	2,996,553,000
Treasury bonds (5 years BGTB)	86,911,969,618	69,532,274,604	54,527,978,425	48,541,871,566
Treasury bonds (10 years BGTB)	88,860,686,621	50,354,949,144	80,901,366,674	42,393,349,006
Treasury bonds (15 years BGTB)	42,409,090,287	26,838,539,636	34,881,615,010	19,350,884,613
Treasury bonds (20 years BGTB)	70,975,651,200	46,696,655,265	45,681,830,981	21,402,238,146
Encumbered Special T-Bond	18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
	382,480,849,726	**260,258,771,142**	**297,809,496,501**	**185,492,348,018**

6.1.3 BB category wise investment				
Held to maturity (HTM)	215,000,375,363	188,011,196,367	122,371,347,390	95,503,577,617
Held for trading (HFT)	191,466,052,314	98,699,618,235	191,452,605,814	98,660,360,215
Other securities	4,834,300	2,428,000	4,834,300	2,428,000
	406,471,261,977	**286,713,242,602**	**313,828,787,504**	**194,166,365,832**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
6.2 Others (investment in other than Govt. securities)					
Corporate bonds- unquoted and quoted	6.2.1	2,720,678,040	2,531,310,759	2,717,155,000	2,510,732,500
Ordinary shares and mutual funds (MFs) - unquoted and quoted	6.2.2	9,186,523,459	8,715,072,375	8,710,498,101	7,674,640,041
Preference Share	6.2.3	1,000,000,000	-	1,000,000,000	-
		12,907,201,499	**11,246,383,134**	**12,427,653,101**	**10,185,372,541**
6.2.1 Corporate bonds- unquoted and quoted					
Unquoted					
North West Power Generation Company Limited Coupon Bearing Bond		300,000,000	600,000,000	300,000,000	600,000,000
DBBL 5th Sub Bond		750,000,000	-	750,000,000	-
MTBL Floating Rate Subordinated Bond IV		160,000,000	240,000,000	160,000,000	240,000,000
Meghna Bank 1st Subordinate Coupon Bearing Bond		110,000,000	150,000,000	110,000,000	150,000,000
Pubali Bank 4th Subordinated Bond		1,150,000,000	1,150,000,000	1,150,000,000	1,150,000,000
		2,470,000,000	**2,140,000,000**	**2,470,000,000**	**2,140,000,000**
Quoted					
IBBL Mudaraba Perpetual Bond		2,273,040	2,888,424	-	-
AB Bank Perpetual Bond		-	9,489,835	-	-
APSCL Non-Convertible and Fully Redeemable Coupon Bearing Bond		248,405,000	378,932,500	247,155,000	370,732,500
		250,678,040	391,310,759	247,155,000	370,732,500
		2,720,678,040	**2,531,310,759**	**2,717,155,000**	**2,510,732,500**
6.2.2 Ordinary shares and mutual funds (MFs) - unquoted and quoted					
Unquoted					
Industrial and Infrastructure Development Finance Company Ltd (IIDFC)		29,683,820	29,683,820	29,683,820	29,683,820
Bangladesh Rating Agency Limited (BDRAL)		11,971,700	10,671,700	11,971,700	10,671,700
Central Depository Bangladesh Limited (CDBL)		6,277,770	6,277,770	6,277,770	6,277,770
Investment in non-publicly traded mutual fund		532,386,331	552,338,331	532,386,331	552,338,331
Investment in DSE & CSE		86,268,265	86,268,265	-	-
		666,587,886	**685,239,886**	**580,319,621**	**598,971,621**
Quoted					
Investment in secondary market		8,519,935,573	8,029,832,489	8,130,178,480	7,075,668,420
		8,519,935,573	8,029,832,489	8,130,178,480	7,075,668,420
		9,186,523,459	**8,715,072,375**	**8,710,498,101**	**7,674,640,041**
6.2.3 Preference Shares					
Flamingo Fashions Ltd		350,000,000	-	350,000,000	-
Jinnat Fashions Ltd		350,000,000	-	350,000,000	-
Mawna Fashions Ltd		300,000,000	-	300,000,000	-
		1,000,000,000	**-**	**1,000,000,000**	**-**

Investment in shares, mutual funds and preference shares are detailed in **Annexure-D**.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
6.3 Maturity wise grouping of investment					
On demand		4,834,300	2,428,000	4,834,300	2,428,000
Up to 1 month		2,897,209,290	24,066,780,332	2,503,929,152	11,260,000,000
More than 1 month but not more than 3 months		8,019,091,845	12,748,920,082	47,970,598	960,000,000
More than 3 months but not more than 1 year		46,600,941,840	20,932,904,146	39,099,165,063	20,926,400,920
More than 1 year but not more than 5 years		145,077,575,849	100,018,897,982	108,688,614,849	71,752,642,772
More than 5 years		216,778,810,352	140,189,695,194	175,911,926,643	99,450,266,681
		419,378,463,476	**297,959,625,736**	**326,256,440,605**	**204,351,738,373**
7 Loans and advances					
Loans, cash credit, overdrafts etc.	7.1	421,396,217,114	361,269,154,142	420,646,723,319	360,790,260,778
Small and medium enterprises	7.2	306,248,719,034	260,345,475,823	306,248,719,034	260,345,475,823
Bills purchased and discounted*	7.3	3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**
* Bills purchased and discounted excludes bills purchased and discounted of small and medium enterprises (SME).					
7.1 Loans, cash credit, overdrafts etc.					
Overdrafts		24,405,695,943	32,039,210,105	24,405,695,943	32,039,210,105
Demand loans		199,296,345,820	162,980,999,171	199,296,345,820	162,980,999,171
Term loans		175,421,475,456	147,272,386,742	175,421,475,456	147,272,386,742
Lease receivables		226,425,268	313,530,526	226,425,268	313,530,526
Credit Cards		16,275,613,034	14,067,646,868	16,275,613,034	14,067,646,868
Staff loans		5,029,347,615	4,129,999,828	5,021,167,798	4,116,487,366
Margin loan		1,736,781,232	1,729,304,995	-	-
		422,391,684,368	**362,533,078,235**	**420,646,723,319**	**360,790,260,778**
Less: Inter company elimination		995,467,254	1,263,924,093	-	-
		421,396,217,114	**361,269,154,142**	**420,646,723,319**	**360,790,260,778**
7.2 Small and medium enterprises					
Overdrafts		16,070,438,794	11,895,459,249	16,070,438,794	11,895,459,249
Demand loans		16,813,730,815	19,249,140,494	16,813,730,815	19,249,140,494
Term loans		273,263,563,338	229,085,555,190	273,263,563,338	229,085,555,190
Bills purchased and discounted (SME)		100,986,087	115,320,890	100,986,087	115,320,890
		306,248,719,034	**260,345,475,823**	**306,248,719,034**	**260,345,475,823**
7.3 Bills purchased and discounted					
Bills purchased and discounted (except SME)		3,763,396,460	2,236,151,929	3,763,396,460	2,236,151,929
Bills purchased and discounted (SME)		100,986,087	115,320,890	100,986,087	115,320,890
		3,864,382,547	**2,351,472,819**	**3,864,382,547**	**2,351,472,819**
7.4 Net loans and advances					
Gross loans and advances		731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
Less: Interest suspense	17.6	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
Less: Provision for loans and advances	17.1	19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179
		709,782,576,618	**602,353,026,969**	**710,260,064,767**	**603,085,969,376**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
7.5 Business segment wise concentration of loans and advances					
Corporate		296,912,706,696	265,249,446,992	296,912,706,696	265,249,446,992
Retail		128,246,906,877	98,255,859,079	127,497,413,082	97,776,965,715
Small and medium enterprises		306,248,719,035	260,345,475,823	306,248,719,035	260,345,475,823
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**
7.6 Loans and advances under the following broad categories					
Inside Bangladesh:					
Loans		690,932,197,871	579,916,112,540	690,182,704,076	579,437,219,176
Overdrafts		39,888,005,369	43,417,084,966	39,888,005,369	43,417,084,966
		730,820,203,240	**623,333,197,506**	**730,070,709,445**	**622,854,304,142**
Outside Bangladesh:					
Overdrafts		588,129,368	517,584,388	588,129,368	517,584,388
		588,129,368	**517,584,388**	**588,129,368**	**517,584,388**
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**

7.7 Loans & Advances under reschedule and Restructuring

Special Reschedule Loans & Advances:

According to BRPD circular no. 07; dated 16 September 2025, & BRPD Circular letter no. 26; dated 24 November 2025, BBPLC extended financing support to certain affected borrowers by converting their loans and advances into Special Rescheduled Loans. As of 31 December 2025, the outstanding balance of these Special Rescheduled Loans stood at BDT 3,853,684,367. The Bank classified these loans under the Special Mention Account (SMA) category and maintained the required provisions in accordance with the guidelines issued by Bangladesh Bank.

Restructuring Loans:

In 2025, the Bank extended restructuring facilities to its borrowers in compliance with BRPD Circular No. 16 dated 18 July 2022 and other applicable guidelines. As of 31 December 2025, the outstanding balance of restructuring loans and advances amounted to BDT 630,756,941, representing 0.05% of the Bank's total loan portfolio.

7.8 Geographical location wise portfolio grouping					
Inside Bangladesh: Rural					
Dhaka Division		41,272,807,014	33,231,143,148	41,272,807,014	33,231,143,148
Chattogram Division		10,811,001,351	11,185,664,895	10,811,001,351	11,185,664,895
Khulna Division		3,111,738,666	2,963,824,610	3,111,738,666	2,963,824,610
Sylhet Division		1,071,872,583	918,121,637	1,071,872,583	918,121,637
Barisal Division		908,353,939	-	908,353,939	-
Rajshahi Division		2,135,159,455	837,953,123	2,135,159,455	837,953,123
		59,310,933,008	**49,136,707,413**	**59,310,933,008**	**49,136,707,413**
Inside Bangladesh: Urban					
Dhaka Division		497,130,820,718	425,796,716,878	496,381,326,923	425,317,823,514
Chattogram Division		69,351,502,733	55,934,555,373	69,351,502,733	55,934,555,373
Khulna Division		29,635,672,487	25,250,913,829	29,635,672,487	25,250,913,829
Sylhet Division		11,925,023,168	9,438,970,130	11,925,023,168	9,438,970,130
Barisal Division		8,449,067,775	8,722,169,307	8,449,067,775	8,722,169,307
Rajshahi Division		27,799,682,277	25,115,072,486	27,799,682,277	25,115,072,486
Rangpur Division		20,167,112,252	17,517,870,774	20,167,112,252	17,517,870,774
Mymensingh Division		7,050,388,822	6,420,221,316	7,050,388,822	6,420,221,316
		671,509,270,232	**574,196,490,093**	**670,759,776,437**	**573,717,596,729**
Outside Bangladesh		**588,129,368**	**517,584,388**	**588,129,368**	**517,584,388**
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
7.9 Loans and advances on the basis of significant concentration					
7.9.1 Loans and advances to directors, executives and others					
Directors, subsidiaries and others		996,611,205	1,266,374,092	996,611,205	1,266,374,092
Staffs:					
Senior executives		394,222,973	326,125,948	386,043,156	312,613,486
Other executives and staffs		4,635,124,642	3,803,873,879	4,635,124,642	3,803,873,879
	7.9.2	5,029,347,615	4,129,999,827	5,021,167,798	4,116,487,365
Industries:					
Agro-based		42,181,502,769	33,095,024,888	42,181,502,769	33,095,024,888
Large and medium		176,102,081,595	165,656,005,993	176,102,081,595	165,656,005,993
Small and cottage		14,148,083,859	87,244,012,255	14,148,083,859	87,244,012,255
Service industry		59,596,262,721	41,003,256,407	59,596,262,721	41,003,256,407
		292,027,930,944	326,998,299,543	292,027,930,944	326,998,299,543
Agricultural		11,217,223,400	10,511,321,804	11,217,223,400	10,511,321,804
Consumers		122,483,741,336	93,641,572,296	122,483,741,336	93,641,572,296
Trade and commercial		242,469,481,173	164,244,039,167	241,728,167,195	163,778,658,265
Others		57,183,996,935	23,059,175,165	57,183,996,935	23,059,175,165
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**
7.9.2 Staff loan					
Personal loan		2,431,739,764	904,147,854	2,423,559,947	890,635,391
Car and motorcycle loan		1,230,046,115	820,028,621	1,230,046,115	820,028,621
House building loan		1,367,561,736	2,405,823,353	1,367,561,736	2,405,823,353
		5,029,347,615	**4,129,999,828**	**5,021,167,798**	**4,116,487,365**
7.10 Overall Sector wise concentration of loans and advance					
Agriculture		11,217,223,400	10,511,321,804	11,217,223,400	10,511,321,804
Communication		3,441,250,310	3,229,615,070	3,441,250,310	3,229,615,070
Construction		6,825,971,814	7,002,444,835	6,825,971,814	7,002,444,835
Consumer credit		127,504,909,133	97,771,197,001	127,504,909,133	97,771,197,001
Other manufacturing industries		177,548,494,105	162,557,462,427	177,548,494,105	162,557,462,427
Power, Gas		8,520,489,637	8,226,298,015	8,520,489,637	8,226,298,015
Readymade garments		43,312,042,318	39,022,814,827	43,312,042,318	39,022,814,827
Residential real estate financing		1,465,709,316	632,991,344	1,465,709,316	632,991,344
Service Industries		47,919,137,399	39,563,448,100	47,919,137,399	39,563,448,100
Textile		11,235,176,119	9,561,297,839	11,235,176,119	9,561,297,839
Trade Service		241,739,758,298	206,932,204,604	241,739,758,298	206,932,204,604
Ship Building		80,972,959	84,972,959	80,972,959	84,972,959
Others		50,597,197,800	38,754,713,069	49,847,704,005	38,275,819,705
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**
7.11 Securities wise loans and advances including bills purchased and discounted					
Collateral of moveable/ immoveable assets		90,064,119,966	83,234,945,065	90,064,119,966	83,234,945,065
Fixed deposit receipts (FDR)/ Cash Collateral		266,352,174,275	225,223,985,165	266,352,174,275	225,223,985,165
Personal guarantee and other securities		369,221,376,774	310,796,470,934	369,221,376,774	310,796,470,934
Other securities		5,770,661,593	4,595,380,730	5,021,167,798	4,116,487,366
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
7.12 Classified and unclassified loans and advances					
Unclassified					
Standard (including staff loan)		707,588,109,203	604,692,515,361	708,051,990,240	605,425,457,767
Special Mention Accounts (SMA)		6,037,916,296	1,543,126,844	6,037,916,296	1,543,126,844
		713,626,025,499	606,235,642,205	714,089,906,536	606,968,584,611
Classified					
Sub-standard		2,831,861,402	2,288,110,152	2,831,861,402	2,288,110,152
Doubtful		2,609,351,882	737,431,676	2,609,351,882	737,431,676
Bad/Loss		12,341,093,825	14,589,597,861	11,127,718,993	13,377,762,091
		17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
		731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**
7.12.1 Movements of classified loans and advances					
Opening balance		17,615,139,689	18,745,777,234	16,403,303,919	17,533,941,464
Additions during the year		9,381,935,340	4,048,846,926	9,380,396,278	4,048,846,926
Released during the year		(9,214,767,920)	(5,179,484,471)	(9,214,767,920)	(5,179,484,471)
		17,782,307,109	**17,615,139,689**	**16,568,932,277**	**16,403,303,919**
7.12.2 Business segment wise concentration of classified loans and advances					
Corporate		6,261,661,632	8,537,658,464	6,261,661,632	8,537,658,464
Retail		4,792,186,818	3,754,553,299	3,578,811,986	2,542,717,529
Small and medium enterprises		6,728,458,659	5,322,927,926	6,728,458,659	5,322,927,926
		17,782,307,109	**17,615,139,689**	**16,568,932,277**	**16,403,303,919**
7.12.3 Sector wise concentration of classified loans and advances					
Agriculture		102,248,466	34,734,125	102,248,466	34,734,125
Construction		81,718,093	81,718,093	81,718,093	81,718,093
Consumer credit		3,579,564,493	2,543,107,945	3,579,564,493	2,543,107,945
Other manufacturing industries		6,238,912,238	5,922,306,650	6,238,912,238	5,922,306,650
Power, Gas		-	116,212,963	-	116,212,963
Readymade garments		313,588,372	1,767,067,627	313,588,372	1,767,067,627
Residential real estate financing		1,017,126	-	1,017,126	-
Ship building		80,972,959	-	80,972,959	-
Service industries		659,781,797	525,867,076	659,781,797	525,867,076
Textile		134,206,055	602,576,987	134,206,055	602,576,987
Trade service		6,377,506,289	5,626,215,487	5,164,131,457	4,414,379,717
Others		212,791,221	309,342,651	212,791,221	309,342,651
		17,782,307,109	**17,615,139,689**	**16,568,932,277**	**16,403,303,919**
7.12.4 Loan type wise classified loans and advances					
Overdraft		1,260,041,359	2,440,545,194	1,260,041,359	2,440,545,194
Demand loan		1,851,522,083	2,901,827,804	1,851,522,083	2,901,827,804
Term loan		12,575,559,289	10,205,580,539	12,575,559,289	10,205,580,539
Lease finance		26,510,512	41,668,284	26,510,512	41,668,284
Credit cards		855,299,034	813,682,098	855,299,034	813,682,098
Margin loan		1,213,374,832	1,211,835,770	-	-
		17,782,307,109	**17,615,139,689**	**16,568,932,277**	**16,403,303,919**

7.13 Details of large loan (Standalone basis)

Large loan clients are those to whom loans and advances sanctioned are 10% or more of the total regulatory capital of the Bank. Total capital of the Bank was Taka 93,142,085,207 as at 31 December 2025 and taka 71,641,539,034 as at 31 December 2024. Client wise details of large loans have been presented in below:

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Number of clients				27	30
Amount of outstanding loans and advances				166,069,607,221	161,430,068,520
Amount of classified loans and advances				94,527,237	NIL

SL	Name of clients	2025			2024
		Funded	Non-funded	Total Outstanding	Total Outstanding
1	ABUL KHAIR GROUP	8,376,646,851	974,361,632	9,351,008,483	9,257,385,510
2	AKIJ GROUP	-	-	-	5,058,676,515
3	AXIATA GROUP BERHAD, MALAYSIA GROUP	-	614,776,521	614,776,521	1,030,229,379
4	BADC GROUP	11,192,874,195	1,285,258,370	12,478,132,565	-
5	BADSHA GROUP	5,966,214,471	684,251,044	6,650,465,515	9,469,481,333
6	BCIC GROUP	3,410,312,741	580,335,731	3,990,648,473	-
7	BITOPI GROUP	5,997,202,715	915,380,630	6,912,583,345	5,795,995,412
8	BRAC GROUP	-	-	-	7,282,786,349
9	BSRM	10,752,951,500	1,163,398,717	11,916,350,217	7,261,313,471
10	CITY GROUP	7,556,345,083	1,509,353,072	9,065,698,154	9,247,170,955
11	CONFIDENCE GROUP OF INDUSTRIES	6,006,352,241	533,609,821	6,539,962,063	5,607,818,464
12	EAST COAST GROUP	4,048,708,173	69,519,097	4,118,227,270	1,529,587,796
13	HA-MEEM GROUP	1,272,812,286	629,946,022	1,902,758,308	-
14	MAX GROUP	-	-	-	4,944,939,364
15	Meghna GROUP	8,052,509,041	2,233,988,686	10,286,497,726	10,555,023,212
16	MEGHNA (CYCLE) GROUP	5,624,892,763	1,348,446,423	6,973,339,186	5,586,335,931
17	MIR GROUP OF INDUSTRIES	3,227,541,188	1,850,141,751	5,077,682,939	5,355,534,963
18	MONDOL GROUP	-	-	-	2,867,481,914
19	PETROBANGLA	-	9,439,704,723	9,439,704,723	5,316,326,400
20	PRAN-RFL GROUP	5,390,920,244	1,291,450,457	6,682,370,701	5,920,034,512
21	RENATA GROUP	4,144,195,045	469,727,252	4,613,922,298	6,612,313,484
22	RISING GROUP	2,554,653,091	849,776,143	3,404,429,234	3,184,178,201
23	SAAD GROUP	3,958,475,368	1,312,654,369	5,271,129,738	5,206,666,128
24	SAMUDA GROUP	9,206,962,304	503,360,042	9,710,322,346	6,139,573,474
25	SQUARE GROUP	300,656,450	3,953,030,177	4,253,686,627	6,982,152,709
26	STANDARD GROUP	4,063,726,758	691,267,428	4,754,994,186	3,128,932,107
27	SUMMIT GROUP	5,139,175,714	365,120,996	5,504,296,711	5,468,688,180
28	T.K GROUP	7,809,411,628	530,166,104	8,339,577,732	5,588,297,509
29	TELENOR GROUP AND GRAMEEN TELECOM GROUP	52,400,806	14,037,551	66,438,358	522,577,276
30	TRANSCOM GROUP	-	-	-	5,180,393,997
31	URMI GROUP	1,250,968,981	1,403,299,278	2,654,268,259	3,173,389,919
32	VEON GROUP				2,726,299,691
33	WALTON GROUP	4,340,834,808	1,155,500,737	5,496,335,545	5,430,484,365
	Grand Total	**129,697,744,447**	**36,371,862,774**	**166,069,607,221**	**161,430,068,520**

Note: Large exposures has been calculated on the basis of BRPD Circular No 01, dated 16 January 2022.

7.14 Particulars of required provisions for loans and advances (Bank only)

Amount in Taka

Status	Outstanding loans and advances 2025	Base for provision	Percentage (%) of required provision	Required provision 2025
Unclassified				
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	284,757,284,425	284,757,284,426	1%	2,847,572,844
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	4,844,804,277	4,844,804,277	5%	242,240,214
Consumer finance	83,738,010,965	83,738,010,965	1%	837,380,110
Consumer finance	552,751,073	552,751,073	5%	27,637,554
Consumer finance (Credit Card)	15,327,043,023	15,327,043,023	1%	153,270,430
Consumer finance (Credit Card)	93,270,977	93,270,977	5%	4,663,549
Housing Finance	13,193,625,460	13,193,625,460	1%	131,936,255
Housing Finance	114,488,649	114,488,649	5%	5,724,432
Loans for professionals to Set up business (LP)	5,858,478,554	5,858,478,554	1%	58,584,786
Loans for professionals to Set up business (LP)	19,764,598	19,764,598	5%	988,230
Loans to BHs/MBs/SDs against share etc.*	552,709,527	552,709,527	1%	5,527,095
Short Term Agricultural and Micro Credit	538,504,585	538,504,585	1%	2,692,523
Small and Medium Enterprise Financing	269,256,834,565	269,256,834,565	0.5%	1,346,284,173
Small and Medium Enterprise Financing	29,643,750,464	29,643,750,464	1%	296,437,505
Small and Medium Enterprise Financing	31,091,078	31,091,078	5%	1,554,554
Staff Loan	5,021,167,797	-	-	-
Provision made under special provision agaisnt UC as advised by BB	546,326,519	-		-
	714,089,906,536	**708,522,412,221**		**5,962,494,253**
Classified - Specific provision				
Sub-standard	2,831,861,402	2,477,270,395	20%	495,454,079
Doubtful	2,609,351,882	1,976,451,973	50%	988,225,987
Bad/Loss	11,127,718,993	8,502,375,666	100%	8,502,375,666
Additional Provision (as advised by BB)***	-	4,107,942,495		2,357,445,748
	16,568,932,277	**17,064,040,529**		**12,343,501,480**
	730,658,838,813	**725,586,452,750**		
Total required provision for loans and advances				**18,305,995,733**
Total provision maintained (Note 17.1)				**18,749,743,704**
Excess provision over minimum required provision prescribed by Bangladesh Bank				**443,747,971**

* BHs = Brokerage Houses, MBs = Merchant Banks, SDs = stock dealers against shares

** For rescheduled loans, 50% and 100% provision has been made as guided by Bangladesh Bank.

***In the year 2025, loans and advances have been segregated by classification and presented in accordance with the prescribed provision rate under the BRPD Circular of Bangladesh Bank. In 2021, BB advised making provision for BDT 111,554,000 against a bank guarantee.

**** Bank provided an additional amount of BDT 1,800,000 under the required provision due to rounding off.

7.14 Particulars of required provisions for loans and advances (Bank only)

Amount in Taka

Status	Outstanding loans and advances 2024	Base for provision	Percentage (%) of required provision	Required provision 2024
Unclassified				
All unclassified loans (Other than Small and Medium Enterprise Financing, Consumer Financing, BHs/MBs/SDs, Housing and loans for professional*)	255,843,842,810	252,751,968,339	1%	2,527,519,683
Small and Medium Enterprise Financing	250,477,288,432	250,453,731,919	0.25%	626,134,330
Loans to BHs/MBs/SDs against share etc.*	895,166,917	895,166,917	1%	8,951,669
Housing Finance	11,659,241,940	11,659,241,940	1%	116,592,419
Loans for professionals to Set up business (LP)	5,525,751,189	5,525,751,189	2%	110,515,024
Consumer finance	60,651,581,723	60,651,581,723	2%	1,213,031,634
Consumer finance (Credit Card)	13,253,964,769	13,253,964,769	2%	265,079,295
Short Term Agricultural and Micro Credit	4,545,259,465	4,545,259,465	1%	45,452,595
Staff Loan	4,116,487,366	-	1%	-
	606,968,584,611	**599,736,666,261**		**4,913,276,649**
Classified - Specific provision				
Sub-standard	2,288,110,152	1,774,765,244	20%**	222,253,066
Doubtful	737,431,676	650,616,442	50%***	209,848,423
Bad/Loss	13,377,762,091	10,378,247,216	100%****	10,489,801,216
Additional General Provision (as advised by BB)*****	-	2,582,984,881		1,186,147,886
	16,403,303,919	**15,386,613,783**		**12,108,050,591**
	623,371,888,530	**615,123,280,044**		
Total required provision for loans and advances				**17,021,327,240**
Total provision maintained (Note 17.1)				**18,489,732,179**
Excess provision over minimum required provision prescribed by Bangladesh Bank				**1,468,404,939**

* BHs = Brokerage Houses, MBs = Merchant Banks, SDs = stock dealers against shares

** For rescheduled loans, 50% and 100% provision has been made as per NOC circular and for small, micro & cottage enterprises under CMSME financing, provision requirement is 5% for sub-standard classification as per BRPD

*** For small, micro & cottage enterprises under CMSME financing, provision requirement is 20% for doubtful classification as per BRPD circular

***** Additional Provision of BDT 462,273,637 as advised by BB during their inspection of 2023 and a provision of BDT 111,554,000 for bank guarantee as per BB audit advice in 2021.

7.15 Particulars of loans and advances (Bank only)

Amount in Taka

	Status	2025 Taka	2024 Taka
i)	Loans considered good in respect of which Bank is fully secured	35,832,028,602	34,066,492,147
ii)	Loans considered good against which Bank holds no security other than the debtor's personal guarantee	344,668,643,823	302,878,129,176
iii)	Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor	333,589,234,110	270,023,963,288
iv)	Loans adversely classified; provision not maintained there against	-	-
v)	Loans due by directors or officers of the banking company or any of these either separately or jointly with any other persons	6,017,779,003	5,382,861,457
vi)	Loans due from companies or firms in which the directors of the bank have interested as directors, partners or managing agents or in case of private companies as members	995,467,252	1,266,374,092
vii)	Maximum total amount of advance including temporary advance made at any time during the year to directors or managers or officers of the banking companies or any of them either separately or jointly with any other person	6,017,779,003	5,382,861,457
viii)	Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in case of private companies, as members	995,467,252	1,266,374,092
ix)	Due from banking companies	-	-
x)	Information in respect of classified loans and advances		
	a) Classified loan on which interest has not been charged to income	16,568,932,277	16,403,303,919
	i) Increase/decrease of provision (specific)	(480,539,321)	1,595,667,305
	ii) Amount of loans written off	7,692,385,596	3,636,369,916
	iii) Amount recovered against loan previously written off	1,051,599,957	924,519,756
	b) Amount of provision kept against loan classified as "bad/loss" on the date of preparing the balance sheet	8,502,375,666	10,489,801,216
	c) Interest creditable to the Interest Suspense account	2,149,362,359	3,129,601,055
xi)	Cumulative amount of the written off loan		
	Opening balance	29,625,887,482	25,989,517,566
	Amount written off during the year	7,692,385,596	3,636,369,916
		37,318,273,078	29,625,887,482
	The amount of written off loans for which law suits have been filed	**21,867,689,774**	**15,486,391,849**

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
7.16	**Write off of loans and advances (net basis)**					
	Balance at the beginning of the year		16,271,230,675	14,017,756,550	16,271,230,675	14,017,756,550
	Add: Write off during the year		7,692,385,596	3,636,369,916	7,692,385,596	3,636,369,916
	Less: written-off recovery and interest waiver		1,252,078,258	1,382,895,791	1,252,078,258	1,382,895,791
	Balance at the end of the year		**22,711,538,013**	**16,271,230,675**	**22,711,538,013**	**16,271,230,675**
7.17	**Bill Purchased and Discounted under the following broad categories**					
	Inside Bangladesh		3,864,382,547	2,351,472,819	3,864,382,547	2,351,472,819
	Outside Bangladesh		-	-	-	-
			3,864,382,547	**2,351,472,819**	**3,864,382,547**	**2,351,472,819**
7.18	**Maturity wise grouping of loans and advances**					
	On demand		74,856,841,476	57,534,931,640	1,389,617,840	8,036,295,621
	Up to 1 month		-	-	74,462,690,891	50,762,560,111
	Not more than 3 months		127,032,391,311	114,818,883,532	127,032,391,309	114,818,883,532
	More than 3 months but not more than 1 year		298,855,106,058	260,382,291,387	297,118,324,827	258,652,986,392
	More than 1 year but not more than 5 years		214,231,366,729	165,582,113,332	214,223,186,912	165,568,600,869
	More than 5 years		16,432,627,034	25,532,562,003	16,432,627,034	25,532,562,005
			731,408,332,608	**623,850,781,894**	**730,658,838,813**	**623,371,888,530**
7.19	**Maturity wise grouping of lease receivables including SME**					
	On demand		-	-	-	-
	Up to 1 month		26,510,512	26,530,912	26,510,512	26,530,912
	Not more than 3 months		-	589,563	-	589,563
	More than 3 months but not more than 1 Year		176,914,756	7,463,758	176,914,756	7,463,758
	More than 1 year but not more than 5 years		23,000,000	278,946,293	23,000,000	278,946,293
	More than 5 years		-	-	-	-
			226,425,268	**313,530,526**	**226,425,268**	**313,530,526**
7.20	**Maturity wise grouping of bill purchased and discounted**					
	On Demand		301,402,217	26,918,791	301,402,217	26,918,791
	Payable within 1 month		1,343,263,867	828,960,018	1,343,263,867	828,960,018
	Over 1 month but less than 3 months		1,730,629,169	1,244,424,022	1,730,629,169	1,244,424,022
	Over 3 months but less than 6 months		378,101,085	132,605,396	378,101,085	132,605,396
	6 months or more		10,000,122	3,243,702	10,000,122	3,243,702
			3,763,396,460	**2,236,151,929**	**3,763,396,460**	**2,236,151,929**

7.21 Preservation of client's audit report in the loan file verification through Document Verification system (DVS)

During approval/renewal of loan, BBPLC checks 100% DVS records with ICAB database for the submitted audited financials, where applicable

7.22 Disclosure of willful defaulters

In accordance with BRPD circular no. 06; dated 12 March 2024, & BRPD Circular letter no. 09; dated 16 April 2025, BBPLC reported 7 borrowers, amount of BDT 2,579,909,376 as willful defaulter to the Bangladesh Bank for the period ended on 31 December 2025.

8	**Fixed assets including premises, furniture and fixtures**					
	Land	527,275,400	527,275,400	527,275,400	527,275,400
	Office floor space	20,855,926	20,855,926	4,034,334	4,034,334
	Furniture and fixture	3,203,188,429	2,826,489,013	2,887,497,667	2,536,067,740
	Office equipment	2,098,598,038	1,807,462,053	1,954,903,303	1,652,505,716
	IT hardware	10,298,107,815	9,068,996,625	4,868,670,712	4,331,020,016
	Motor vehicles	847,560,670	711,925,392	558,502,933	442,202,195
	Leasehold improvements	222,601,161	204,383,908	-	-
	Right of use assets (ROU) as per IFRS 16	10,826,932,200	8,834,516,227	9,071,943,142	7,540,539,044
	Capital expenditure work in progress	957,173,041	789,800,949	692,262,164	415,419,541
	IT software (finite useful lives)	11,901,152,878	10,589,750,327	3,822,630,322	3,260,405,920
	Total cost	**40,903,445,558**	**35,381,455,820**	**24,387,719,977**	**20,709,469,906**
	Accumulated depreciation and amortization	23,347,051,424	20,980,308,628	13,386,982,290	12,191,024,028
	Written down value at 31 December	**17,556,394,134**	**14,401,147,192**	**11,000,737,687**	**8,518,445,878**

* Fixed assets schedules on standalone basis are shown in **Annexure-E**.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
9 Other assets					
Income generating					
Investment in subsidiary	9.1	-	-	17,012,495,359	14,471,693,991
Investment/carrying value in associates	9.2	54,016,493	46,735,064	54,016,493	46,735,064
Investment in swift share		18,960,837	18,960,837	18,960,837	18,960,837
Non- Income generating					
Stock of stamps		80,615,544	71,040,416	80,615,544	71,040,416
Stock of security stationery		31,465,900	14,617,876	31,465,900	14,617,876
Stock of printing stationery		11,751,721	9,514,351	11,751,721	9,514,351
Prepaid interest expenses on IFFD		7,654,934	998,002	7,654,934	998,002
Interest receivables	9.3	12,740,980,993	9,998,211,787	12,740,980,993	9,998,211,787
Receivables against Sanchay Patra		49,475,796	27,495,327	49,475,796	27,495,327
Dividend receivables		109,948,480	95,909,440	109,948,480	95,909,440
Balance with BRAC EPL Stock Brokerage Limited		1,067,095	168,351	1,067,095	168,351
Advance to staff		19,226,181	18,333,257	19,226,181	18,333,257
Advance to supplier		18,337,750	75,332,785	16,714,126	15,967,111
Advance value added tax		6,602,947	6,602,947	6,602,947	6,602,947
Advance to SME unit offices		1,308,690	1,308,690	1,308,690	1,308,690
Advance against office rent		118,876,576	99,947,226	118,876,576	99,947,226
Advance security deposit		26,429,033	21,700,163	20,495,626	15,716,756
Receivables from biTS		63,466,065	93,929,793	63,466,065	93,929,793
Deferred revenue expenditure		784,877,409	751,886,783	784,877,409	751,886,783
Deferred tax asset	9.4	7,768,837,162	8,152,329,178	5,982,225,634	6,193,267,865
Net plan assets - employees' gratuity fund	9.5	317,752,338	-	317,752,338	-
Receivable in proxy account		4,397,139	-	4,397,139	-
Other receivables	9.6	13,184,914,714	9,660,795,328	13,184,914,714	9,660,795,328
Other assets of subsidiaries	9.7	13,460,882,832	11,341,716,116	-	-
		48,881,846,629	**40,507,533,717**	**50,639,290,597**	**41,613,101,198**
9.1 Investment in subsidiaries					
BRAC EPL Investments Limited				733,193,238	715,696,869
BRAC EPL Stock Brokerage Limited				1,365,003,038	1,304,507,060
bKash Limited				14,764,997,232	12,402,025,595
BRAC Saajan Exchange Limited				149,301,851	49,464,467
				17,012,495,359	**14,471,693,991**
9.2 Investment/carrying value in associates (BRAC IT Services Limited)					
Opening balance/fair value of residual interest retained		46,735,064	39,837,592	46,735,064	39,837,592
Share of profit/(loss) of equity in associate company		7,281,429	6,897,472	7,281,429	6,897,472
		54,016,493	**46,735,064**	**54,016,493**	**46,735,064**
9.3 Interest receivables					
Receivable against loans and advances		5,120,380,860	4,874,453,611	5,120,380,860	4,874,453,611
Receivable against Govt. securities		7,382,207,148	5,002,289,227	7,382,207,148	5,002,289,227
Receivable against other securities		139,104,404	35,102,289	139,104,404	35,102,289
Receivable against balance with other bank		99,288,581	86,366,660	99,288,581	86,366,660
		12,740,980,993	**9,998,211,787**	**12,740,980,993**	**9,998,211,787**

9.4 Deferred tax asset/(liability) (Bank only)

Particulars	Accounting base	Tax base	Deductible/ (Taxable) temporary difference	Applicable tax rate	Deferred Tax Asset/ (Liability)
Balance as at 31 December 2025					
Loan loss provision including QJ provision	12,782,116,886	-	12,782,116,886	37.5%	4,793,293,832
Actuarial valuation measurement loss	217,019,667	-	217,019,667	37.5%	81,382,375
Provision against capital market (Note -17.4)	493,181,807	-	493,181,807	37.5%	184,943,178
Fixed assets except RoU (Annexure - E)	4,035,812,171	5,868,693,289	1,832,881,117	37.5%	687,330,419
Provision against Other assets		-	-	37.5%	-
Right of use assets (RoU) as per IFRS 16 (Annexure - E)	5,745,387,953	962,698,919	(4,782,689,034)	37.5%	(1,793,508,388)
Leased Liability as per IFRS 16 (Note - 17)	5,410,091,248	-	5,410,091,248	37.5%	2,028,784,218
Deferred tax asset (a)					**5,982,225,634**
Deferred tax liability arises from fair value gain as per IFRS 9	11,985,158,007	-	(11,985,158,007)	15.00%	(1,797,773,701)
Interest receivable from treasury bills and bonds (Note -9.3)	6,770,249,793	-	(6,770,249,793)	37.50%	(2,538,843,673)
Deferred tax liability (b)					**(4,336,617,374)**
Net deferred tax asset at 31 December 2025 (a+b)					**1,645,608,260**
Increase of deferred tax asset recognized in profit and loss account as income					240,776,217
Decrease of deferred tax liability recognized in profit and loss account as income					(1,068,534,782)
Net Deferred tax expense recognized in profit and loss account during the year ended 31 December 2025					**(827,758,565)**
Net Deferred tax liability recognized in equity during the year ended 31 December 2025					**(391,102,049)**
Balance as at 31 December 2024					
Loan loss provision including QJ provision	13,551,275,792	-	13,551,275,792	37.50%	5,081,728,422
Actuarial valuation measurement loss	340,403,344	-	340,403,344	37.50%	127,651,254
Provision against capital market (Note -17.4)	48,732,876	-	48,732,876	37.50%	18,274,829
Fixed assets except RoU (Annexure - E)	3,180,736,060	4,920,115,698	1,739,379,638	37.50%	652,267,364
Provision against Other assets	247,522,182	-	247,522,182	37.50%	92,820,818
Right of use assets (RoU) as per IFRS 16 (Annexure - E)	4,395,014,878	693,791,360	(3,701,223,518)	37.50%	(1,387,958,819)
Leased Liability as per IFRS 16 (Note - 17)	4,289,290,659	-	4,289,290,659	37.50%	1,608,483,997
Deferred tax asset (a)					**6,193,267,865**
Deferred tax liability arises from fair value gain as per IFRS 9	9,686,270,209	-	(9,686,270,209)	15.00%	(1,452,940,531)
Interest receivable from treasury bills and bonds (Note -9.3)	5,002,289,227	-	(5,002,289,227)	37.50%	(1,875,858,460)
Deferred tax liability (b)					**(3,328,798,991)**
Net deferred tax asset at 31 December 2024 (a+b)					**2,864,468,874**
Increase of deferred tax asset recognized in profit and loss account as income					574,910,566
Decrease of deferred tax liability recognized in profit and loss account as income					(1,680,499,612)
Net Deferred tax income recognized in profit and loss account during the year ended 31 December 2024					**(1,105,589,048)**
Net Deferred tax liability recognized in equity during the year ended 31 December 2024					**17,227,756**

9.4.1 Recoverability/adjustment/reversal of deferred tax

Deferred tax on Specific provision on loans and advances

Specific provisions for loans are not tax-deductible under local tax regulations. So, when calculating taxable income, the loan loss provision charged to the profit and loss account is added back to income. However, the tax office will accept the loan recovery or write-off as a legitimate tax expense. The Bank will either make a recovery or write off the loans at some point in the future; thus, this item only has a transitory effect. According to IAS 12, the Bank recognizes the deferred tax on this particular provision, creating a deductible temporary difference to the degree that it can be applied as a credit. The deferred tax will be reversed once the underlying bad debt is either repaid or cancelled.

Deferred tax on Fixed assets including intangible assets

Accounting depreciation is not taken into consideration when determining the tax obligation according to local tax regulations. The tax authorities permit tax depreciation at various rates as per the third schedule of ITA 2023, which is different from the accounting depreciation rate in many cases. Hence, transitory differences are created due to the varying depreciation rates and methodology against which the Bank recognizes deferred tax. This is a common occurrence since the accounting depreciation rate and the tax depreciation rate differ from one another. The remaining amount of deferred tax will be released when the assets' useful economic life has passed, though.

Deferred tax on Provision against capital market investment

Capital market-related provisions are not deductible for tax purposes under local tax regulations. As a result, when calculating taxable income, such provision charged to the profit and loss account is added back to income. The tax office will, however, permit the release or reversal of the provision as an allowable expense through realized gains or losses as a result of the temporary difference that this item causes. According to IAS 12, the Bank recognizes the deferred tax on such a provision, creating a deductible temporary difference to the extent that it can be applied as a credit against other liabilities. The deferred tax will also be released as soon as the related provision is released or reversed.

Deferred tax on Interest receivables on government securities

As per Tax Law, Tax is paid on BGTB income on a cash basis, whereas the same income is accounted for on an accrual basis in the financial statement. This difference in interest income recognition has created a temporary difference in the way the bank recognized the DT liability on the interest receivable on BGTB in the respective year, which will be reversed upon payment of tax on cash interest received in the subsequent years.

Deferred tax on Right of use assets (RoU) and lease liabilities as per IFRS 16

According to local tax regulations, lease payments are treated as an allowable expense, while accounting for depreciation and interest on RoU assets under IFRS 16 is not. As a result, when calculating taxable profit, depreciation and interest expense were added back, and the amount of the actual lease payment was subtracted. Due to the temporary differences caused by this, deferred tax is recognized. However, when the assets' economic useful lives are up, the remaining amount of deferred tax will be automatically released.

Deferred tax assets arising from the provision for loan loss will be recovered at the time of the write-off of classified loans. Deferred tax on provision for investment in the capital market will be recovered when the loss is realized, and deferred tax on right-of-use assets under IFRS 16 will be adjusted on the termination of lease contracts.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
9.5 Net plan assets - employees' gratuity fund					
Fair value of plan assets	9.5.1	5,095,953,244	3,948,768,130	4,373,435,002	3,226,249,888
Less: Defined benefit obligation	9.5.2	4,778,200,906	3,948,768,130	4,055,682,664	3,226,249,888
		317,752,338	**-**	**317,752,338**	**-**
9.5.1 Fair value of plan assets - gratuity fund					
Fair value of plan assets as on 1 January		3,948,768,130	3,397,954,370	3,226,249,888	2,675,436,128
Interest income on plan assets		290,362,490	266,862,963	290,362,490	266,862,963
Actual employer contributions		997,066,117	531,987,632	997,066,117	531,987,632
Actual net benefits payments		(166,304,071)	(140,041,750)	(166,304,071)	(140,041,750)
Remeasurement gain/(losses) on plan assets		26,060,578	(107,995,085)	26,060,578	(107,995,085)
Fair value of plan assets as on 31 December		**5,095,953,244**	**3,948,768,130**	**4,373,435,002**	**3,226,249,888**
9.5.2 Defined benefit obligation - gratuity fund					
Defined benefit obligation as on 1 January		3,948,768,130	3,215,859,111	3,226,249,888	2,493,340,869
Current service cost		741,824,348	550,502,975	741,824,348	550,502,975
Interest cost		351,235,598	248,347,620	351,235,598	248,347,620
Actual net benefits payments		(166,304,071)	(140,041,750)	(166,304,071)	(140,041,750)
Remeasurement (gain)/loss		(97,323,099)	74,100,174	(97,323,099)	74,100,174
Defined benefit obligation as on 31 December		**4,778,200,906**	**3,948,768,130**	**4,055,682,664**	**3,226,249,888**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
9.5.3 Remeasurements gain/(loss) of defined benefits liabilities/assets					
Opening balance		(284,019,464)	(170,325,167)	(212,752,090)	(98,942,553)
Remeasurement gain/(losses) on plan assets		71,581,499	(127,655,308)	26,060,578	(107,995,085)
Remeasurement gain/(losses) on defined benefit obligation		(22,991,222)	(54,286,297)	97,323,099	(74,100,174)
		(235,429,187)	(352,266,772)	(89,368,413)	(281,037,812)
Less: Deferred tax (expense)/income		(25,700,694)	68,247,308	(46,268,879)	68,285,722
		(261,129,881)	**(284,019,464)**	**(135,637,292)**	**(212,752,090)**
9.6 Other Receivables					
Receivable against remittance		36,519,911	24,604,131	36,519,911	24,604,131
Receivable against DD		110,000,000	66,000,000	110,000,000	66,000,000
Receivable against cards		322,907,420	463,888,532	322,907,420	463,888,532
Receivable from merchant		766,322,519	573,573,686	766,322,519	573,573,686
Receivable from partners		758,349	7,590,614	758,349	7,590,614
Receivable from co-brand ATM		27,020,242	27,020,242	27,020,242	27,020,242
Receivable against fraud and forgery/protested bill		133,083,256	130,961,016	133,083,256	130,961,016
Receivable from NPS		144,725,300	201,792,400	144,725,300	201,792,400
Sundry debtors*		11,758,012,055	8,279,045,704	11,758,012,055	8,279,045,704
Receivable from BACH		5,000,000	5,092,000	5,000,000	5,092,000
REPO interest expenditure		(127,717,621)	(130,704,507)	(127,717,621)	(130,704,507)
Interest rate swap		8,283,283	11,931,510	8,283,283	11,931,510
		13,184,914,714	**9,660,795,328**	**13,184,914,714**	**9,660,795,328**

*In compliance with FRC notification no. 179/FRC/FRM/Notification/2020/2, we have already adjusted the forfeited fund previously distributed among active members of provident fund for the period from 2015 to 2021 as per the existing Fund Rules. Additionally, we have recognized other receivable of BDT 1,048,718 under sundry debtors for the forfeited fund for 30 June 2025.

9.7 Other assets of subsidiaries		
BRAC EPL Investments Limited	63,781,012	44,005,240
BRAC EPL Stock Brokerage Limited	227,198,729	117,482,073
bKash Limited	12,556,482,861	10,862,260,498
BRAC Saajan Exchange Limited	665,787,220	387,953,678
	13,513,249,822	**11,411,701,489**
Less: Inter company transactions:		
BRAC Bank PLC.	3,532,109	16,018,278
BRAC EPL Investments Limited	44,548,030	22,230,492
BRAC EPL Stock Brokerage Limited	3,898,373	3,460,477
bKash Limited	388,478	28,276,126
	52,366,990	**69,985,373**
	13,460,882,832	**11,341,716,116**

10 Non-banking assets

Name of parties	Property details	Possession date				
M/S. Akash Auto Mobile*	12.50 Decimal land at Sadar, Sherpur.	11 June 2018	-	3,041,700	-	3,041,700
M/S Shawan Enterprise	11.43 Decimal land at Mirpur, Kushtia	12 January 2021	300,000	300,000	300,000	300,000
M/S SB Variety Store	28.65 decimals land located at Jamalpur	12 October 2022	6,800,000	6,800,000	6,800,000	6,800,000
A/C: Sarker Md. Rafikul Islam & Habiba Jesmin**	1348 Sft. flat at Kalabagan, Dhaka	16 July 2025	3,327,178	-	3,327,178	-
M/S. Munshigonj Banijjaloy	215 decimals land at Munshigonj Sadar.	13 June 2024	836,865	836,865	836,865	836,865
			11,264,043	**10,978,565**	**11,264,043**	**10,978,565**

*The non-banking assets titled M/S. Akash Auto Mobile was disposed of in June 2025 in compliance with Section 10 of the Bank Company Act 1991 and BRPD Circular No.22 dated 20 September 2021. The Book value of the asset amounted to BDT 3,041,700 while the asset was sold for BDT 3,393,900. Accordingly, the excess collection of BDT 352,200 has been transferred to the retained earnings.

**The Bank received ownership of a mortgaged a flat at 105 Lake Circus, Kalabagan, Dhaka-1205 through the verdict of the honorable Artha Rin Adalat-2, under Section 33(7) of Artharin Adalat Ain 2003. The property has been reported as a non-banking assets in accordance with the Bank Companies Act 1991 and BRPD Circular no. 22, dated 20 September 2021. The value of the non-banking assets has been determined at BDT 3,327,178 according to the valuation method prescribed in the circular.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
11 Borrowings from other banks, financial institutions and agents					
Borrowings inside Bangladesh	11.1	141,434,283	2,606,382	-	-
Borrowings outside Bangladesh	11.2	68,956,609,137	50,345,004,023	68,944,031,752	50,331,428,570
		69,098,043,420	**50,347,610,405**	**68,944,031,752**	**50,331,428,570**
11.1 Borrowings inside Bangladesh					
Mutual Trust Bank PLC.		-	1,359,992	-	-
Eastern Bank PLC.		1,434,283	1,246,390	-	-
ICB Fund		140,000,000	-	-	-
		141,434,283	**2,606,382**	**-**	**-**
11.2 Borrowings outside Bangladesh					
Asian Development Bank		3,668,862,000	3,600,000,000	3,668,862,000	3,600,000,000
ABC Bank UK		1,222,954,000	-	1,222,954,000	-
Caixabank S.A.		7,337,724,000	8,400,000,000	7,337,724,000	8,400,000,000
Commerzbank Ag, Hamburg, Germany		3,668,862,000	1,200,000,000	3,668,862,000	1,200,000,000
Commercial Bank Of Dubai		2,445,908,000	-	2,445,908,000	-
Abu Dhabi Commercial Bank, UAE		1,834,431,000	-	1,834,431,000	-
JP Morgan Chase Bank N.A. Singapore		-	2,400,000,000	-	2,400,000,000
Mizuho Bank Ltd, Singapore		6,114,770,000	3,360,000,000	6,114,770,000	3,360,000,000
Citibank, N.A.,Tokyo Branch		-	171,428,570	-	171,428,570
Citibank Hong Kong		3,057,385,000	-	3,057,385,000	-
Emirates Nbd Bank Pjsc, Dubai		6,114,770,000	2,400,000,000	6,114,770,000	2,400,000,000
Millennium Bank, Portugal		12,577,385	13,575,453	-	-
National Bank Of Ras Al-Khaimah		6,114,770,000	-	6,114,770,000	-
British International Investment PLC		5,350,423,752	6,000,000,000	5,350,423,752	6,000,000,000
International Finance Corporation (IFC), USA		6,114,770,000	6,000,000,000	6,114,770,000	6,000,000,000
DEG - Deutsche Investitions		4,891,816,000	6,000,000,000	4,891,816,000	6,000,000,000
Japan International Cooperation Agency (JICA)		11,006,586,000	10,800,000,000	11,006,586,000	10,800,000,000
		68,956,609,137	**50,345,004,023**	**68,944,031,752**	**50,331,428,570**
11.3 Security against borrowings from other banks, financial institutions and agents:					
Secured (Treasury bills)		-	-	-	-
Unsecured		69,098,043,420	50,347,610,405	68,944,031,752	50,331,428,570
		69,098,043,420	**50,347,610,405**	**68,944,031,752**	**50,331,428,570**

11.4 Disclosure regarding REPO

Disclosure regarding REPO transactions of the Bank are given as per Bangladesh Bank DOS Circular No. 6 dated 15 July 2010.

(a) (i) Disclosure regarding outstanding Repo as on 31 December 2025

Counter party name	SL. no	Agreement date	Reversal date	Amount (1st leg cash consideration) outstanding	Amount (1st leg cash consideration) outstanding
Bangladesh Bank	i	17 Dec 2025	01 Jan 2026	15,512,594,900	-
Bangladesh Bank	ii	23 Dec 2025	06 Jan 2026	23,158,586,372	-
Bangladesh Bank	iii	30 Dec 2025	13 Jan 2026	9,528,588,290	-
Standard Chartered Bank Dhaka	iv	30 Dec 2025	04 Jan 2026	3,028,251,900	
Bangladesh Bank	i	10 Dec 2024	07 Jan 2025	-	8,773,002,157
Bangladesh Bank	ii	17 Dec 2024	14 Jan 2025	-	14,294,992,643
Bangladesh Bank	iii	24 Dec 2024	21 Jan 2025	-	7,250,577,880
				51,228,021,462	**30,318,572,680**

Counter party name	SL. no	Agreement date	Reversal date	Amount (1st leg cash consideration) outstanding	Amount (1st leg cash consideration) outstanding

(a) (ii) Disclosure regarding outstanding Reverse Repo as on 31 December 2025

Counter party name	SL. no	Agreement Date	Reversal Date	Amount (1st leg cash consideration)	Amount (1st leg cash consideration)
				-	-
				-	-

(b) Disclosure regarding overall transaction of Repo and Reverse repo during the year 2025

Particulars	Minimum outstanding during the year 2025	Maximum outstanding during the year 2025	Daily average outstanding during the year 2025	Daily average outstanding during the year 2024
Securities sold under repo:				
i) with Bangladesh Bank	2,436,869,500	37,654,284,549	3,265,524,306	2,808,405,268
ii) with other banks & FIs	480,080,000	19,363,838,228	1,896,111,687	924,652,673
Securities purchased under reverse repo:				
i) with Bangladesh Bank	1,000,000,000	7,750,000,000	140,821,918	40,300,546
ii) with other banks & FIs	299,249,100	16,197,928,664	488,639,204	182,679,537

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
11.5 Maturity wise grouping of borrowing from other bank and financial institutions					
Repayable on demand		3,683,210,964	3,706,957,171	4,669,360,668	4,971,428,570
Not more than 3 months		18,018,483,702	8,991,707,146	17,427,094,502	8,460,000,000
More than 3 months but not more than 1 year		26,149,166,837	10,048,946,088	25,600,394,667	9,300,000,000
More than 1 year but not more than 5 years		20,245,582,589	24,653,760,000	20,245,582,589	24,653,760,000
More than 5 years		1,001,599,328	2,946,240,000	1,001,599,326	2,946,240,000
		69,098,043,420	**50,347,610,405**	**68,944,031,752**	**50,331,428,570**
12 Borrowings from central bank & government agencies					
BB - Export development fund (EDF)		10,311,817,004	8,415,427,277	10,311,817,004	8,415,427,277
Bangladesh Bank Assured REPO		18,754,108,000	18,754,108,000	18,754,108,000	18,754,108,000
SME Foundation pre finance		326,676,541	423,319,340	326,676,541	423,319,340
BB - Long term financing facility (LTFF)		451,193,897	626,626,921	451,193,897	626,626,921
BB - Green transformation fund (GTF)		5,018,059	81,618,958	5,018,059	81,618,958
BB - PSC stimulus package		-	1,722,940,000	-	1,722,940,000
BB - Refinancing for green initiatives		-	10,010,000	-	10,010,000
BB - SME re-finance		20,287,136,277	26,257,376,286	20,287,136,277	26,257,376,286
Joyeeta foundation pre or re-finance		-	-	-	-
BB - Technology Development Fund (TDF)		978,603,601	780,963,036	978,603,601	780,963,036
BB - Green Transformation Fund (GTF)		60,997,019	77,262,890	60,997,019	77,262,890
Borrowing from BB-IPFF-II		691,212,818	651,373,556	691,212,818	651,373,556
BB Ref for Green Initiatives-Corp		81,837,469	102,296,837	81,837,469	102,296,837
BB- Ref for 1000cr agro (Maize and Wheat)		10,818,154	-	10,818,154	-
		51,959,418,839	**57,903,323,101**	**51,959,418,839**	**57,903,323,101**
12.1 Maturity wise grouping of Borrowings from central bank & government agencies					
Call		258,071,760	-	258,071,760	-
Repayable on demand		5,640,418,479	4,548,238,497	5,640,418,479	4,548,238,497
Not more than 3 months		7,052,471,579	6,052,605,026	7,052,471,579	6,052,605,026
More than 3 months but not more than 1 year		9,448,304,141	6,728,162,687	9,448,304,141	6,728,162,687

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
More than 1 year but not more than 5 years		9,568,555,067	14,135,184,318	9,568,555,067	14,135,184,318
More than 5 years		19,991,597,813	26,439,132,573	19,991,597,813	26,439,132,573
		51,959,418,839	**57,903,323,101**	**51,959,418,839**	**57,903,323,101**

13 Affordable housing bond

In 2022, upon approval from Bangladesh Securities & Exchange Commission (BSEC) and permission from Bangladesh Bank, BRAC Bank issued unsecured Affordable Housing Bond amounting BDT 4,751,000,000. The bond has been fully subscribed by International Finance Corporation (IFC). The raised fund will be utilized to provide affordable housing loans to lower and middle income group at a highest interest rate of 7.50% or as revised by Bangladesh Bank time to time.

14 BRAC Bank 2nd subordinated bond

In 2024, BRAC Bank PLC raised capital through issuance of Non-convertible, unsecured, Fully redeemable, Floating rate BRAC Bank 2nd Subordinated Bond worth of BDT 7,000 million (face value of each bond is BDT 1 million each) through private placement after obtaining necessary approval from Bangladesh Bank (BB) and Bangladesh Securities & Exchange Commission (BSEC).

15 BRAC Bank Social sub bond

In 2025, BRAC Bank PLC raised capital through issuance of Non-convertible, unsecured, Fully redeemable, Floating rate BRAC Bank Social Subordinate Bond worth of BDT 10,000 million (face value of each bond is BDT 1 million each) through private placement after obtaining necessary approval from Bangladesh Bank (BB) and Bangladesh Securities & Exchange Commission (BSEC). At 31 December 2025, 6,537 number of bonds has been subscribed which amounting to BDT 6,537,000,000.

16 Deposits and other accounts

Current accounts and other accounts	16.1	337,364,452,181	277,875,898,241	236,193,511,602	189,281,704,728
Bills payable	16.2	3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
Savings deposits	16.3	129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
Term deposits*	16.4	510,455,502,899	386,748,713,246	510,784,524,598	386,909,329,738
Other deposits	16.5	9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
		990,359,326,094	**777,866,506,600**	**889,517,407,214**	**689,432,929,579**

* Term deposits include the deposit pension scheme (DPS).

16.1 Current accounts and other accounts

Local currency	325,204,701,372	263,631,999,072	214,843,101,221	170,388,846,164
Foreign currencies	21,350,410,381	18,892,858,564	21,350,410,381	18,892,858,564
	346,555,111,753	282,524,857,636	236,193,511,602	189,281,704,728
Less: Inter unit/company elimination	9,190,659,572	4,648,959,395	-	-
	337,364,452,181	**277,875,898,241**	**236,193,511,602**	**189,281,704,728**

16.1.1 Current accounts and other accounts

Current deposits	323,228,871,093	264,915,916,650	212,867,270,941	171,672,763,742
Special notice deposit	23,326,240,660	17,608,940,986	23,326,240,660	17,608,940,986
	346,555,111,753	282,524,857,636	236,193,511,601	189,281,704,728
Less: Inter unit/company elimination	9,190,659,572	4,648,959,395	-	-
	337,364,452,181	**277,875,898,241**	**236,193,511,601**	**189,281,704,728**

16.2 Bills payable

Local currency	3,008,700,045	3,761,048,108	3,008,700,045	3,761,048,108
Foreign currencies	9,897,176	9,790,779	9,897,176	9,790,779
	3,018,597,221	**3,770,838,887**	**3,018,597,221**	**3,770,838,887**

16.3 Savings deposits

Local currency	129,789,428,478	99,483,397,129	129,789,428,478	99,483,397,129
Foreign currencies	-	-	-	-
	129,789,428,478	**99,483,397,129**	**129,789,428,478**	**99,483,397,129**

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
16.4	**Term deposits**					
	Local currency		498,255,540,813	375,526,854,896	498,255,540,813	375,526,854,896
	Foreign currencies		12,528,983,785	11,382,474,842	12,528,983,785	11,382,474,842
			510,784,524,598	386,909,329,738	510,784,524,598	386,909,329,738
	Less: Inter unit/company elimination		329,021,699	160,616,492	-	-
			510,455,502,899	**386,748,713,246**	**510,784,524,598**	**386,909,329,738**
16.5	**Other deposits**					
	Local currency	16.5.1	9,731,345,315	9,986,724,789	9,731,345,315	9,986,724,789
	Foreign currencies		-	934,308	-	934,308
			9,731,345,315	9,987,659,097	9,731,345,315	9,987,659,097
	Less: Inter unit/company elimination		-	-	-	-
			9,731,345,315	**9,987,659,097**	**9,731,345,315**	**9,987,659,097**
16.5.1	**Other local currency deposits**					
	Security deposits		792,000	792,000	792,000	792,000
	Sundry deposit	16.5.1.1	9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
			9,731,345,315	**9,986,724,789**	**9,731,345,315**	**9,986,724,789**
16.5.1.1	**Sundry deposit**					
	Payable to NPS		8,615,238,990	8,769,267,770	8,615,238,990	8,769,267,770
	EFTN and BACH adjustments account		939,349,956	1,071,287,605	939,349,956	1,071,287,605
	Payable against customers, loan account and others		175,964,369	145,377,414	175,964,369	145,377,414
			9,730,553,315	**9,985,932,789**	**9,730,553,315**	**9,985,932,789**
16.6	**Deposits concentration**					
	Deposits from banks-inside Bangladesh	16.6.1	102,196,570	812,493,389	102,196,570	812,493,389
	Other than banks		990,257,129,524	777,054,013,211	889,415,210,644	688,620,436,190
			990,359,326,094	**777,866,506,600**	**889,517,407,214**	**689,432,929,579**
16.6.1	**Deposits from banks inside Bangladesh**					
	Current deposits:					
	NRB Bank PLC		1,304,966	1,313,966	1,304,966	1,313,966
	Islami Bank Bangladesh PLC		439,748	439,898	439,748	439,898
	One Bank PLC		172,906	369,378	172,906	369,378
	Meghna Bank PLC		468,430	469,680	468,430	469,680
	EXIM Bank PLC		11,646,018	-	11,646,018	-
	Bangladesh Krishi Bank, Dohar Branch		5,099,587	-	5,099,587	-
	National Credit & Commerce Bank PLC		-	14,727	-	14,727
			19,131,655	2,607,649	19,131,655	2,607,649
	Special notice deposit:					
	Dutch-Bangla Bank Mobile Banking-Rocket		83,064,915	9,885,740	83,064,915	9,885,740
	Term deposits from Banks:					
	Rajshahi Krishi Unnayan Bank		-	800,000,000		800,000,000
			-	**800,000,000**	**-**	**800,000,000**
	Total deposits from banks		**102,196,570**	**812,493,389**	**102,196,570**	**812,493,389**
16.7	**Payable on demand and time deposit**					
	i) Demand deposit					
	Current deposits		292,687,801,140	241,374,098,691	191,516,860,561	152,779,905,178
	Saving deposits (9% of total saving deposits)		11,681,048,563	8,953,505,742	11,681,048,563	8,953,505,742
	Foreign currency deposits		21,350,410,381	18,893,792,872	21,350,410,381	18,893,792,872

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Sundry deposits		9,730,553,315	9,985,932,789	9,730,553,315	9,985,932,789
Bills payable		3,018,597,221	3,770,838,887	3,018,597,221	3,770,838,887
		338,468,410,620	**282,978,168,981**	**237,297,470,041**	**194,383,975,468**
ii) Time deposit					
Saving deposits (91% of total saving deposits)		118,108,379,915	90,529,891,387	118,108,379,915	90,529,891,387
Foreign currency deposits		12,528,983,785	11,382,474,842	12,528,983,785	11,382,474,842
Term deposits		465,041,372,002	349,047,297,071	465,370,393,701	349,207,913,564
Deposit pension schemes (DPS)		32,885,147,112	26,318,941,332	32,885,147,112	26,318,941,332
Special notice deposit		23,326,240,660	17,608,940,986	23,326,240,660	17,608,940,986
Security deposits		792,000	792,000	792,000	792,000
		651,890,915,474	**494,888,337,618**	**652,219,937,173**	**495,048,954,111**
		990,359,326,094	**777,866,506,599**	**889,517,407,214**	**689,432,929,579**

16.8 Maturity wise grouping of deposits and other accounts

Repayable on demand	10,631,745,831	13,609,570,623	10,631,745,831	13,609,570,623
Repayable within 1 month	101,865,489,402	86,653,140,450	97,068,531,437	74,975,757,370
Over 1 months but within 6 months	192,893,998,731	158,627,009,204	303,414,605,950	257,004,274,166
Over 6 months but within 1 year	299,863,234,858	247,895,204,216	163,668,898,172	133,875,314,322
Over 1 year but within 5 years	351,790,537,419	244,260,334,908	308,948,566,311	209,963,318,022
Over 5 years but within 10 years	33,314,319,853	26,821,247,198	5,785,059,513	4,695,076
Total balance	990,359,326,094	777,866,506,599	889,517,407,214	689,432,929,579
Unclaimed deposits for 10 years or more	**107,061,637**	**53,384,534**	**107,061,637**	**53,384,534**

As per the Bank Company Act 1991, Section 35, and BRPD Circular No. 10 dated 12 September 2018, if any money or valuable asset (except deposits from the government, minors, or litigation) is unclaimed for ten years or more as of 31 December every year, a three-month' notice will be given to the concerned depositors. Based on the response from the concerned depositors, the amount will be paid to them; otherwise, the reported unclaimed deposit amount will be surrendered to Bangladesh Bank by 30 April 2026. We reported BDT 107,061,637 (including converted FCY amount) as the 10 years and above unclaimed deposit amount as of 31 December 2025 (cutoff date) to Bangladesh Bank. However, the surrendered amount will be finalized after completion of the notice period.

17 Other liabilities

Provision for loans and advances	17.1	19,976,725,648	19,701,567,950	18,749,743,704	18,489,732,179
Provision for interest receivable from loan	17.2	45,681,064	40,869,040	45,681,064	40,869,040
Provisions for off balance sheet Items	17.3	1,148,547,347	1,148,547,347	1,148,547,347	1,148,547,347
Provision for diminution in value of investments	17.4	542,343,834	48,732,877	542,343,834	48,732,877
Provision for other assets	17.5	352,529,310	350,407,070	352,529,310	350,407,070
Provision against non banking assets (NBA)		10,939,543	7,636,865	10,939,543	7,636,865
Provision against placement Funds		102,750,000	-	102,750,000	-
Interest suspense	17.6	1,649,030,342	1,796,186,975	1,649,030,342	1,796,186,975
Withholding tax payable	17.7	1,450,743,401	1,104,726,301	1,450,743,401	1,104,726,301
VAT payable	17.8	340,884,381	244,907,520	340,884,381	244,907,520
Excise duty payable		351,637,255	611,660,557	351,637,255	611,660,557
Provision for taxation net off AIT	17.9	12,372,742,935	9,121,330,429	5,796,955,775	4,543,543,558
Deferred tax liability	9.4	2,538,843,673	1,878,563,858	4,336,617,375	3,328,798,991
Interest payable on borrowings		1,752,207,239	1,502,708,930	1,752,207,239	1,502,708,930
Accrued expenses		11,023,602,712	6,098,805,919	3,932,524,404	989,448,722
Share subscription - IPO (refund warrant)		325,217	316,252	325,217	316,252
Unclaimed and undistributed dividend	17.10	27,709,034	31,743,945	27,709,034	31,743,945
Suppliers payable		186,334,470	132,248,481	186,334,470	132,248,481

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Lease liabilities as per IFRS 16		6,502,655,731	4,684,331,702	5,410,091,248	4,289,290,659
Payable against exchange houses		531,133	927,227	531,133	927,227
Payable against insurances		5,549,808	5,745,950	5,549,808	5,745,950
Payable against proxy account		-	2,396,427	-	2,396,427
Payable against SWIFT charge		106,704,918	80,602,395	106,704,918	80,602,395
Payable for other business operations	17.11	3,799,545,301	6,038,879,372	3,799,545,301	6,038,879,372
Other liabilities of subsidiaries	17.12	3,537,690,283	3,171,620,729	-	-
		67,826,254,579	**57,805,464,118**	**50,099,926,103**	**44,790,057,640**

17.1 Provision for loans and advances

A. General provision				
Provisions held at the beginning of the year	5,227,075,971	5,081,535,788	5,227,075,971	5,081,535,788
Less: Transfer to specific provision	-	(784,207,224)	-	(784,207,224)
Add: Net charge during the year	744,759,016	929,747,407	740,550,846	929,747,407
Provisions held at the end of the year	**5,971,834,987**	**5,227,075,971**	**5,967,626,817**	**5,227,075,971**
B. Specific provision				
Provisions held at the beginning of the year (i)	14,474,491,979	12,878,824,673	13,262,656,208	11,666,988,903
Add: Transfer from general provision (iii)	-	784,207,224	-	784,207,224
Less: Write off during the year (v)	(7,246,615,692)	(3,363,963,928)	(7,246,615,692)	(3,356,694,532)
Add: Net Provision charged for the year (vi)	6,627,098,940	3,758,940,516	6,616,160,937	3,751,671,119
Add: Recovery of written off bad debts (vii)	1,051,599,957	924,519,756	1,051,599,957	924,519,756
Less: Adjustment/Release during the year (iv)	(901,684,523)	(508,036,262)	(901,684,523)	(508,036,262)
Provisions held at the end of the year (i+ii+iii+iv+v+vii-vii)	14,004,890,661	14,474,491,979	12,782,116,887	13,262,656,208
Total provision held at the end of the year (A+B)	**19,976,725,648**	**19,701,567,950**	**18,749,743,704**	**18,489,732,179**

17.2 Provision for interest receivable from loan (Bank only)

Particular	Base for provision	Percentage (%) of required provision	Required provision 2025	Required provision 2024
Corporate	2,838,533,984	1%	28,385,340	30,029,808
Retail	565,886,781	1%	5,658,868	7,289,106
SME	1,522,214,065	0.5%	7,611,070	3,550,126
Total required provision			41,655,278	40,869,040
Total provision maintained (Note 17.2)			45,681,064	40,869,040
Excess/(short) provision			**4,025,786**	**-**

17.3 Provisions for off balance sheet items

Balance at the beginning of the year	1,148,547,347	1,079,770,556	1,148,547,347	1,079,770,556
Provision made during the year	-	68,776,791	-	68,776,791
Balance at the end of the year	**1,148,547,347**	**1,148,547,347**	**1,148,547,347**	**1,148,547,347**

17.3.1 Particulars of required provisions for off balance sheet items - general provision (Bank only)

Acceptances and endorsements (net of UPAS Loans)	29,816,695,553	1%	298,166,956	374,496,194
Irrevocable letters of credit	69,595,275,374	0.5%	347,976,377	294,496,984
Letter of guarantees	42,373,757,777	1%	423,737,578	326,654,092
Total required provision before considering counter guarantee			1,069,880,911	995,647,270
Deduction for counter guarantee			45,835,249	39,690,994
Total required provision			1,024,045,662	955,956,276
Total provision maintained (Note 17.3)			1,148,547,347	1,148,547,347
Excess/(short) provision			**124,501,685**	**192,591,071**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
17.4 Provision for diminution in value of investments					
Balance at the beginning of the year		48,732,877	54,699,842	48,732,877	54,699,842
Add: Provision made/(released) during the year		493,610,957	(5,966,965)	493,610,957	(5,966,965)
Balance at the end of the year		**542,343,834**	**48,732,877**	**542,343,834**	**48,732,877**
17.5 Provision for other assets					
Provisions held at the beginning of the year		350,407,070	250,326,862	350,407,070	250,326,862
Add: Provision made during the year		7,072,240	100,080,208	7,072,240	100,080,208
Less: Provision (released) during the year		(4,950,000)	-	(4,950,000)	-
Provisions held at the end of the year		**352,529,310**	**350,407,070**	**352,529,310**	**350,407,070**

17.5.1 Particulars of required provision for other assets (Bank only)

Other asset type	Other assets balance	Doubtful (50%)	Bad/Loss (100%)	Required provision 31 Dec 2025	Required provision 31 Dec 2024
Unadjusted prepaid expenses	946,720,217	190,882	499,990	595,431	1,093,453
Receivable for fraud and forgery-protested bill	133,083,256	-	133,083,256	133,083,256	130,961,016
Receivables from Bangladesh Bank for interest subsidy	65,539,600	-	2,630,167	2,630,167	2,630,167
Accrued Interest on Investment	7,851,105,338	-	518,135	518,135	518,135
Receivable for BSP/ Bond Commission for Govt Stimulus	97,097,013	-	89,982,845	89,982,845	79,391,017
Other Accrued Income	36,577,015	-	65,615	65,615	65,615
Advance security deposit	139,372,202	-	779,000	779,000	779,000
Receivable from biTS (as advised by BB)	63,466,065	-	-	634,661	939,298
Advances, receivables and other settlement balances	8,019,267,999		60,840,320	60,840,320	61,381,123
Other unadjusted balances	6,649,950,331	1,788,956	47,245,656	48,140,134	46,196,389
Total required provision for other assets				**337,269,563**	**323,955,213**
Total provision maintained				**352,529,310**	**350,407,070**
Excess/(short) provision				**15,259,747**	**26,451,857**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
17.6 Interest suspense					
Balance at the beginning of the year		1,796,186,975	1,988,749,599	1,796,186,975	1,988,749,599
Add: Amount transferred to "interest suspense" account during the year		2,149,362,359	3,129,601,055	2,149,362,359	3,129,601,055
		3,945,549,334	5,118,350,654	3,945,549,334	5,118,350,654
Less: Amount recovered and adjusted in "interest suspense" account during the year		1,850,749,088	3,042,488,295	1,850,749,088	3,042,488,295
Less: Amount written off during the year		445,769,904	279,675,384	445,769,904	279,675,384
Balance at the end of the year		**1,649,030,342**	**1,796,186,975**	**1,649,030,342**	**1,796,186,975**

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
17.7	**Withholding tax payable**					
	Payable on Interest		978,124,444	718,983,634	978,124,444	718,983,634
	Payable (suppliers)		15,041,202	9,614,991	15,041,202	9,614,991
	Payable (staff salaries and allowance)		45,869,228	32,915,273	45,869,228	32,915,273
	Payable (rent)		14,172,819	5,698,184	14,172,819	5,698,184
	Payable (export)		190,834,431	189,743,835	190,834,431	189,743,835
	Payable on commission paid		97,144,938	36,836,299	97,144,938	36,836,299
	Payable on certain services		18,635,139	11,350,480	18,635,139	11,350,480
	Payable on export cash subsidy		16,997,734	30,761,634	16,997,734	30,761,634
	Payable on local LC		3,679,487	2,845,466	3,679,487	2,845,466
	Payable on foreign buyer agent		34,982,078	45,236,329	34,982,078	45,236,329
	Freight forward agency commission		1,363,980	485,687	1,363,980	485,687
	Payable on IGW services		2,371,932	1,579,186	2,371,932	1,579,186
	Payable on others		31,525,989	18,675,303	31,525,989	18,675,303
			1,450,743,401	**1,104,726,301**	**1,450,743,401**	**1,104,726,301**
17.8	**VAT Payable**					
	Payable on banking service		124,267,597	120,779,157	124,267,597	120,779,157
	Payable - supplier		125,013,867	48,530,006	125,013,867	48,530,006
	Payable - rent		18,591,291	15,241,310	18,591,291	15,241,310
	Payable - DPDC, DESCO, BPDB & REB		73,011,626	60,357,047	73,011,626	60,357,047
			340,884,381	**244,907,520**	**340,884,381**	**244,907,520**
17.9	**Provision for taxation net off AIT (Bank only)**					
	A. Provision for tax:					
	Balance at the beginning of the year				26,446,843,087	22,658,658,412
	Less: Adjusted during the year				-	(2,561,557,782)
	Net addition during the year				8,366,129,292	6,349,742,457
	Balance at the end of the year				**34,812,972,379**	**26,446,843,087**
	B. Advance income tax:					
	Balance at the beginning of the year				21,903,299,529	18,432,054,366
	Less: Adjusted during the year				-	(2,537,606,824)
	Add: Paid during the year				7,112,717,075	6,008,851,987
	Balance at the end of the year				**29,016,016,604**	**21,903,299,529**
	Provision for taxation (A-B)				**5,796,955,775**	**4,543,543,558**
	Corporate tax position of the Bank has been presented in **Annexure F**.					
17.10	**Unclaimed and undistributed dividend (Bank Only)**					
	Cash Dividend 2019				3,276,208	3,393,198
	Cash Dividend 2020				4,519,706	4,717,654
	Cash Dividend 2021				2,721,965	2,802,329
	Cash Dividend 2022				3,965,473	4,052,970
	Cash Dividend 2023				6,322,707	16,575,224
	Cash Dividend 2024				6,654,591	-
	Fractional Dividend				248,384	202,570
					27,709,034	**31,743,945**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024

Further to above, in pursuant to SEC/SRMIC/165-2020/part-1/182, dated July 19, 2021 and Capital Market Stabilization Fund, Rules 2021 issued by Bangladesh Securities and Exchange Commission (BSEC) regarding transfer the amount held against unclaimed dividend/undistributed /unsettled public subscription money for the period of more than 3 (three) years; we have transferred the amount BDT 60,840,320 to the Capital Market Stabilization Fund (CMSF). The list of unclaimed/undistributed dividend is available in the official website of BRAC Bank PLC.

17.11 Payable for other business operations

Payables related to cards and others	1,046,968,826	1,065,490,926	1,046,968,826	1,065,490,926
Payable to merchant	233,998,729	1,482,507	233,998,729	1,482,507
Payable related to other business activities	2,518,577,746	4,971,905,939	2,518,577,746	4,971,905,939
	3,799,545,301	**6,038,879,372**	**3,799,545,301**	**6,038,879,372**

17.12 Other liabilities of subsidiaries

BRAC EPL Investments Limited	69,689,670	50,559,203
BRAC EPL Stock Brokerage Limited	1,067,601,885	1,035,055,895
bKash Limited	2,462,083,268	2,155,443,701
	3,599,374,823	**3,241,058,799**
Less: Inter company transactions:		
BRAC Bank PLC.	18,705,599	28,108,499
BRAC EPL Investments Limited	2,831,252	3,628,105
BRAC EPL Stock Brokerage Limited	27,298,030	22,230,493
bKash Limited	12,849,659	15,470,973
	61,684,540	69,438,070
	3,537,690,283	**3,171,620,729**

18 Share capital

18.1 Authorized capital

5,000,000,000 ordinary shares of Tk. 10 each	**50,000,000,000**	**50,000,000,000**

Authorized Share capital was increased from 20,000,000,000 to BDT 50,000,000,000 which is approved by the shareholder at its 24th AGM, held on 31 May 2023.

18.2 Issued, Subscribed and Paid up capital

100,000,000 Ordinary Shares of Tk. 10/- each issued for cash	1,000,000,000	1,000,000,000
1,636,695,921 Ordinary Shares of Tk. 10/- each issued as bonus share	16,366,959,210	14,154,819,030
26,400,000 Right Shares of Tk. 10/- each issued in 2008	264,000,000	264,000,000
221,652,288 Right Shares of Tk. 10/- each issued in 2014	2,216,522,880	2,216,522,880
1,149,589 Ordinary Shares of Tk. 10/- each issued as 1st bond converted share in 2016	11,495,890	11,495,890
2,237,835 Ordinary Shares of Tk. 10/- each issued as 2nd bond converted share in 2017	22,378,350	22,378,350
2,790,534 Ordinary Shares of Tk. 10/- each issued as 3rd bond converted share in 2018	27,905,340	27,905,340
	19,909,261,670	**17,697,121,490**

18.2.1 History of paid-up capital

Given below the history of raising of share capital of BRAC Bank PLC.:

Particulars	Allotment year	Number of shares issued		Total paid up shares (No of shares)	Addition in amount of share capital (BDT)	Total paid up capital (BDT)
		Bonus shares	Subscription			
First (Subscription to the Memorandum and Articles of Association) at the time of Incorporation	1999	-	2,000,000	2,000,000	200,000,000	200,000,000
BRAC (subscription)	2001	-	500,000	2,500,000	50,000,000	250,000,000
BRAC (subscription)	2003	-	674,500	3,174,500	67,450,000	317,450,000
ShoreCap International Ltd.	2004	-	875,700	4,050,200	87,570,000	405,020,000
International Finance Corporation	2004	-	949,800	5,000,000	94,980,000	500,000,000
IPO	2006	5,000,000	-	10,000,000	500,000,000	1,000,000,000
Bonus Share 20%	2007	2,000,000	-	12,000,000	200,000,000	1,200,000,000
Bonus Share 10%	2008	1,200,000	-	13,200,000	120,000,000	1,320,000,000
Right Share 20%	2008	-	2,640,000	15,840,000	264,000,000	1,584,000,000
Bonus Share 30%	2009	4,752,000	-	20,592,000	475,200,000	2,059,200,000
Bonus Share 30%	2010	6,177,600	-	26,769,600	617,760,000	2,676,960,000
Bonus Share 20%	2011	5,353,920	-	32,123,520	535,392,000	3,212,352,000
Denomination of face value from Tk.100 to Tk.10 per share	2011	-	-	321,235,200	-	3,212,352,000
Bonus Share 20%	2012	64,247,040	-	385,482,240	642,470,400	3,854,822,400
Bonus Share 15%	2013	57,822,336	-	443,304,576	578,223,360	4,433,045,760
Bonus Share 10%	2014	44,330,457	-	487,635,033	443,304,570	4,876,350,330
Right share 50%	2014	-	221,652,288	709,287,321	2,216,522,880	7,092,873,210
Fresh Issue against Bond, 1st Conversion of Bond	2016	-	1,149,589	710,436,910	11,495,890	7,104,369,100
Fresh Issue against Bond, 2nd Conversion of Bond	2017	-	2,237,835	712,674,745	22,378,350	7,126,747,450
Bonus Share 20%	2017	142,534,949	-	855,209,694	1,425,349,490	8,552,096,940
Fresh Issue against Bond, 3rd Conversion of Bond	2018	-	2,790,534	858,000,228	27,905,340	8,580,002,280
Bonus Share 25%	2018	214,500,057	-	1,072,500,285	2,145,000,570	10,725,002,850
Bonus Share 15%	2019	160,875,042	-	1,233,375,327	1,608,750,420	12,333,753,270
Bonus Share 7.50%	2020	92,503,149		1,325,878,476	925,031,490	13,258,784,760
Bonus Share 5%	2021	66,293,923	-	1,392,172,399	662,939,230	13,921,723,990
Bonus Share 7.50%	2022	104,412,929	-	1,496,585,328	1,044,129,290	14,965,853,280
Bonus Share 7.50%	2023	112,243,899	-	1,608,829,227	1,122,438,990	16,088,292,270
Bonus Share 10%	2024	160,882,922	-	1,769,712,149	1,608,829,220	17,697,121,490
Bonus Share 12.5%	2025	221,214,018		1,990,926,167	2,212,140,180	19,909,261,670
Total					**19,909,261,670**	

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
18.2.2 Issued, subscribed and paid up capital					
Balance at the beginning of the year		17,697,121,490	16,088,292,270	17,697,121,490	16,088,292,270
Add: Stock dividend of 2024 issued in 2025		2,212,140,180	1,608,829,220	2,212,140,180	1,608,829,220
Balance at the end of the year		**19,909,261,670**	**17,697,121,490**	**19,909,261,670**	**17,697,121,490**

18.3 Initial public offering (IPO)

According to IPO rules 2006 "Initial public offering (IPO)" means first offering of security by an issuer to the general public. Out of the total issued, subscribed, and fully paid up capital of the bank 5,000,000 ordinary shares of Tk. 100.00 each amounting to Taka 500,000,000 was raised through Initial public offering of shares held in 2006.

18.4 Cash dividend/bonus Issue

On 19 June 2025, 25% Dividend (12.5% stock & 12.5% Cash) were approved by the shareholders at it's 26th Annual General Meeting. The stock dividend was distributed on 24 June 2025 accordingly.

18.4.1 The Bank held its 8th EGM on 3 November 2011 and changed the face value of share from Tk. 100 per share to Tk. 10 per share and market lot of shares from 50 shares to 500 shares in each lot. At 11 December 2014, DSE new Trading system launched that neutralize market lot into 1 shares.

18.5 Ordinary Shares

Particulars	No. of Shares (2025)	% of shareholding (2025)	2025 Taka	2024 Taka
Sponsor	919,161,058	46.17%	9,191,610,580	8,171,053,390
Government	-		-	-
Institutions	228,571,092	11.48%	2,285,710,920	2,495,023,440
Foreign	717,880,433	36.06%	7,178,804,330	5,620,542,110
General public	125,313,584	6.29%	1,253,135,840	1,410,502,550
	1,990,926,167	**100%**	**19,909,261,670**	**17,697,121,490**

18.5.1 Share trading

Trading of BRAC Bank's ordinary shares was started on 31 January 2007 at Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). The closing market price on 31 December 2025 was Tk. 63.10 at Dhaka Stock Exchange (DSE) and Tk. 63.50 at Chittagong Stock Exchange (CSE).

18.6 Classification of shareholding

Range of holding of shares	Number of shareholders (2025)	Number of shares (2025)	% of holding of shares (2025)
Less than 500	6,348	873,464	0.04%
500 to 5,000	6,255	11,067,545	0.56%
5,001 to 10,000	1,789	12,919,179	0.65%
10,001 to 20,000	718	10,075,830	0.51%
20,001 to 30,000	261	6,530,559	0.33%
30,001 to 40,000	157	5,400,560	0.27%
40,001 to 50,000	103	4,608,444	0.23%
50,001 to 100,000	214	15,079,870	0.76%
100,001 to 1,000,000	275	82,541,179	4.15%
Over 1,000,000	82	1,841,829,537	92.51%
Total	**16,202**	**1,990,926,167**	**100%**

18.6.1 Name of the directors and their shareholdings as at 31 December 2025:

Name	Status	Opening position	Closing position	% of shares held as on 31 Dec 2025	% of shares held as on 31 Dec 2024
Mr. Meheriar M. Hasan, Chairperson (Nominated by BRAC)	Nominated Director	NIL	NIL	NIL	NIL
Mr. Faruq M. Ahmed, Vice-Chairperson	Independent Director	NIL	NIL	NIL	NIL
Ms. Farzana Ahmed	Independent Director	NIL	NIL	NIL	NIL
Dr. Zahid Hussain	Independent Director	NIL	NIL	NIL	NIL
Mr. Salek Ahmed Abul Masrur	Independent Director	NIL	NIL	NIL	NIL
Ms. Anita Ghazi Rahman	Independent Director	NIL	NIL	NIL	NIL
Mr. Chowdhury MAQ Sarwar	Independent Director	NIL	NIL	NIL	NIL
Ms. Lila Rashid	Independent Director	NIL	NIL	NIL	NIL

18.7 Share premium

	Year of issuance	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
5,000,000 ordinary shares @ Tk. 70 per share	2006	350,000,000	350,000,000
2,640,000 ordinary shares @ Tk. 400 per share	2008	1,056,000,000	1,056,000,000
221,652,288 ordinary shares @ Tk. 10 per share	2014	2,216,522,880	2,216,522,880
1,149,589 ordinary shares @ Tk. 32.55 per share	2016	37,419,151	37,419,151
2,237,835 ordinary shares @ Tk. 35.10 per share	2017	78,548,041	78,548,041
2,790,534 ordinary shares @ Tk. 41.31 per share	2018	115,276,960	115,276,960
		3,853,767,032	**3,853,767,032**

18.7.1 Particulars of share premium

	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Sponsor:		
BRAC	1,324,534,000	1,324,534,000
Others	192,580	192,580
Non sponsor:		
International Finance Corporation (IFC)	219,056,640	219,056,640
ShoreCap International Limited	92,473,920	92,473,920
Non Resident Bangladeshis	91,555,530	91,555,530
Mutual Funds	189,254,190	189,254,190
General Public	1,936,700,172	1,936,700,172
	3,853,767,032	**3,853,767,032**

18.8 Capital Adequacy Ratio - As per BASEL-III

Amount in Taka

Particulars	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Common equity tier-1 (going concern capital)				
Fully paid-up capital	19,909,261,670	17,697,121,490	19,909,261,670	17,697,121,490
Non-repayable share premium account	3,853,767,032	3,853,767,032	3,853,767,032	3,853,767,032
Statutory reserve	16,256,518,245	14,038,055,470	16,055,494,638	13,843,354,458
Retained earnings	51,952,844,586	40,595,382,384	38,964,522,911	29,949,971,050
Dividend equalization fund	355,218,455	355,218,455	355,218,455	355,218,455
Minority/Non-controlling interest in subsidiaries	26,763,511,820	22,510,072,109	-	-
Sub-total	**119,091,121,808**	**99,049,616,940**	**79,138,264,706**	**65,699,432,485**
Regulatory adjustments				

Amount in Taka

Particulars	Consolidated		BRAC Bank PLC.	
	2025	2024	2025	2024
Goodwill and all other intangible assets	4,787,675,547	5,055,520,029	906,792,721	781,335,327
Deferred tax assets (DTA)	7,529,172,468	7,898,242,755	5,742,560,942	5,939,181,442
Sub-total	**12,316,848,015**	**12,953,762,784**	**6,649,353,663**	**6,720,516,769**
Total admissible tier-1 capital	**106,774,273,793**	**86,095,854,156**	**72,488,911,043**	**58,978,915,716**
Tier-2 capital (going concern capital)				
General provision	7,116,174,164	6,375,623,318	7,116,174,164	6,375,623,318
Subordinated debt	13,537,000,000	6,287,000,000	13,537,000,000	6,287,000,000
Sub-total	**20,653,174,164**	**12,662,623,318**	**20,653,174,164**	**12,662,623,318**
Maximum limit of tier-2 capital (Tier 2 capital can be maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher)	80,495,717,698	64,757,423,035	51,189,580,833	41,586,187,079
Total admissible tier-2 capital	**20,653,174,164**	**12,662,623,318**	**20,653,174,164**	**12,662,623,318**
Total Regulatory capital	**127,427,447,957**	**98,758,477,474**	**93,142,085,207**	**71,641,539,034**
Total risk weighted assets (RWA)	648,694,338,185	518,414,112,410	596,040,687,267	479,280,734,657
Minimum capital requirement (MCR - 10%)	64,869,433,819	51,841,411,241	59,604,068,727	47,928,073,466
Minimum Capital Requirement with capital conservation buffer @ 12.5%	81,086,792,273	64,801,764,051	74,505,085,908	59,910,091,832
Surplus/ (deficiency)	46,340,655,684	33,956,713,423	18,636,999,299	11,731,447,202
Capital adequacy ratio:				
Common equity tier-1 (against standard of minimum 6%)	16.46%	16.61%	12.16%	12.31%
Capital to risk-weighted asset ratio (CRAR)*	19.64%	19.05%	15.63%	14.95%
Minimum Capital Requirement with capital conservation buffer @ 12.5%	12.50%	12.50%	12.50%	12.50%
Surplus/(deficiency) %	7.14%	6.55%	3.13%	2.45%

* In Standalone regulatory capital calculation, fair value gain of BDT 10,187,384,306 on investment in subsidiaries and associates arisen out of application of IFRS 9 for the measurement of equity investment in subsidiaries and associate at fair value. The fair value gain/loss reported as FVOCI directly as part of equity as per IFRS 9. In absence of any specific guidelines for the treatment of Fair value gain/loss in Risk Based Capital Adequacy guidelines by Bangladesh Bank, the fair value gain /loss has not been considered as part of Tier 1 capital. However, as this has emerged from implementation of IFRS 9 (which came in to effect in 2018), we have requested Bangladesh Bank for their guidance on the same. While the fair value gain /loss is a part of Tier 1 capital according to the recommendation of International Basel Committee. Had the fair value gain/loss been considered as component of Tier-I capital as per international practice, the standalone Regulatory Capital to Risk-weighted Asset Ratio (CRAR) would have been reported at 16.90%.

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
19	**Statutory reserve**					
	Balance at the beginning of the year		14,038,055,470	12,312,787,273	13,843,354,458	12,234,525,238
	Transferred from profit during the year		2,218,462,775	1,725,268,197	2,212,140,180	1,608,829,220
	Balance at the end of the year		**16,256,518,245**	**14,038,055,470**	**16,055,494,638**	**13,843,354,458**
20	**Revaluation reserve on govt. securities**					
	Balance at the beginning of the year		949,752,769	183,523,000	949,752,769	183,523,000
	Add: Addition during the year		32,131,463,303	12,044,419,047	32,131,463,303	12,044,419,047
	Less: Adjustment during the year		23,933,077,179	11,278,189,278	23,933,077,179	11,278,189,278
			9,148,138,893	**949,752,769**	**9,148,138,893**	**949,752,769**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
21 Fair value gain/(loss) on equity investment (Standalone)					
Balance at the beginning of the year				8,233,329,679	7,944,001,202
Add: Net change during the year				1,954,054,627	289,328,477
				10,187,384,306	**8,233,329,679**

22 Start-up Equity Investment Fund

As per SMESPD circular 04 dated March 29, 2021 and SMESPD circular letter 05 dated April 26, 2021, 1% of net profit after tax has been transferred to the fund. The details are given below:

Year	Net Profit After Tax (NPAT)		
2020	4,540,831,949	45,408,319	45,408,319
2021	5,546,930,564	55,469,306	55,469,306
2022	5,763,173,573	57,631,736	57,631,736
2023	7,303,604,668	73,036,047	73,036,047
2024	12,136,169,761	121,361,698	121,361,698
2025	15,808,707,280	158,087,073	-
Closing balance at the end of the year		**510,994,179**	**352,907,106**

23 Surplus in profit and loss account/Retained earnings (standalone)		
Balance at the beginning of the year	29,949,971,050	22,761,650,654
Gain on disposal of NBA	-	-
Add: Retained surplus for the year	15,808,707,280	12,136,169,761
Add: Gain on disposal of NBA	352,200	-
Less: Transfer to statutory reserve	2,212,140,180	1,608,829,220
Less: Start-up Fund	158,087,073	121,361,698
Less: Cash dividend paid	2,212,140,186	1,608,829,227
Less: Bonus share issued	2,212,140,180	1,608,829,220
Closing balance	**38,964,522,911**	**29,949,971,050**

23.1 Surplus in profit and loss account/Retained earnings (Consolidated)		
BRAC Bank PLC.	38,964,522,911	29,949,971,050
	38,964,522,911	**29,949,971,050**
BRAC EPL Investment Limited		
Opening balance	(2,172,149,838)	(1,343,044,310)
Add: Retained surplus/(deficit) for the year	19,019,148	(582,815,707)
Less: Impairment of goodwill	-	(246,289,821)
Sub total	**(2,153,130,690)**	**(2,172,149,838)**
BRAC EPL Stock Brokerage Limited		
Opening balance	979,117,656	1,018,948,729
Add: Retained surplus/(deficit) for the year	56,770,691	(36,129,431)
Less: Transfer to statutory reserve	(6,322,595)	(3,701,642)
Sub total	**1,029,565,752**	**979,117,656**
bKash Limited		
Opening balance	12,179,477,085	11,163,232,773
Add: Retained surplus/(deficit) for the year	2,415,549,348	1,128,981,646
Less: Transfer to statutory reserve	-	(112,737,334)
Sub total	**14,595,026,433**	**12,179,477,085**

Amount in Taka

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
BRAC Saajan Exchange Limited					
Opening balance		(364,396,636)	(249,241,615)		
Add: Prior year Adj due to provision release		-	4,997,470		
Add: Retained surplus/(deficit) for the year		(144,627,174)	(110,573,640)		
Add: Effect of change of shareholding		(4,760,506)	(9,578,851)		
Sub total		**(513,784,316)**	**(364,396,636)**		
Associates					
Opening balance - (biTS)		23,363,067	16,465,595		
Add: Share of profit/(loss) of equity in associate company - (biTS)		7,281,429	6,897,472		
Sub total		**30,644,496**	**23,363,067**		
		51,952,844,586	**40,595,382,384**		

23.1.1 Net effect of all items directly recognized in equity

Effect of change of shareholding in subsidiaries	(4,760,506)	(4,581,381)	-	-
Disposal of Non Banking Asset	352,200	-	352,200	-
	(4,408,306)	**(4,581,381)**	**352,200**	**-**

23.2 Non-controlling interest

BRAC EPL Investments Limited	403,840	393,441
BRAC EPL Stock Brokerage Limited	150,870,290	144,562,435
bKash Limited	26,609,310,214	22,363,617,911
BRAC SAAJAN Exchange Limited	2,927,476	1,498,322
	26,763,511,820	**22,510,072,109**

23.2.1 Reconciliation of Non-controlling interest

Particulars	BRAC EPL Investments Ltd.	BRAC EPL Stock Brokerage Ltd.	bKash Limited	BRAC SAAJAN Exchange Limited
Opening balance	393,441	144,562,435	22,363,617,911	1,498,322
Add: Share of profit/(loss)	10,399	6,307,855	4,343,189,963	(2,835,817)
Add: Adjustment for shareholdings change	-	-	-	4,266,416
Add: Translation adjustment	-	-	-	(1,445)
Add: Remeasurements loss on defined benefits liability (assets)	-	-	(97,497,660)	-
	403,840	**150,870,290**	**26,609,310,214**	**2,927,476**

24 Contingent liabilities

	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
Acceptances and endorsements*		29,816,695,553	37,449,619,380	29,816,695,553	37,449,619,380
Irrevocable letters of credit		69,595,275,374	58,899,396,769	69,595,275,374	58,899,396,769
Total Letters of credit and acceptances and endorsements	24.1	99,411,970,927	96,349,016,149	99,411,970,927	96,349,016,149
Letter of guarantees	24.2	42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
Bills for collection	24.3	38,557,446,239	39,544,067,880	38,557,446,239	39,544,067,880
Other Commitments	24.4	42,087,262,467	58,682,178,027	42,087,262,467	58,682,178,027
		222,430,437,410	**227,240,671,227**	**222,430,437,410**	**227,240,671,227**

*Acceptances and endorsements excludes acceptance from DBU for which funding is made from OBU.

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
24.1 Irrevocable letters of credit including acceptances and endorsements					
Letter of credit (Inland)		405,199,092	202,713,434	405,199,092	202,713,434
Letter of credit (General)		55,144,313,638	43,523,218,328	55,144,313,638	43,523,218,328
Back to back L/C		14,045,762,644	15,173,465,006	14,045,762,644	15,173,465,006
Back to back bills		13,793,637,753	16,579,475,171	13,793,637,753	16,579,475,171
Non Back to Back bills		16,023,057,800	20,870,144,210	16,023,057,800	20,870,144,210
		99,411,970,927	96,349,016,149	99,411,970,927	96,349,016,149
Less: Margin		1,913,410,653	3,300,048,957	1,913,410,653	3,300,048,957
		97,498,560,274	**93,048,967,192**	**97,498,560,274**	**93,048,967,192**
24.2 Letter of guarantees					
Letter of guarantee (Local)		18,610,212,741	25,937,518,624	18,610,212,741	25,937,518,624
Letter of guarantee (Foreign)		21,866,051,718	1,646,485,500	21,866,051,718	1,646,485,500
Foreign counter guarantee		1,897,493,318	5,081,405,047	1,897,493,318	5,081,405,047
		42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
Less: Margin		463,919,269	528,311,189	463,919,269	528,311,189
		41,909,838,508	**32,137,097,982**	**41,909,838,508**	**32,137,097,982**
Balance for which the Bank is contingently liable in respect of guarantee issued favoring:					
Government		18,879,409,447	20,889,113,689	18,879,409,447	20,889,113,689
Bank and other financial institutions		4,884,135,589	4,820,564,697	4,884,135,589	4,820,564,697
Others		18,610,212,741	6,955,730,785	18,610,212,741	6,955,730,785
		42,373,757,777	32,665,409,171	42,373,757,777	32,665,409,171
Less : Margin		463,919,269	528,311,189	463,919,269	528,311,189
		41,909,838,508	**32,137,097,982**	**41,909,838,508**	**32,137,097,982**
24.3 Bills for collection					
Outward local bills for collection		26,248,448,698	25,499,319,879	26,248,448,698	25,499,319,879
Outward foreign bills for collection		12,308,997,541	14,044,748,001	12,308,997,541	14,044,748,001
		38,557,446,239	**39,544,067,880**	**38,557,446,239**	**39,544,067,880**
24.4 Other Commitments					
Swap deals with banks and customers		32,121,025,127	38,018,835,945	32,121,025,127	38,018,835,945
Spot and forward deals with banks and customers		9,966,237,340	20,663,342,082	9,966,237,340	20,663,342,082
		42,087,262,467	**58,682,178,027**	**42,087,262,467**	**58,682,178,027**
24.5 Significant concentration wise grouping					
i) Documentary credits and short term trade related transactions		180,343,174,943	168,558,493,200	180,343,174,943	168,558,493,200
ii) Forward asset purchased and forward deposits placed		-	-	-	-
iii) Undrawn formal standby facilities, credit lines and commitments to lend:					
-Under one year		-	-	-	-
-One year and over;		-	-	-	-
iv) Spot and forward foreign exchange rate contracts		-	-	-	-
v) Other exchange contracts		9,966,237,340	20,663,342,082	9,966,237,340	20,663,342,082
vi) Others		32,121,025,127	38,018,835,945	32,121,025,127	38,018,835,945
		222,430,437,410	**227,240,671,227**	**222,430,437,410**	**227,240,671,227**

24.6 Other contingent liabilities (Taxation)

Large Tax Payers (VAT) Office has issued a Demand Order of BDT 23,700,000 against VAT audit for the Income year 2009 and BDT 20,000,000 against VAT audit for the Income year 2010. The Bank has filed appeal before the Honorable High Court Division against the order no. VAT- 123/2013 dated 05 August 2013 and VAT-44/2014 dated 08 May 2014 respectively of the Customs, Excise and VAT Appellate Tribunal on the said demand. dated 08 May 2014 respectively of the Customs, Excise and VAT Appellate Tribunal on the said demand.

24.7 Disclosure on Legal Proceedings and Contingent Liabilities

The Bank is involved in legal proceedings arising in the ordinary course of business. Management, in consultation with legal advisers, assesses the likelihood of settlement and potential financial impact of these matters in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. As at the reporting date, the Bank had 45 ongoing legal cases against it:

Classification	Number of Cases	Amount (BDT)
Cases assessed as not probable	30	5,441,845,619
Cases assessed as remotely probable*	15	203,137,627
Total	**45**	**5,644,983,246**

*For remotely probable litigations, the timing and amount of any potential settlement cannot currently be measured with sufficient reliability. These matters continue to be monitored and reassessed as further information becomes available. However, a provision of BDT 69,013,117 has been maintained in accounts.

24.8 Suit filed by the Bank

No law suit has been filed by the bank against contingent liabilities. However, there are two performance guarantees under litigation between Bank's customers and beneficiaries. Adequate provisions has been kept against these contingencies.

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
25 Income statement					
Income:					
Interest, discount and similar income	25.1	120,513,812,627	84,671,348,374	106,837,027,983	74,352,312,579
Dividend income	28	648,792,560	500,901,503	609,260,652	427,359,004
Fees, commission and brokerage	25.2	18,759,153,025	15,638,399,171	5,472,970,943	6,123,498,113
Gains less losses arising from government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
Gains less losses arising from investment securities/trading shares		(78,217,146)	(224,433,423)	(17,796,133)	(677,899)
Gains less losses arising from dealing from foreign currencies	29	2,478,307,603	3,173,830,994	2,478,307,603	3,173,830,994
Other operating income	30	308,473,759	252,335,864	281,773,109	226,693,387
		147,915,185,144	**106,450,609,059**	**120,946,406,873**	**86,741,242,754**
Expenses:					
Interest paid on deposits and borrowings etc.	27	62,555,054,027	42,119,865,188	63,000,428,345	42,490,831,604
Administrative expenses	25.3	33,138,622,311	27,089,437,469	18,181,191,713	14,547,975,826
Impairment of goodwill		-	246,289,821	-	-
Depreciation on banking assets	36	4,905,178,899	4,168,307,591	2,385,612,309	2,051,837,584
Other operating expenses	37	6,394,102,418	4,885,781,126	5,492,729,155	4,223,364,347
		106,992,957,655	**78,509,681,195**	**89,059,961,522**	**63,314,009,361**
Operating Profit/Profit before provision		**40,922,227,489**	**27,940,927,864**	**31,886,445,351**	**23,427,233,393**

25.1 Interest, discount and similar income

Interest on loans and advances	71,976,446,666	53,729,420,763	72,613,318,745	55,160,814,762
Interest on balance with other banks	3,901,665,873	3,406,435,259	390,563,155	512,417,738
Interest on fixed deposits with other banks	1,252,024,528	343,066,167	316,954,901	96,509,722
Other interest income	1,457,501,963	1,094,587,513	1,457,501,963	1,094,587,513
Interest on government securities	41,436,057,475	25,882,349,744	31,568,573,097	18,184,326,968
Interest on reverse repo	140,476,193	48,057,137	140,476,193	48,057,137
Interest on corporate & subordinated bond	348,919,592	165,650,469	348,919,592	165,650,469
Interest on interest rate swap (IRS)	720,337	1,781,322	720,337	1,781,322
	120,513,812,627	**84,671,348,374**	**106,837,027,983**	**75,264,145,631**

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
25.2	**Fees, commission and brokerage**					
	Fees		3,247,776,028	3,645,496,254	3,188,010,236	3,598,353,510
	Commission		15,511,376,997	11,992,902,917	2,284,960,707	2,525,144,603
			18,759,153,025	**15,638,399,171**	**5,472,970,943**	**6,123,498,113**
25.3	**Administrative expenses**					
	Salaries and allowances		21,243,041,337	17,385,245,127	14,813,625,547	11,967,250,774
	Rent, taxes, insurance, electricity etc.		1,012,689,429	947,996,939	681,158,090	642,571,657
	Legal expenses		67,809,237	22,978,444	61,257,062	18,316,773
	Postage, stamps, telecommunication etc.		691,742,635	478,456,893	511,794,617	357,490,900
	Stationery, printing, advertisement etc.		4,964,839,730	4,660,671,331	916,576,784	641,288,609
	Chief executive's salary and fees		25,561,828	24,471,250	25,561,828	24,471,250
	Directors' fees and expenses		10,420,670	11,387,339	7,325,500	7,350,200
	Auditors' fee		14,134,696	8,949,104	6,900,000	2,277,000
	Repairs and maintenance of fixed assets		5,108,382,749	3,549,281,042	1,156,992,285	886,958,663
			33,138,622,311	**27,089,437,469**	**18,181,191,713**	**14,547,975,826**
26	**Interest income**					
	Interest on loans and advances		73,738,135,449	55,268,565,483	73,685,419,457	55,160,814,762
	Interest on balance with other banks		3,901,665,873	3,406,435,259	390,563,155	512,417,738
	Interest on fixed deposits with other banks		1,252,024,528	343,066,167	316,954,901	96,509,722
	Other interest income		1,457,501,963	1,094,587,513	1,457,501,963	1,094,587,513
			80,349,327,813	60,112,654,422	75,850,439,476	56,864,329,735
	Less: Elimination of inter unit/company transactions		1,761,688,783	1,539,144,720	1,072,100,712	911,833,052
			78,587,639,030	**58,573,509,702**	**74,778,338,764**	**55,952,496,683**
27	**Interest paid on deposits and borrowings etc.**					
	A. Interest paid on deposits:					
	Current account		5,176,741,271	3,470,507,199	5,007,367,246	3,315,244,441
	Short term deposit		287,747,198	216,680,985	287,747,198	216,680,985
	Savings deposit		1,408,065,291	953,228,948	1,408,065,291	953,228,948
	Term deposit		42,797,127,072	28,225,823,935	42,797,127,072	28,225,823,935
			49,669,680,832	32,866,241,067	49,500,306,807	32,710,978,309
	B. Interest paid for borrowings:					
	Interest on money at call and short notice		1,003,280,043	215,858,226	1,003,280,043	215,858,226
	Interest on borrowings from banks and FIs		6,226,602,682	5,838,226,796	6,151,762,954	5,737,144,302
	Interest on funding SWAP		176,222,278	168,780,450	176,222,278	168,780,450
	Interest on re-finance and pre-finance from central bank & government agencies		926,609,890	721,682,763	926,609,890	721,682,763
	Interest on repurchase agreement (REPO)		5,101,122,943	3,359,887,715	5,101,122,943	3,359,887,715
	Interest expense-Affordable Housing Bond		261,305,000	262,020,904	261,305,000	262,020,904
	Interest expense-BRAC Bank 2nd subordinated bond		892,487,996	226,311,987	892,487,996	226,311,987
	Interest expense-BRAC BANK Social Sub-Bond		59,431,146	-	59,431,146	-
			14,647,061,978	10,792,768,841	14,572,222,250	10,691,686,347
			64,316,742,810	**43,659,009,908**	**64,072,529,057**	**43,402,664,656**
	Less: Elimination of inter unit/ company transactions		1,761,688,783	1,539,144,720	1,072,100,712	911,833,052
			62,555,054,027	**42,119,865,188**	**63,000,428,345**	**42,490,831,604**

Amount in Taka

	Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
28	**Investment income**					
	Interest on government securities		41,436,057,475	25,882,349,744	31,568,573,097	18,184,326,968
	Interest on reverse REPO		140,476,193	48,057,137	140,476,193	48,057,137
	Interest on corporate & subordinated bond		348,919,592	165,650,469	348,919,592	165,650,469
	Interest on interest rate swap (IRS)		720,337	1,781,322	720,337	1,781,322
	Dividend on shares & mutual funds		648,792,560	500,901,503	609,260,652	427,359,004
	Capital gain (loss) on government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
	Capital gain (loss) on shares & mutual funds		(78,217,146)	(224,433,423)	(17,796,133)	(677,899)
			47,781,611,727	**28,812,533,328**	**37,935,016,454**	**21,264,723,577**
29	**Commission, exchange and brokerage**					
	Commission from issue of letters of credit (Import and Export)		1,684,484,860	2,229,199,444	1,684,484,860	2,229,199,444
	Commission from issue of letter of guarantee		326,324,446	127,552,983	326,324,446	127,552,983
	Commission from issue of payment orders, DD and TT		4,196,119	3,689,304	4,196,119	3,689,304
	Commission from sale of sanchayapatra		6,217,042	3,973,493	6,217,042	3,973,493
	Commission from Bancassurance-Standalone Life Insurance		8,179,634	148,064	8,179,634	148,064
	Commission from Bancassurance-Standalone Non- Life Insurance		527,718	395,466	527,718	395,466
	Commission from Bancassurance- Bundled Product under Group & Credit Shield		6,882,575	-	6,882,575	-
	Other commission		788,877,527	659,191,890	248,148,313	160,185,849
	Gain /(Loss) on foreign currency dealings		2,478,307,603	3,173,830,994	2,478,307,603	3,173,830,994
	Loan processing fees		803,061,489	1,701,525,725	803,061,489	1,701,525,725
	Loan early settlement fees		63,424,386	46,242,592	63,424,386	46,242,592
	Account Maintenance Fees		288,848,768	253,417,903	288,848,768	253,417,903
	Account Statement Fees		27,432,182	25,509,955	27,432,182	25,509,955
	Account activity fees		148,299,675	137,350,599	148,299,675	137,350,599
	Import and export related fees		572,946,513	471,350,228	572,946,513	471,350,228
	Debit and Credit Card fees		365,426,832	406,500,004	365,426,832	406,500,004
	Service fees for Mobile Banking and E-commerce		239,792,835	79,833,879	239,792,835	79,833,879
	Custodian fees		21,146,173	19,431,852	21,146,173	19,431,852
	Student service center fees		150,458,600	81,033,700	150,458,600	81,033,700
	Service charges for ATM Card		342,055,631	273,644,557	342,055,631	273,644,557
	Services Charges for General Banking		41,362,027	64,572,171	41,362,027	64,572,171
	Annual SMS Banking Charges		89,719,347	29,376,608	89,719,347	29,376,608
	Other fees	29.1	93,801,570	55,706,481	34,035,778	8,563,737
	Commission and brokerage income of subsidiaries		13,313,801,569	9,538,046,611	-	-
			21,865,575,121	19,381,524,503	7,951,278,546	9,297,329,107
	Less: Elimination of inter unit/company transactions		628,114,493	569,294,338	-	-
			21,237,460,628	**18,812,230,165**	**7,951,278,546**	**9,297,329,107**
29.1	**Other fees**					
	Passport Endorsement Fees		1,299,400	2,043,100	1,299,400	2,043,100
	Locker fees		6,042,402	5,550,176	6,042,402	5,550,176
	Documentation Fees		495,155	964,561	495,155	964,561
	Annual Membership Fees		5,900	5,900	5,900	5,900
	Valuation fees		4,438,000	-	4,438,000	-
	Syndication Fees		21,754,921	-	21,754,921	-
	Management & Corporate Advisory fee		6,929,226	10,140,902	-	-
	Share Settlement fee		18,241,685	21,662,335	-	-
	Debt arrangement fees		34,594,881	15,339,507	-	-
			93,801,570	**55,706,481**	**34,035,778**	**8,563,737**

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
30	**Other operating income**					
	Profit on sale of fixed assets		15,981,656	9,225,145	14,414,731	9,206,283
	Revenue share from foreign bank		255,370,955	212,491,315	255,370,955	212,491,315
	Miscellaneous income		29,202,886	27,362,524	11,987,423	4,995,789
	Other operating income of subsidiaries		10,178,583	6,097,404	-	-
			310,734,080	255,176,388	281,773,109	226,693,387
	Less: Elimination of inter unit/company transactions		2,260,321	2,840,524	-	-
			308,473,759	**252,335,864**	**281,773,109**	**226,693,387**
31	**Rent, taxes, insurance, electricity, etc.**					
	Rent, rates and taxes	31.1	425,059,504	400,899,464	351,583,308	334,703,323
	Insurance		194,547,111	177,031,539	25,251,258	24,858,216
	Power and electricity		382,551,269	361,349,596	291,750,092	272,070,981
	WASA and sewerage		12,742,056	11,025,867	12,573,432	10,939,137
			1,014,899,940	950,306,466	681,158,090	642,571,657
	Less: Elimination of inter unit/company transactions		2,210,511	2,309,527	-	-
			1,012,689,429	**947,996,939**	**681,158,090**	**642,571,657**
31.1	**Rent, rates and taxes**					
	Rent, rates and taxes, etc.		2,062,611,437	1,750,963,241	1,638,050,588	1,441,492,902
	Less: rent exp. reversal due to depreciation and interest exp. under IFRS 16 -Leases		1,637,551,933	1,350,063,777	1,286,467,280	1,106,789,579
			425,059,504	**400,899,464**	**351,583,308**	**334,703,323**
32	**Postage, stamp, telecommunication, etc.**					
	Postage and courier		95,353,731	70,226,652	64,193,331	45,786,831
	Telegram, telex, fax and network		287,014,503	211,374,574	228,304,996	178,397,017
	Court fees and stamps		123,827,191	57,974,385	123,827,191	57,974,385
	Telephone		185,547,210	138,881,282	95,469,099	75,332,667
			691,742,635	**478,456,893**	**511,794,617**	**357,490,900**
33	**Stationery, printing, advertisements, etc.**					
	Stationery and printing		292,506,219	230,257,673	279,233,774	210,603,296
	Security stationery		225,563,564	179,540,233	225,563,564	178,965,370
	Advertisement		4,446,819,757	4,251,404,422	411,779,446	251,719,943
			4,964,889,540	4,661,202,328	916,576,784	641,288,609
	Less: Elimination of inter unit/company transactions		49,810	530,997	-	-
			4,964,839,730	**4,660,671,331**	**916,576,784**	**641,288,609**
34	**Chief executive's salary and fees**					
	Basic salary		14,837,930	17,010,000	14,837,930	17,010,000
	Festival bonus		2,835,000	2,835,000	2,835,000	2,835,000
	Performance bonus		826,027	1,000,000	826,027	1,000,000
	Leave fair assistance		5,859,000	2,126,250	5,859,000	2,126,250
	House rent allowance		1,203,871	1,500,000	1,203,871	1,500,000
			25,561,828	**24,471,250**	**25,561,828**	**24,471,250**
35	**Directors' fees**					
	Monthly fixed remuneration for Independent Directors		4,830,000	4,785,000	4,830,000	4,785,000
	Meeting attendance fees		5,590,670	6,602,339	2,495,500	2,565,200
			10,420,670	**11,387,339**	**7,325,500**	**7,350,200**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
36 Depreciation and repair of the bank's assets					
Depreciation of property, plant and equipment					
Furniture and fixtures		180,031,328	161,860,325	163,599,937	146,332,171
Office floor space		516,914	516,913	100,858	100,858
Office equipment		147,189,823	126,624,628	137,168,912	117,302,262
IT hardware		1,318,935,143	1,171,529,669	573,595,582	488,893,781
Motor vehicles		36,295,906	33,033,467	32,818,354	25,389,789
Leasehold improvement		69,403,785	58,121,466	-	-
Right of use assets (RoU) as per IFRS 16		1,315,235,575	1,143,630,599	1,041,561,658	902,607,156
IT software		1,837,570,425	1,472,990,524	436,767,008	371,211,567
		4,905,178,899	**4,168,307,591**	**2,385,612,309**	**2,051,837,584**
Repairs and maintenance expenses					
Transportation expenses		1,184,302,587	946,492,639	943,380,992	739,941,482
Equipment repairing expense		218,533,312	145,128,745	41,041,380	34,258,270
Hardware and software maintenance expense		3,456,562,633	2,261,899,179	54,066,934	29,003,074
Premises maintenance expense		248,984,217	195,760,479	118,502,979	83,755,837
		5,108,382,749	**3,549,281,042**	**1,156,992,285**	**886,958,663**
		10,013,561,648	**7,717,588,633**	**3,542,604,594**	**2,938,796,247**
37 Other expenses					
Conveyance expense		100,113,126	68,359,192	99,495,655	68,072,870
Fuel expenses		55,647,971	51,476,391	53,238,885	49,728,588
Traveling cost		396,723,352	354,506,356	89,456,051	79,838,300
Professional fees		337,794,626	255,760,313	179,121,108	134,586,361
Entertainment		281,607,346	208,036,756	247,896,184	178,344,143
Business promotion and development		210,247,249	108,015,117	193,103,095	99,109,084
Books, news papers and periodicals		1,538,935	1,221,893	1,279,448	879,905
Donation and subscription		336,369,434	319,953,412	326,652,141	300,543,862
Government Levy, VAT and excise duty		11,266,104	16,768,746	11,266,104	16,768,746
Other operational loss		145,530,321	4,955,879	145,530,321	4,955,879
Staff training and development		210,854,103	133,583,001	108,261,506	68,432,809
Staff recruitment		17,741,150	17,888,787	17,364,488	17,299,321
Salaries and allowance - outsourcing staff		1,860,098,862	1,515,109,579	1,840,828,174	1,506,150,425
Bank charges		80,120,985	68,244,800	34,169,543	34,083,658
Interest expense on lease liability as per IFRS 16		412,486,239	387,339,053	285,577,415	270,335,970
Documentation charges - CIB		43,900,000	13,500,000	43,900,000	13,500,000
IT enabled services		1,017,090,588	755,385,130	1,011,069,036	748,567,983
Security guard cost		400,400,573	336,393,594	400,400,573	336,393,594
Commission paid - vendor		36,472,206	16,068,910	36,472,206	16,068,910
Cash carrying charges		132,540,623	102,713,907	132,540,623	102,713,907
Spare parts expense		162,837,586	123,625,407	162,837,586	123,625,407
Archiving expense		44,094,451	40,515,649	44,094,451	40,515,649
Expenses for other business operations		652,730,941	452,551,393	28,174,562	12,848,976
Expenses of subsidiaries		74,010,140	103,102,199	-	-
		7,022,216,911	**5,455,075,464**	**5,492,729,155**	**4,223,364,347**
Less: Elimination of inter unit/company transactions		628,114,493	569,294,338	-	-
		6,394,102,418	**4,885,781,126**	**5,492,729,155**	**4,223,364,347**

Amount in Taka

Particulars	Notes	Consolidated 2025	Consolidated 2024	BRAC Bank PLC. 2025	BRAC Bank PLC. 2024
37.1 Expenses of subsidiaries					
License and renewal fees		368,225	738,569		
Maintenance expenses		844,296	10,661,404		
Brokerage commission cost		71,645,444	90,598,554		
Other expenses		1,152,175	1,103,672		
		74,010,140	**103,102,199**		
38 Share of profit of associates					
BRAC IT Services Limited		7,281,429	6,897,472		
		7,281,429	**6,897,472**		
39 Provisions					
Provision for loans and advances					
Specific provision charged during the year		6,627,098,940	3,758,940,516	6,616,160,937	3,751,671,119
Recovery of written off bad debts		(1,051,599,957)	(924,519,756)	(1,051,599,957)	(924,519,756)
Specific provision (net off recovery) for the year		5,575,498,983	2,834,420,760	5,564,560,980	2,827,151,363
General provision charged during the year		715,622,889	841,481,566	711,414,719	841,481,566
Total provision for loans and advances		6,291,121,872	3,675,902,326	6,275,975,699	3,668,632,929
Off Balance Sheet items		-	68,776,791	-	68,776,791
Diminution in value of Investments		493,610,957	(5,966,965)	493,610,957	(5,966,965)
Other provisions:					
Other assets		16,488,567	103,107,736	7,072,240	96,412,958
Provision against placement Funds		102,750,000	-	102,750,000	-
Interest receivable from loan		4,441,321	7,876,414	4,441,321	7,876,414
		6,908,412,717	**3,849,696,302**	**6,883,850,217**	**3,835,732,127**
40 Provision for taxation					
Current tax expense	40.1	10,453,773,980	8,076,132,792	8,366,129,292	6,349,742,457
Deferred tax expense/ (income) (Net)		1,057,949,099	1,703,514,288	827,758,562	1,105,589,048
Total provision for Taxation		**11,511,723,079**	**9,779,647,080**	**9,193,887,854**	**7,455,331,505**

40.1 Tax Provision Calculation Detail (Bank Only)

Profit before tax		**25,002,595,134**	**19,591,501,266**
Less: Income applicable for reduce rate			
Dividend income		609,260,652	427,359,004
Capital gain (loss) on shares & mutual funds (u/s 70 (3)		(17,796,133)	(677,899)
Capital Gain		5,284,862,716	2,097,049,790
Profit before tax (excluding dividend income and capital gain)		**19,126,267,899**	**17,067,770,371**
(-) Admissible Expenses in the current year (i.e. write-off etc.)		8,509,612,253	4,274,387,990
(+) Inadmissible expenses		9,254,138,364	3,072,519,453
Estimated taxable profit for the period/year		**19,870,794,010**	**15,865,901,834**
Provision for current tax made during the period/year (BRAC Bank only)			
Income tax on business profit	37.50%	7,451,547,754	5,949,713,188
Income tax on capital gain	15.00%	792,729,407	314,557,469
Income tax on Dividend income	20.00%	121,852,130	85,471,801
Estimated provision required for the period/year		**8,366,129,292**	**6,349,742,457**

40.2 Reconciliation of effective tax rate (Standalone)

Particulars	2025 %	2025 Taka	2024 %	2024 Taka
Profit before income tax as per profit and loss account		**25,002,595,134**		**19,591,501,266**
Income tax as per applicable tax rate	37.50%	9,375,973,175	37.50%	7,346,812,975
Factors affecting the tax charge for current year				
Inadmissible expenses	13.75%	3,470,301,886	8.17%	1,600,609,810
Admissible expenses in the current year (i.e. write-off etc.)	-12.63%	(3,191,104,595)	-10.47%	(2,051,310,512)
Tax savings from reduced tax rates for dividend	-5.16%	(1,289,041,175)	-2.79%	(546,369,816)
Effect of deferred tax	3.31%	827,758,563	5.64%	1,105,589,048
Total income tax expenses	**36.77%**	**9,193,887,854**	**38.05%**	**7,455,331,505**

Amount in Taka

	Particulars	Notes	Consolidated		BRAC Bank PLC.	
			2025	2024	2025	2024
41	**Cash and cash equivalents**					
	Cash in hand (including foreign currency)	4.1	16,436,564,244	15,000,490,086	16,431,724,183	14,698,347,260
	Balance with Bangladesh Bank and its agents banks (including foreign currency)	4.2	34,658,714,842	30,852,940,917	34,658,714,842	30,852,940,917
	Balance with other banks and financial institutions	5	58,656,692,102	32,263,729,696	10,015,220,320	5,965,262,060
	Money at call and on short notice		-	750,000,000	-	750,000,000
	Prize Bond	6.1	4,834,300	2,428,000	4,834,300	2,428,000
			109,756,805,488	**78,869,588,699**	**61,110,493,645**	**52,268,978,237**
42	**Receipts from other operating activities**					
	Miscellaneous income		11,987,423	4,995,789	11,987,423	4,995,789
	Capital gain (loss) on shares & mutual funds		(17,796,133)	(677,899)	(17,796,133)	(677,899)
	Profit share from other banks		255,370,955	212,491,315	255,370,955	212,491,315
	Capital gain (loss) on government securities		5,284,862,716	2,438,226,576	5,284,862,716	2,438,226,576
	Other receipts of subsidiaries		8,391,612	(13,543,563)	-	-
			5,542,816,573	**2,641,492,218**	**5,534,424,961**	**2,655,035,781**
43	**Payment for other operating activities**					
	Rent, taxes, insurance, electricity etc.		681,158,090	642,571,657	681,158,090	642,571,657
	Audit fees		6,900,000	2,277,000	6,900,000	2,277,000
	Directors fees and expenses		7,325,500	7,350,200	7,325,500	7,350,200
	Repair and maintenance		1,156,992,285	886,958,663	1,156,992,285	886,958,663
	Other expenses		6,679,768,401	3,950,043,888	6,679,768,401	3,950,043,888
	Legal expenses		61,257,062	18,316,773	61,257,062	18,316,773
	Other payments of subsidiaries		398,666,342	274,884,996	-	-
			8,992,067,680	**5,782,403,177**	**8,593,401,338**	**5,507,518,181**
44	**Reconciliation of net profit with cash flows from operating activities (standalone basis)**					
	Profit before tax as per profit and loss account				**25,002,595,134**	**19,591,501,266**
	Adjustment for non-cash items:					
	Provision for loans and advances				7,327,575,656	4,593,152,685
	Provision for diminution in value of investments				493,610,957	(5,966,965)
	Provision for off balance sheet items				-	68,776,791
	Provision for other assets				114,263,561	104,289,372
	Depreciation of property plant and equipment				2,385,612,309	2,051,837,584
	Foreign exchange gain/(loss)				26,288,596	(147,716,860)
	Profit on sale of fixed assets				(14,414,731)	(9,206,283)
	Increase/decrease in operating assets & liabilities:					
	Loans and advances				(107,286,950,282)	(103,919,892,718)
	Other assets				(6,689,148,828)	(5,804,444,492)
	Borrowings from other banks and financial institutions				12,990,505,220	5,377,762,590
	Deposits from customers				197,730,444,192	167,713,297,342
	Other liabilities				(4,055,763,700)	5,035,780,258
	Income tax paid				(7,112,717,075)	(6,032,802,945)
	Net cash flows from operating activities as per cash flow statement				**120,911,901,009**	**88,616,367,625**

Amount in Taka

Particulars	Notes	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
45 Earnings per share (EPS)					
Profit after taxation (PAT)		22,509,373,122	14,318,481,954	15,808,707,280	12,136,169,761
Profit/(loss) attributable to non controlling interest		4,346,672,400	2,022,241,675	-	-
Profit attributable to ordinary shareholders of BRAC Bank PLC.		18,162,700,722	12,296,240,279	15,808,707,280	12,136,169,761
Weighted average/Restated number of shares outstanding		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
		9.12	**6.18**	**7.94**	**6.10**
46 Net asset value (NAV) per share					
Net asset value attributable to shareholders of parent		102,658,184,598	78,412,525,042	99,701,640,882	75,796,963,891
Number of ordinary share outstanding at the end of the year		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
		51.56	**39.38**	**50.08**	**38.07**
47 Net operating cash flow per share (NOCFPS)					
Net operating cash flow		144,774,088,955	107,785,690,274	120,911,901,009	88,616,367,625
Number of ordinary share outstanding at the end of the year		1,990,926,167	1,990,926,167	1,990,926,167	1,990,926,167
		72.72	**54.14**	**60.73**	**44.51**

48 General Disclosures

48.1 Audit Committee

An audit committee was constituted by the Board of Directors of BRAC Bank PLC in its 23rd meeting held on 02 March 2003. As on 31 December 2025, the Audit Committee as under:

Sl No	Name of the director	Status with the Bank	Status with the committee	Educational qualification
01	Mr. Chowdhury MAQ Sarwar	Independent Director	Chairperson	Bachelor of Commerce & Masters in Management, University of Dhaka
02	Ms. Farzana Ahmed	Independent Director	Member	MA (Hons) Philosophy, Politics, Economics & Chartered Accountant
04	Dr. Zahid Hussain	Independent Director	Member	Ph.D. in Economics, Boston University
04	Ms. Lila Rashid	Independent Director	Member	PhD (Microfinance), Jawaharlal Nehru University, India and MBA, University of New Orleans, USA. M.Sc in Physics, University of Dhaka.

During the year ended 31 December 2025, the Audit Committee of the Board conducted 08 (eight) meeting in which among others, the following issues were discussed:

- Annual Audited Financial Statements of the Bank for the year ended December 31, 2024
- Appointment of External Auditor for the year 2025 and their remuneration
- Un-audited Financial Statements for the First Quarter ended March 31, 2025
- Management Report of BRAC Bank PLC for the year ended 31 December 2024
- Thematic Audit plan for the year 2025
- Un-audited Half yearly Financial Statements ended June 30, 2025
- Annual Integrated Health Report of BRAC Bank PLC for 2024
- Overall Effectiveness of Internal Control of BRAC Bank PLC for 2024
- Revised Internal Audit Policy, Internal Audit Charter, Manual of Internal Audit Procedures 2025
- Revised Internal Control & Compliance Policy, Compliance Policy, Concurrent Audit Policy 2025
- Yearly Summary of Internal Audit Observations for the year 2024
- Half Yearly Summary of Internal Audit Observations for January 2025 to June 2025
- Yearly Summary of Compliance Status for the year 2024
- Half Yearly Summary of Compliance Status for January 2025 to June 2025
- Summary of Reports on Fraud and Forgery

48.2 Particulars of Board of Directors

i) Name of Directors and the entities in which they have interest as on 31 December 2025:

Sl No	Name of director	Status with the Bank	Name of the firms/ companies in which they have interest	Educational qualification
1	Mr. Meheriar M. Hasan	Chairperson Director	BRAC Sajaan Exchange Ltd.	Master of Science in Finance, Master of Arts in Economics, and Bachelor of Arts in Economics with a minor in Mathematics from the University of Arizona
2	Mr. Faruq M. Ahmed	Vice-Chairperson Independent Director	Nil	MSS in Economics, University of Dhaka
3	Ms. Farzana Ahmed	Independent Director	Kids Tutorial	MA (Hons) in Economics, University of Oxford, UK & Chartered Accountant
4	Dr. Zahid Hussain	Independent Director	BRAC EPL Stock Brokerage Limited BRAC EPL Investment Limited BRAC Sajaan Exchange Ltd.	Ph.D. in Economics and MA in Political Economy, Boston University, USA
5	Mr. Salek Ahmed Abul Masrur	Independent Director	Nil	MBA ,The University of Tennessee, USA, BBA The Trine University.
6	Ms. Anita Ghazi Rahman	Independent Director	The Legal Circle Light Castle Partners bKash Limited BRAC IT Services Ltd Shadhin Fintech Solutions Ltd. Infolady Social Enterprise Ltd.	Barrister-at-law, LLB (Hons.) University College London, UK
7	Mr. Chowdhury MAQ Sarwar	Independent Director	Nil	Bachelor of Commerce & Masters in Management, University of Dhaka
8	Ms. Lila Rashid	Independent Director	Palli Karma-Sahayak Foundation (PKSF)	PhD (Microfinance), Jawaharlal Nehru University, India and MBA, University of New Orleans, USA. M.Sc in Physics, University of Dhaka.
9	Mr. Tareq Refat Ullah Khan	Managing Director & CEO	BRAC EPL Investments Ltd BRAC EPL Stock Brokerage Ltd. bKash Limited BRAC Sajaan Exchange Ltd	B.Com, University of Chittagong, M.Com (Marketing), University of Dhaka, MBA, SELP from Cornell University, USA

The bank carried out transactions with related parties in the normal course of business on an arms length basis. As on 31 December 2025, the bank had following transactions with the 'Related Party/(ies)' as defined in the BRPD circulars no. 14 issued by the Bangladesh Bank on 25 June 2003.

Details of transactions with related parties can be found at Annexure-I	Taka
i) Significant contracts where bank is a party and wherein Directors have interest:	Nil
ii) Shares issued to Directors and executives without consideration or exercisable at discount	Nil
iii) Lending Policies to related parties:	
Lending to related parties is effected as per requirement of section 27(1) of the Banking Companies Act ,1991.	Nil
iv) Loan and advances to Directors and subsidiaries:	996,611,205
Classification Status	Unclassified
v) Business other than Banking business with any related concern of the Directors as per Section 18(2) of the Banking Companies Act,1991.	Nil
vi) Investment in the Securities of Directors and their related concern	Nil

48.3 Claim not Acknowledged as Debt

There was no claim against the Bank not acknowledged as debt as on 31 December 2025.

48.4 Number of Employees

The number of employees including contractual engaged for the whole year or part thereof who received a total yearly remuneration of Tk. 36,000 or above were 10,308 (2024: 9,068).

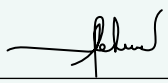
48.5 Events after the Balance Sheet Date

The Board of Directors in its 393rd Board meeting held on 26 April 2026 has proposed total 30% dividend (Cash dividend: 15% and stock dividend: 15%) subject to the approval of the shareholders at the next Annual General Meeting.

Managing Director and CEO

Director

Director


Chairperson

BRAC Bank PLC.

HIGHLIGHTS ON THE OVERALL ACTIVITIES

As at 31 December 2025

Annexure - A

Amount in Taka unless otherwise specified

Particulars	Note	Consolidated		BRAC Bank PLC.	
		2025	2024	2025	2024
Paid-up capital	18.2	19,909,261,670	17,697,121,490	19,909,261,670	17,697,121,490
Core Capital	18.8	106,774,273,793	86,095,854,156	72,488,911,043	58,978,915,716
Supplementary Capital	18.8	20,653,174,164	12,662,623,318	20,653,174,164	12,662,623,318
Total Regulatory Capital	18.8	127,427,447,957	98,758,477,474	93,142,085,207	71,641,539,034
Total Risk Weighted Assets	18.8	648,694,338,185	518,414,112,410	596,040,687,267	479,280,734,657
Capital surplus	18.8	46,340,655,684	33,956,713,423	18,636,999,299	11,731,447,202
Total assets		1,328,114,545,650	1,056,723,501,375	1,179,672,231,090	930,132,702,781
Total deposits	16	990,359,326,094	777,866,506,600	889,517,407,214	689,432,929,579
Total loans and advances	7	731,408,332,608	623,850,781,894	730,658,838,813	623,371,888,530
Total contingent liabilities and commitments	24	222,430,437,410	227,240,671,227	222,430,437,410	227,240,671,227
Income from investments	28	47,781,611,727	28,812,533,328	37,935,016,454	21,264,723,577
Profit after tax and provisions		22,509,373,122	14,318,481,954	15,808,707,280	12,136,169,761
Net profit attributable to Equity holders of BRAC Bank PLC.		18,162,700,722	12,296,240,279	-	-
Amount of classified loans during the current year	7.12	17,782,307,109	17,615,139,689	16,568,932,277	16,403,303,919
Provision kept against classified loans	17.1	14,004,890,661	14,474,491,979	12,782,116,887	13,262,656,208
Provisions surplus/(deficit)	7.14	443,747,971	1,468,404,939	443,747,971	1,468,404,939
Interest earning assets		1,245,301,453,930	986,869,047,716	1,118,674,687,269	879,829,219,772
Non-interest earning assets		82,813,091,720	69,854,453,659	60,997,543,821	50,303,483,009
Credit deposit ratio (Loans and Advances/Deposits)*		-	-	63.48%	70.75%
Percentage of classified loans against total loans and advances		2.43%	2.82%	2.27%	2.63%
NPL coverage ratio (incl. GP)		131%	132%	133%	134%
Total Capital to Risk-weighted Asset Ratio		19.64%	19.05%	15.63%	14.95%
Cost of fund		6.17%	5.28%	6.85%	5.93%
Cost to income ratio		52%	57%	45%	47%
Return on assets (ROA) [PAT/Average assets]		1.52%	1.30%	1.50%	1.46%
Return on equity (ROE) [PAT/Average shareholders equity]		20.06%	16.94%	18.02%	17.36%
Return on investment (ROI) [PAT/(Shareholders equity+Borrowings+Bond)]		8.26%	6.60%	7.29%	6.61%
Earnings per share [previous years figure restated]	45	9.12	6.18	7.94	6.10
Net income per share [(PAT-Dividend on preference share/No. of Ordinary Shares)] [previous years figure restated]		9.12	6.18	7.94	6.10
Price earning ratio (Market price per share/EPS) in times		-	-	7.95	8.04
Net Asset Value per Share (NAV) [(Shareholders equity- Preference Share)/No. of Ordinary Share] [previous years figure restated]	46	51.56	39.38	50.08	38.07
Net Operating Cash Flow Per Share [previous years figure restated]	47	72.72	54.14	60.73	44.51

BRAC Bank PLC.

Annexure B-1

STATEMENT OF OUTSTANDING UNRECONCILED ENTRIES IN NOSTRO ACCOUNTS (FOREIGN)

As at 31 December 2025

Nostro Account represents outstanding transactions (net) originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at 31 December 2025 is given below:

Amount in USD

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	665	19,885,338	433	22,307,738	117	7,367,266	1583	45,570,322
02	More than 03 months but less than 06 months	-	-	14	122,365	-	-	77	908,475
03	More than 06 months but less than 09 months	-	-	1	364.06	-	-	22	269,249
04	More than 09 months but less than 12 months	-	-			-	-	15	49,092
05	More than 12 months	-	-			-	-	11	91,031
	Total	**665**	**19,885,338**	**448**	**22,430,467**	**117**	**7,367,266**	**1708**	**46,888,169**

As at 31 December 2024

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	457	11,097,496	281	13,159,261	103	8,910,884	1139	41,870,609
02	More than 03 months but less than 06 months	-	-	3	14,668	-	-	79	1,240,137
03	More than 06 months but less than 09 months	-	-	6	7,222	-	-	29	164,038
04	More than 09 months but less than 12 months	-	-	2	200	-	-	19	116,592
05	More than 12 months	-	-	1	356	-	-	13	25,409
	Total	**457**	**11,097,496**	**293**	**13,181,707**	**103**	**8,910,884**	**1279**	**43,416,785**

All unadjusted entries are subsequently adjusted on regular basis.

BRAC Bank PLC.

Annexure B-2

STATEMENT OF OUTSTANDING UNRECONCILED ENTRIES IN NOSTRO ACCOUNTS (LOCAL)

As at 31 December 2025

Nostro Account represents outstanding transactions (net) originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at 31 December 2025 is given below:

Amount in Taka

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	6	808,720	21	14,846,504,273	324	14,787,335,573	20	26,113,233
02	More than 03 months but less than 06 months	1	8,000,000	1	16,540	5	95,976	2	7,999,579
03	More than 06 months but less than 09 months	-	-	-	-	-	-	-	-
04	More than 09 months but less than 12 months	-	-	1	1,638,400	-	-	-	-
05	More than 12 months	-	-	-	-	20	10,000,020	15	10,043,422
	Total	**7**	**8,808,720**	**23**	**14,848,159,213**	**349**	**14,797,431,568**	**37**	**44,156,234**

As at 31 December 2024

SL No	Period of Unreconciliation	As per Local Book				As per Correspondents' Book			
		Debit Entries		Credit Entries		Debit Entries		Credit Entries	
		No.	Amount	No.	Amount	No.	Amount	No.	Amount
01	Up-to 3 months	36	171,071,592	39	1,670,528,152	401	17,965,295	21	124,674,978
02	More than 03 months but less than 06 months	-	-	-	-	-	-	1	350,000
03	More than 06 months but less than 09 months	-	-	1	10,224,275	-	-	1	500
04	More than 09 months but less than 12 months	-	-	-	-	-	-	-	-
05	More than 12 months	-	-	-	-	-	-	9	16,665
	Total	**36**	**171,071,592**	**40**	**1,680,752,427**	**401**	**17,965,295**	**32**	**125,042,143**

Annexure - C

BALANCE WITH OTHER BANKS-OUTSIDE BANGLADESH (NOSTRO ACCOUNT)

As at 31 December 2025

Amount in Taka

Name of Bank	Currency	A/C Type	2025			2024		
			Amount in foreign currency	Exchange rate	Equivalent Taka	Amount in foreign currency	Exchange rate	Equivalent Taka
DBU balance:								
Standard Chartered Bank, New York, USA	USD	CD	1,845,338	122.30	225,684,780	398,363	120.00	47,803,505
Standard Chartered Bank, United Kingdom	GBP	CD	2,828,084	165.44	467,878,196	1,213,668	151.10	183,382,752
Standard Chartered Bank, Frankfurt, Germany	EUR	CD	750,803	144.01	108,123,163	1,945,560	125.27	243,716,470
Mashreq Bank, New York, USA	USD	CD	1,175,298	122.30	143,738,963	635,811	120.00	76,297,372
Bank of Tokyo Mitsubishi UFJ Ltd	JPY	CD	22,286,543	0.79	17,606,369	28,461,161	0.76	21,645,163
ICICI Bank Limited, Mumbai, India	USD	CD	763,916	122.30	93,426,957	1,341,035	120.00	160,924,231
Zuercher Kantonal Bank, Switzerland	CHF	CD	345,665	155.24	53,660,962	220,665	133.10	29,371,390
Commerz Bank AG, Germany (USD)	USD	CD	6,830	122.30	835,313	11,330	120.00	1,359,558
Commerz Bank AG, Germany (EURO)	EUR	CD	267,355	144.01	38,501,815	127,495	125.27	15,971,006
Commerz Bank, Frankfurt, Germany (GBP)	GBP	CD	50	165.44	8,315	50	151.10	7,594
JP Morgan Chase Bank, New York, USA	USD	CD	6,745,912	122.30	825,025,087	1,753,982	120.00	210,477,804
HDFC Bank Limited, India	USD	CD	1,003,624	122.30	122,743,223	637,454	120.00	76,494,517
JP Morgan Chase Bank, Sydney (AUD)	AUD	CD	308,973	82.08	25,360,500	672,317	74.75	50,258,401
AB Bank Limited, Mumbai, India	USD	CD	11,572	122.30	1,415,309	19,425	120.00	2,331,005
AXIS Bank Limited, Kolkata (ACU)	USD	CD	2,589,183	122.30	316,657,097	553,893	120.00	66,467,166
Abu Dhabi Commercial Bank (AED)	AED	CD	5,528,101	33.30	184,085,778	4,806,946	32.67	157,051,188
Kookmin Bank, Seoul, South Korea (USD)	USD	CD	15,549	122.30	1,901,701	286,631	120.00	34,395,728
Citi Bank N.A., New York, USA	USD	CD	433,970	122.30	53,074,548	712,304	120.00	85,476,425
Shanghai Pudong Development Bank Co. Ltd, China (CNY)	CNY	CD	524,166	17.51	9,178,150	539,929	16.41	8,858,248
DBS Bank Ltd, Singapore (SGD)	SGD	CD	2,184,712	95.40	208,421,559	505,726	88.42	44,718,241
Punjab National Bank, Kolkata (USD)	USD	CD	941,505	122.30	115,146,008	2,448,465	120.00	293,815,819
Al Rajhi Bank, Riyadh (SAR)	SAR	CD	94,513	32.61	3,082,065	101,078	31.96	3,230,176
Meezan Bank Limited, Gtb Karachi, ACU (USD)	USD	CD	677,528	122.30	82,861,731	845,616	120.00	101,473,870
Emirates NBD Bank Pjsc. India, ACU (USD)	USD	CD	156,383	122.30	19,125,646	50,000	120.00	6,000,000
Mashreq Bank Psc Dubai (AED)	AED	CD	402,690	33.30	13,409,586	-	-	-
					3,130,952,821			**1,921,527,629**
OBU balance:								
JP Morgan Chase Bank, New York	USD	CD	4,653,644	122.30	569,140,648	2,827,963	120.00	339,355,513
JP Morgan AG, Frankfurt, Germany	EUR	CD	585,514	144.01	84,319,935	416,767	125.27	52,207,562
JP Morgan Chase Bank, NA, London	GBP	CD	758,025	165.44	125,407,692	1,413,707	151.10	213,608,317
Mutual Trust Bank PLC. OBU	USD	CD	3,499,868	122.30	428,033,900	-	-	-
Midland Bank PLC. OBU	USD	CD	3,999,850	122.30	489,181,600	-	-	-
Eastern Bank PLC.	USD	CD	7,121,686	122.30	870,982,183	-	-	-
Trust Bank PLC.	USD	CD	14,999,436	122.30	1,834,431,000	-	-	-
NCC Bank PLC.	USD	CD	1,307,951	122.30	159,962,383	-	-	-
					4,561,459,341			**605,171,392**
Total Balance					**7,692,412,162**			**2,526,699,021**

BRAC Bank PLC.

Annexure - D

BALANCE WITH OTHER BANKS-OUTSIDE BANGLADESH (NOSTRO ACCOUNT)

As at 31 December 2025

Amount in Taka

Sl. no	Name of the company	Industry	Face value	No. of shares	Cost of holding	Average costing price	Market Price per share	Total Market value (Tk)	Provision Required	Provision Maintained
	Quoted ordinary shares									
1	Bata Shoe Company (Bangladesh) Limited	Tannery Industries	10	81,170	87,406,498	1,076.83	804.10	65,268,797		
2	Berger Paints Bangladesh Ltd.	Miscellaneous	10	1,025,746	1,455,834,056	1,419.29	1,384.60	1,420,247,912		
3	Grameenphone Limited	Telecommunication	10	6,082,933	1,753,498,069	288.27	257.90	1,568,788,421		
4	Lafarge Holcim Bangladesh Limited	Cement	10	7,350,820	474,297,539	64.52	46.70	343,283,294		
5	Marico Bangladesh Limited	Pharmaceuticals & Chemicals	10	776,663	1,761,368,266	2,267.87	2,673.50	2,076,408,531		
6	Prime Bank PLC.	Bank	10	3,536,206	99,799,157	28.22	28.70	101,489,112		
7	Renata Limited	Pharmaceuticals & Chemicals	10	505,993	384,589,430	760.07	391.80	198,248,057		
8	Singer Bangladesh Limited	Engineering	10	2,030,963	349,701,735	172.19	84.50	171,616,374		
9	Square Pharmaceuticals Limited	Pharmaceuticals & Chemicals	10	8,518,372	1,763,683,729	207.04	198.60	1,691,748,679		
					8,130,178,480			**7,637,099,177**	**493,079,303**	**493,181,807**
	Quoted corporate Bond									
1	APSCL redeemable coupon bearing bond	Corporate Bond	2,500	98,862	**247,155,000**	2,500.00	2,500.00	**247,155,000**	**-**	**-**
					247,155,000			**247,155,000**	**-**	**-**

Sl. no	Name of the company	Industry	Face value	No. of shares	Cost of holding	Average costing price	Market Price per share	Total Market value (Tk)	Provision Required	Provision Maintained
	Unquoted shares and mutual funds									
1	Industrial and Infrastructure Development Finance Co. Limited (IIDFC)		10	10,449,259	29,683,820	2.84	(19.51)	-	29,683,820	29,683,820
2	Central Depository Bangladesh Limited (CDBL)		10	2,284,721	6,277,770	2.75	41.55	94,941,369	-	-
3	The Bangladesh Rating Agency Limited (BRAL)		100	119,717	11,971,700	100.00	(6.58)	-	11,971,700	11,971,700
4	Blue Wealth 1st Balance Fund		10	2,500,000	25,000,000	10.00	10.83	27,075,000	-	-
5	EDGE Al-Amin Shariah Consumer Fund		10	1,600,000	16,000,000	10.00	10.79	17,264,000	-	-
6	EDGE AMC Growth Fund		10	775,000	9,145,000	11.80	14.55	11,276,250	-	-
7	EDGE High Quality Income Fund		10	4,762,440	49,999,962	10.50	12.65	60,244,866	-	-
8	Ekush Growth Fund		10	2,250,000	22,500,000	10.00	11.87	26,707,500	-	-
9	Ekush Stable Return Fund		10	2,191,000	24,999,310	11.41	13.77	30,170,070	-	-
10	Green Delta Dragon Enhanced Blue Chip Growth Fund		10	2,500,000	25,000,000	10.00	11.03	27,575,000	-	-
11	HFAML Shariah Unit Fund		10	2,000,000	20,000,000	10.00	7.72	15,440,000	4,560,000	7,506,506
12	IDLC Balanced Fund		10	4,511,370	45,113,700	10.00	11.06	49,895,752	-	-
13	UCB Income Plus Fund		10	4,759,370	49,999,929	10.51	13.43	63,919,767	-	-
14	VIPB Accelerated Income Unit Fund		10	3,600,000	40,068,000	11.13	12.13	43,668,000	-	-
15	VIPB Fixed Income Fund		10	997,000	9,999,910	10.03	11.82	11,784,540	-	-
16	VIPB Growth Fund		10	2,014,000	20,140,000	10.00	12.11	24,389,540	-	-
17	VIPB NLI 1ST Unit Fund		10	7,018,585	70,185,850	10.00	10.56	74,116,258	-	-
18	VIPB SEBL 1st Unit Fund		10	10,423,467	104,234,670	10.00	11.24	117,159,769	-	-
					580,319,621			**695,627,681**	**539,294,823**	**542,343,833**

BRAC Bank PLC.

SCHEDULE OF FIXED ASSETS

As at 31 December 2025

Annexure - E

Amount in Taka

Particulars	Cost				Depreciation				Written-down value as at 31 December 2025
	Opening balance as on 01 January 2025	Addition/ Revaluation during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2025	Opening balance as on 01 January 2025	Charge during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2025	
Property, plant & equipment (PPEs)									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,225,765	100,858	-	1,326,623	2,707,711
Furniture & fixture	2,536,067,740	384,857,917	33,427,989	2,887,497,668	1,794,108,415	163,599,937	33,120,924	1,924,587,428	962,910,240
Office equipment	1,652,505,716	366,690,313	64,292,726	1,954,903,303	1,343,491,792	137,168,912	64,292,726	1,416,367,978	538,535,325
IT Hardware	4,331,020,017	769,945,707	232,295,011	4,868,670,713	3,035,840,863	573,595,582	231,709,763	3,377,726,682	1,490,944,031
Motor vehicles	442,202,195	116,300,738	-	558,502,933	391,762,435	32,818,354	-	424,580,789	133,922,144
Right of use assets (RoU)	7,540,539,044	2,498,545,108	967,141,010	9,071,943,142	3,145,524,166	1,041,561,658	860,530,634	3,326,555,190	5,745,387,952
Capital expenditure work in progress	415,419,540	642,413,918	365,571,294	692,262,164	-	-	-	-	692,262,164
Sub-total	**17,449,063,986**	**4,778,753,701**	**1,662,728,030**	**20,565,089,657**	**9,711,953,436**	**1,948,845,301**	**1,189,654,047**	**10,471,144,690**	**10,093,944,967**
Intangible assets:									
With definite useful lives:									
IT Software	3,260,405,920	562,224,401	-	3,822,630,321	2,479,070,592	436,767,009	-	2,915,837,601	906,792,720
Sub-total	**3,260,405,920**	**562,224,401**	**-**	**3,822,630,321**	**2,479,070,592**	**436,767,009**	**-**	**2,915,837,601**	**906,792,720**
As at 31 December 2025	**20,709,469,906**	**5,340,978,102**	**1,662,728,030**	**24,387,719,978**	**12,191,024,028**	**2,385,612,310**	**1,189,654,047**	**13,386,982,291**	**11,000,737,687**

BRAC Bank PLC.

SCHEDULE OF FIXED ASSETS

As at 31 December 2024

Annexure - E

Amount in Taka

Particulars	Cost				Depreciation				Written-down value as at 31 December 2024
	Opening balance as on 01 January 2024	Addition/ Revaluation during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2024	Opening balance as on 01 January 2024	Charge during the year	Disposals/ Adjustments during the year	Total balance as at 31 December 2024	
Property, plant & equipment (PPEs)									
Land	527,275,400	-	-	527,275,400	-	-	-	-	527,275,400
Office floor space	4,034,334	-	-	4,034,334	1,124,907	100,858	-	1,225,765	2,808,569
Furniture & fixture	2,346,016,160	263,403,237	73,351,657	2,536,067,740	1,720,188,387	146,332,171	72,412,143	1,794,108,415	741,959,325
Office equipment	1,467,218,773	212,619,350	27,332,407	1,652,505,716	1,253,509,447	117,302,262	27,319,917	1,343,491,792	309,013,924
IT Hardware	3,424,966,158	942,610,625	36,556,766	4,331,020,017	2,583,369,738	488,893,781	36,422,656	3,035,840,863	1,295,179,154
Motor vehicles	442,202,195	-	-	442,202,195	366,372,646	25,389,789	-	391,762,435	50,439,760
Right of use assets (RoU)	6,715,802,482	1,241,972,128	417,235,566	7,540,539,044	2,554,094,484	902,607,156	311,177,474	3,145,524,166	4,395,014,878
Capital expenditure work in progress	306,546,534	532,520,341	423,647,335	415,419,540	-	-	-	-	415,419,540
Sub-total	**15,234,062,036**	**3,193,125,681**	**978,123,731**	**17,449,063,986**	**8,478,659,609**	**1,680,626,017**	**447,332,190**	**9,711,953,436**	**7,737,110,550**
Intangible assets:									
With definite useful lives:									
IT Software	2,979,635,750	280,770,170	-	3,260,405,920	2,107,859,025	371,211,567	-	2,479,070,592	781,335,328
Sub-total	**2,979,635,750**	**280,770,170**	**-**	**3,260,405,920**	**2,107,859,025**	**371,211,567**	**-**	**2,479,070,592**	**781,335,328**
As at 31 December 2024	**18,213,697,786**	**3,473,895,851**	**978,123,731**	**20,709,469,906**	**10,586,518,634**	**2,051,837,584**	**447,332,190**	**12,191,024,028**	**8,518,445,878**

BRAC Bank PLC.

STATEMENT OF TAX POSITION

As at 31 December 2025

Annexure - F

Amount in Taka

Accounting year	Assessment year	Tax provision in financial statements	Tax as per latest assessment	(Short)/Excess provision	Present status
2019	2020-2021	3,718,904,812	3,650,315,895	68,588,917	Assessment in progress and filed an appeal before Honourable High Court against the Order of The Taxes Appellate Tribunal
2020	2021-2022	2,728,499,267	2,411,400,502	317,098,765	Assessment Completed through ADR process.
2021	2022-2023	4,067,399,481	3,948,085,385	119,314,096	Assessment Completed through ADR process.
2022	2023-2024	3,905,699,754	3,697,216,125	208,483,629	Tax return submitted and assessment in process.
2023	2024-2025	5,328,475,773	5,082,045,383	246,430,390	Tax return submitted for the assessment.
2024	2025-2026	6,349,742,457	5,784,044,285	565,698,172	Tax return submitted for the assessment.
2025	2026-2027	8,366,129,292	-	-	Tax return not yet due

Note: Assessment for the Income Year 2009 (AY 2010-2011) in progress and filed appeal before Honourable High Court against the Order of The Taxes Appellate Tribunal against excess profit tax imposed.

BRAC Bank PLC.

STATEMENT OF SEGMENT REPORTING

For the year ended 31 December 2025

Annexure G-1

Particulars	BRAC Bank PLC.			Subsidiaries					BRAC Bank Group (Consolidated)
	Domestic Banking Unit (DBU)	Offshore Banking Unit (OBU)	BRAC Bank (Standalone)	bKash	BRAC EPL Investments	BRAC EPL Stock Brokerage	BRAC SAAJAN	Intercompany Elimination	
PROPERTY AND ASSETS									
Cash & Bank Balances	56,544,200,004	4,561,459,344	61,105,659,348	55,928,789,928	335,399,255	1,406,965,204	494,838,725	(9,519,681,271)	109,751,971,189
Investments	326,256,440,605	-	326,256,440,605	91,997,689,882	372,402,705	751,930,284	-	-	419,378,463,476
Loans and advances	630,280,317,506	100,378,521,307	730,658,838,813	-	1,643,590,759	101,370,290	-	(995,467,254)	731,408,332,608
Fixed and other assets including goodwill	59,309,026,089	2,342,266,235	61,651,292,324	20,179,888,280	582,272,782	380,551,342	720,362,425	(17,064,862,348)	67,575,778,377
Total Assets	**1,072,389,984,204**	**107,282,246,886**	**1,179,672,231,090**	**168,106,368,090**	**2,933,665,501**	**2,640,817,120**	**1,215,201,150**	**(27,580,010,873)**	**1,328,114,545,650**
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings & Bonds	46,616,431,566	93,736,825,323	140,353,256,889	-	548,772,169	-	591,389,200	(986,149,703)	140,507,268,555
Deposits and other accounts	884,185,781,011	5,331,626,202	889,517,407,213	110,045,917,155	315,682,996	-	-	(9,519,681,271)	990,359,326,093
Other liabilities	45,717,346,132	4,382,579,974	50,099,926,106	16,651,856,687	1,330,233,178	1,132,114,231	471,582,623	(1,854,861,567)	67,830,851,258
Total Liabilities	**976,519,558,709**	**103,451,031,499**	**1,079,970,590,208**	**126,697,773,842**	**2,194,688,343**	**1,132,114,231**	**1,062,971,823**	**(12,360,692,541)**	**1,198,697,445,906**
Total equity including NCI	**95,870,425,495**	**3,831,215,387**	**99,701,640,882**	**41,408,594,248**	**738,977,158**	**1,508,702,889**	**152,229,327**	**(15,219,318,332)**	**129,421,696,418**
Total liabilities and equity	**1,072,389,984,204**	**107,282,246,886**	**1,179,672,231,090**	**168,106,368,090**	**2,933,665,501**	**2,640,817,120**	**1,215,201,150**	**(27,580,010,873)**	**1,328,114,545,650**

BRAC Bank PLC.

STATEMENT OF SEGMENT REPORTING

For the year ended 31 December 2024

Annexure G-1

Particulars	BRAC Bank PLC.			Subsidiaries					BRAC Bank Group (Consolidated)
	Domestic Banking Unit (DBU)	Offshore Banking Unit (OBU)	BRAC Bank (Standalone)	bKash	BRAC EPL Investments	BRAC EPL Stock Brokerage	BRAC SAAJAN	Intercompany Elimination	
PROPERTY AND ASSETS									
Cash & Bank Balances	51,661,378,846	605,171,391	52,266,550,237	29,539,176,059	154,505,661	1,400,429,069	316,075,560	(4,809,575,887)	78,867,160,699
Investments	204,351,738,373	-	204,351,738,373	92,205,635,035	725,679,988	676,572,341	-	-	297,959,625,737
Loans and advances	549,922,323,062	73,449,565,468	623,371,888,530	-	1,594,703,748	148,113,710	-	(1,263,924,093)	623,850,781,895
Fixed and other assets including goodwill	47,869,765,267	2,272,760,374	50,142,525,641	18,163,459,099	428,957,678	288,172,283	438,224,135	(14,541,679,364)	56,045,933,044
Total Assets	**853,805,205,548**	**76,327,497,233**	**930,132,702,781**	**139,908,270,193**	**2,903,847,075**	**2,513,287,403**	**754,299,695**	**(20,615,179,344)**	**1,056,723,501,375**
LIABILITIES AND CAPITAL									
Liabilities									
Borrowings & Bonds	55,646,667,341	64,466,084,330	120,112,751,671	-	748,946,087	-	531,707,146	(1,264,471,398)	120,128,933,506
Deposits and other accounts	684,230,164,261	5,202,765,318	689,432,929,579	93,109,564,564	133,588,344	-	-	(4,809,575,887)	777,866,506,600
Other liabilities	40,645,598,185	4,144,459,455	44,790,057,640	11,997,127,820	1,301,365,033	1,067,663,060	171,629,165	(1,518,874,140)	57,808,968,578
Total Liabilities	**780,522,429,787**	**73,813,309,103**	**854,335,738,890**	**105,106,692,384**	**2,183,899,464**	**1,067,663,060**	**703,336,311**	**(7,592,921,425)**	**955,804,408,684**
Total equity including NCI	**73,282,775,761**	**2,514,188,130**	**75,796,963,891**	**34,801,577,809**	**719,947,611**	**1,445,624,343**	**50,963,385**	**(13,022,257,920)**	**100,922,597,151**
Total liabilities and equity	**853,805,205,548**	**76,327,497,233**	**930,132,702,781**	**139,908,270,193**	**2,903,847,075**	**2,513,287,403**	**754,299,696**	**(20,615,179,345)**	**1,056,723,501,375**

BRAC Bank PLC.

STATEMENT OF SEGMENT REPORTING

For the year ended 31 December 2025

Annexure G-2

Particulars	SME	Retail	Corporate	Treasury	Intercompany Elimination	BRAC Bank
Total external revenue	31,868,694,283	(10,952,463,010)	7,627,842,385	29,401,904,870	-	57,945,978,528
Inter segment revenue /(expenses)	(14,916,179,895)	25,874,612,977	3,621,145,381	(14,579,578,463)	-	-
Total segment revenue	16,952,514,388	14,922,149,967	11,248,987,766	14,822,326,407	-	57,945,978,528
Total segment operating expenses	11,697,873,056	10,837,584,998	2,843,779,188	680,295,935	-	26,059,533,177
Segment operating profit/(loss)	**5,254,641,332**	**4,084,564,969**	**8,405,208,578**	**14,142,030,472**	**-**	**31,886,445,351**

Particulars	bKash	BRAC EPL Stock Brokerage	BRAC EPL Investments	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group
Total external revenue	26,811,795,147	625,328,361	(6,567,599)	613,971,495	(630,374,814)	85,360,131,118
Inter segment revenue /(expenses)	-	-	-	-	-	-
Total segment revenue	26,811,795,147	625,328,361	(6,567,599)	613,971,495	(630,374,814)	85,360,131,118
Total segment operating expenses	17,706,203,291	459,117,201	91,649,508	751,775,266	(630,374,814)	44,437,903,629
Segment operating profit/(loss)	**9,105,591,856**	**166,211,160**	**(98,217,107)**	**(137,803,771)**	**-**	**40,922,227,489**

For the year ended 31 December 2024

Particulars	SME	Retail	Corporate	Treasury	Intercompany Elimination	BRAC Bank
Total external revenue	24,586,469,394	(5,924,899,308)	9,719,349,802	15,869,491,262	-	44,250,411,150
Inter segment revenue /(expenses)	(11,272,780,185)	18,252,252,821	3,005,274,981	(9,984,747,617)	-	-
Total segment revenue	13,313,689,209	12,327,353,513	12,724,624,783	5,884,743,645	-	44,250,411,150
Total segment operating expenses	9,491,810,214	8,537,488,921	2,267,900,746	525,977,876	-	20,823,177,757
Segment operating profit/(loss)	**3,821,878,995**	**3,789,864,592**	**10,456,724,037**	**5,358,765,769**	**-**	**23,427,233,393**

Particulars	bKash	BRAC EPL Stock Brokerage	BRAC EPL Investments	BRAC SAAJAN	Intercompany Elimination	BRAC Bank Group
Total external revenue	19,886,442,580	506,941,658	(126,200,755)	385,284,100	(572,134,862)	64,330,743,871
Inter segment revenue /(expenses)	-	-	-	-	-	-
Total segment revenue	19,886,442,580	506,941,658	(126,200,755)	385,284,100	(572,134,862)	64,330,743,871
Total segment operating expenses	14,838,329,535	460,288,003	101,192,275	492,673,478	(572,134,862)	36,389,816,007
Segment operating profit/(loss)	**5,048,113,045**	**46,653,655**	**(227,393,030)**	**(107,389,378)**	**-**	**27,940,927,864**

TO WHOM IT MAY CONCERN

This is to certify that as detailed in the Annexure-H, BRAC Bank PLC. made the custodian transactions on account of custodian services provided during the year ended 31 December 2025, which have been verified with the books of account, invoices and other related documents as produced to us for our verification.

We also certify that management of the Bank prepared and fairly presented of the income and expenses in accordance with the requirement of the Securities and Exchange Commission (Securities Custodial Service) Rules 2003, and made necessary disclosures in the Bank's audited financial statements for the year ended 31 December 2025.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

ATM Shamim Reza FCA
Partner
Enrolment No: 1766

Dhaka, Bangladesh
Dated: 26 April 2026

BRAC Bank PLC.

Annexure- H

CUSTODIAN SERVICE

For the year ended 31 December 2025

Particulars	2025 Taka	2024 Taka
Operating income		
Commission, exchange and brokerage	21,257,087	19,531,356
Total operating income	**21,257,087**	**19,531,356**
Operating expenses		
Salaries and allowances	5,184,139	6,649,263
Rent, taxes, insurance, electricity etc.	1,148,432	1,312,605
Postage, stamps, telecommunication etc.	42,130	31,845
Stationery, printing, advertisement etc.	50,737	1,210
Depreciation on and repairs to bank's assets	1,007,321	1,270,490
Other expenses	1,590,517	290,968
Total operating expenses	**9,023,276**	**9,556,381**
Operating profit	**12,233,811**	**9,974,975**

BRAC Bank PLC.

Annexure - I

DETAILS OF TRANSACTIONS WITH RELATED PARTIES

For the year ended 31 December 2025

Amount in Taka

SL No.	Name of the related parties (Companies)	Relationship status	Balance type	Opening balance	Deposit/payment during the period	Withdrawal/loan during the period	Closing balance
1	BRAC and Its associated organization	Parent Company	Deposits	21,567,775,322	630,029,292,104	629,614,870,136	21,982,197,290
2	bKash Limited	Subsidiary	Deposits	3,459,051,334	1,176,587,113,846	1,171,774,977,392	8,271,187,788
3	BRAC EPL Investments Limited	Subsidiary	Deposits	153,188,055	4,759,042,929	4,845,738,852	66,492,132
4	BRAC EPL Stock Brokerage Limited	Subsidiary	Deposits	1,130,387,826	18,091,319,457	18,133,428,029	1,088,279,254
5	BRAC IT Services Limited (biTS)	Associates	Deposits	54,384,710	1,424,001,001	1,399,862,560	78,523,151
6	BRAC SAAJAN Exchange Limited	Subsidiary	Deposits	52,855,544	31,904,582,611	31,943,818,949	13,619,206
7	Palli Karma-Sahayak Foundation (PKSF)	Common Board member	Deposits	1,100,000,000	4,671,122,980	2,348,671,624	3,422,451,357
8	Kids Tutorial	Common Board member	Deposits	11,938,536	73,972,202	54,791,711	31,119,027
9	The Legal Circle	Common Board member	Deposits	346,734	19,164,307	18,844,270	666,771
10	Light Castle Partners	Common Board member	Deposits	53,820,533	133,947,131	187,639,877	127,787
11	Shadhin Fintech Solutions Ltd.	Common Board member	Deposits	23,590	-	690	22,900
12	Guardian Life Insurance	Common Board member	Deposits	736,228,410	9,279,696,099	9,621,134,325	394,790,184
13	BRAC EPL Investments Limited	Subsidiary	Continuous loan	746,339,704	1,378,046,756	1,039,044,936	407,337,884
14	BRAC Saajan Exchange Limited	Subsidiary	Continuous loan	517,584,388	21,672,823,393	21,743,368,373	588,129,368
15	BRAC EPL Stock Brokerage Limited	Subsidiary	Non-Funded	1,000,000,000	-	-	1,000,000,000
16	Industrial and Infrastructure Development Finance Co. Limited	Common Board member	Term placement	100,000,000			100,000,000
17	BRAC IT Services Limited (biTS)	Associates	Receivables	93,929,793	N/A		63,466,065
18	Key Management Personnel (Note - 7.7.1)	Senior Management	Loans and Advances	312,613,486	N/A		386,043,156
19	BRAC Bank Employees' Gratuity Fund (Post employment benefit plan)	Details of transactions with BRAC Bank Employees' Gratuity Fund can be found at note no 9.5					

SL No.	Name of the related parties (Directors)	Relationship status	Balance type	Credit Card Limit	Lien Amount	Opening balance	Closing balance
1	Ms. Farzana Ahmed	Director	Credit card	1,000,000	1,200,000	-	94,753
2	Ms. Anita Ghazi Rahman	Director	Credit card	800,000	950,000	221,219	267,824
3	Mr. Tareq Refat Ullah Khan	Managing Director	Credit card	1,000,000	-	-	781,376

Note: In addition, BRAC Bank has credit exposure on NGOs where its Directors are involved in the capacity of executive committee members. As on 31 December 2025, the Bank has credit exposures amounting BDT 1,091,526,272. However, as per Bangladesh Bank letter ref: BRPD (R-2)651/9(25)ka/2016-6852; such exposure shall not come under the purview of related party exposures as given to non-profit organisations.

Off-shore Banking Units

BALANCE SHEET

As at 31 December 2025

Annexure - J

Particulars	Note	2025		2024	
		USD	Taka	USD	Taka
PROPERTY AND ASSETS					
Cash		-	-	-	-
Cash in hand (Including foreign currency)		-	-	-	-
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)		-	-	-	-
Balance with other banks and financial institutions	3	**37,298,700**	**4,561,459,344**	**5,043,095**	**605,171,391**
Inside Bangladesh		-	-	-	-
Outside Bangladesh		37,298,700	4,561,459,344	5,043,095	605,171,391
Money at call on short notice		-	-	-	-
Investments		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Loans and advances	4	**820,787,383**	**100,378,521,307**	**612,079,712**	**73,449,565,468**
Loans, cash credit, overdrafts etc.		789,425,608	96,543,120,454	594,948,358	71,393,803,001
Small and medium enterprises		1,749,354	213,937,983	752,747	90,329,658
Bills purchased and discounted		29,612,421	3,621,462,870	16,378,607	1,965,432,809
Fixed assets including premises, furniture and fixtures		-	-	-	-
Other assets	5	19,152,529	2,342,266,235	18,939,670	2,272,760,374
Total Property and Assets		**877,238,612**	**107,282,246,886**	**636,062,477**	**76,327,497,233**
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	6	**756,978,750**	**92,575,019,023**	**536,217,369**	**64,346,084,330**
Money at call and short notice		**9,500,000**	**1,161,806,300**	**1,000,000**	**120,000,000**
Deposits and other accounts		**43,596,294**	**5,331,626,202**	**43,356,377**	**5,202,765,318**
Current accounts and other accounts		1,210,594	148,050,125	1,578,332	189,399,859
Bills payable		-	-	-	-
Savings deposits		-	-	-	-
Fixed deposits		42,385,700	5,183,576,077	41,778,045	5,013,365,459
Other deposits		-	-	-	-
Other liabilities	7	**45,913,248**	**4,382,579,974**	**44,369,022**	**4,144,459,455**
Total Liabilities		**855,988,292**	**103,451,031,499**	**624,942,768**	**3,813,309,103**
Capital and Shareholders' Equity					
Paid up share capital		-	-	-	-
Statutory reserve		-	-	-	-
Revaluation reserve		-	-	-	-
Foreign currency translation reserve		(114)	855,251,782	(114)	779,563,862
Surplus in profit and loss account/ Retained earnings	8	21,250,434	2,975,963,605	11,119,823	1,734,624,268
Total shareholders' equity		**21,250,320**	**3,831,215,387**	**11,119,709**	**2,514,188,130**
Total Liabilities and Shareholders' Equity		**877,238,612**	**107,282,246,886**	**636,062,477**	**76,327,497,233**

Off-shore Banking Units

BALANCE SHEET

As at 31 December 2025

Continuation of Annexure - J

Particulars	Note	2025		2024	
		USD	Taka	USD	Taka
Off balance sheet items					
Contingent liabilities					
Acceptances and endorsements		75,535	9,237,632	3,443,439	413,212,656
Irrevocable letter of credits		1,181,703	144,516,840	2,370,933	284,511,951
Letter of guarantees		-	-	-	-
Bills for collection		8,911,785	1,089,870,363	13,538,153	1,624,578,414
Total		**10,169,023**	**1,243,624,835**	**19,352,525**	**2,322,303,021**
Other commitments					
Swap deals with banks and customers		-	-	-	-
Spot and forward deals with banks and customers		-	-	-	-
		-	-	-	-
Total off balance sheet items		**10,169,023**	**1,243,624,835**	**19,352,525**	**2,322,303,021**

Off-shore Banking Units

Continuation of Annexure - J

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2025

Particulars	Note	2025		2024	
		USD	Taka	USD	Taka
Interest income	9	48,636,678	5,943,933,491	54,278,339	6,312,359,457
Interest paid on deposits and borrowing etc.	10	37,500,918	4,579,460,600	43,660,426	5,057,843,416
Net interest income		**11,135,760**	**1,364,472,891**	**10,617,913**	**1,254,516,041**
Investment income		-	-	-	-
Commission, exchange and brokerage	11	1,049,099	128,083,996	1,005,352	116,474,726
Other operating income	12	738,752	90,389,869	740,708	83,407,440
Total operating income		**12,923,611**	**1,582,946,756**	**12,363,973**	**1,454,398,207**
Salaries and allowances		1,339,070	163,643,935	1,195,468	138,939,802
Rent, taxes, insurance, electricity etc.	13	90,237	11,028,205	96,355	11,183,917
Legal expenses		-	-	-	-
Postage, stamps, telecommunication etc.	14	14,545	1,777,855	15,521	1,817,351
Stationery, printing, advertisement etc.	15	55,064	6,732,518	57,306	6,717,789
Depreciation and repairs to bank's assets		202,342	24,731,405	159,608	18,680,670
Other expenses		346,033	42,282,757	312,016	36,182,022
Total operating expenses		**2,047,291**	**250,196,675**	**1,836,274**	**213,521,551**
Profit before provisions		**10,876,320**	**1,332,750,081**	**10,527,699**	**1,240,876,656**
Provision for:					
Loans and advances	16	739,434	90,656,551	(2,157,933)	(222,623,168)
Off balance sheet items		-	-	-	-
Others		6,275	754,193	(708)	(157,831)
Total provision		**745,709**	**91,410,744**	**(2,158,641)**	**(222,780,999)**
Profit/(loss) before taxes		**10,130,611**	**1,241,339,337**	**12,686,340**	**1,463,657,655**
Provision for tax:					
Current tax expense		-	-	-	-
Deferred tax expense/ (income)		-	-	-	-
Total provision for tax	17	-	-	-	-
Total profit/(loss) after taxes		**10,130,611**	**1,241,339,337**	**12,686,340**	**1,463,657,655**

Off-shore Banking Units

Continuation of Annexure - J

CASH FLOW STATEMENT

For the year ended 31 December 2025

	Particulars	2025		2024	
		USD	Taka	USD	Taka
A.	**Cash flows from operating activities**				
	Interest receipts in cash	47,855,371	5,812,635,298	54,360,915	6,165,705,196
	Interest payment	(37,204,632)	(4,482,551,607)	(43,856,755)	(4,919,891,338)
	Fees and commissions receipts	1,049,099	128,083,996	1,005,352	116,474,726
	Cash payments to employees	(1,339,070)	(163,643,935)	(1,195,468)	(138,939,802)
	Cash payments to suppliers	(69,608)	(8,510,373)	(72,827)	(8,535,140)
	Receipts from other operating activities	738,752	90,389,869	740,784	83,407,440
	Payment for other operating activities :	(637,926)	(77,958,062)	(670,034)	(78,643,987)
	Operating cash flow before changes in operating assets and liabilities (i)	**10,391,986**	**1,298,445,186**	**10,311,967**	**1,219,577,095**
	Increase/decrease in operating assets and liabilities				
	Loans and advances to customers	(208,707,671)	(26,928,955,839)	(41,201,882)	(10,653,004,196)
	Other assets	568,447	(200,804,054)	630,663	(257,594,677)
	Deposits from other banks/borrowings	229,261,381	29,270,740,992	28,449,961	8,501,669,391
	Deposits from customers	239,916	128,860,884	6,028,704	1,096,721,203
	Other liabilities	992,162	404,125,565	(7,084,204)	(216,960,222)
	Cash utilised in operating assets and liabilities (ii)	22,354,235	2,673,967,548	(13,176,758)	(1,529,168,501)
	Net cash (used)/flows from operating activities (i+ii)	**32,746,221**	**3,972,412,734**	**(2,864,791)**	**(309,591,406)**
B.	**Cash flows from investing activities**				
	Investment in commercial paper	-	-	-	-
	Net cash used in investing activities	-	-	-	-
C.	**Cash flows from financing activities**	-	-	-	-
D.	**Net increase/(decrease) in cash (A+B+C)**	**32,746,221**	**3,972,412,734**	**(2,864,791)**	**(309,591,406)**
E.	**Cash and cash equivalents at beginning of year**	5,043,095	605,171,391	8,777,224	965,494,681
	Exchange difference	(490,616)	(16,124,781)	(869,338)	(50,731,884)
	Cash and cash equivalents at the end of year (D+E)	**37,298,700**	**4,561,459,344**	**5,043,095**	**605,171,391**
	Cash and cash equivalents at the end of the year:				
	Cash in hand (including foreign currency)	-	-	-	-
	Balance with Bangladesh Bank and its agents bank(s) (including foreign currency)	-	-	-	-
	Balance with other banks and financial institutions	37,298,700	4,561,459,344	5,043,095	605,171,391
		37,298,700	**4,561,459,344**	**5,043,095**	**605,171,391**

Off-shore Banking Units

Continuation of Annexure - J

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2025

1 Status of the units

Off-shore Banking Units of BRAC Bank PLC., governed under the rules and guidelines of Bangladesh Bank. The bank commenced the operation of its Off-shore banking Unit from 2010 after obtaining necessary approval from Bangladesh Bank.

1.1 Principal Activities

The principal activities of the units are to provide all kinds of commercial banking services to its customers through its off-shore Banking units in Bangladesh.

2 Summary of significant accounting policies and basis of preparation

2.1 A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), are set out below:

a) Basis of accounting

The off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act 1991, International Financial Reporting Standards and other applicable directives issued by Bangladesh Bank.

b) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

c) Foreign currency transactions and translations to presentation currency

Foreign currency transactions are converted into equivalent functional currency i.e. USD using the exchange rates ruling on the dates of respective transactions as per IAS -21" The Effects of Changes in Foreign Exchange Rates".

All revenue items have been translated to presentation currency i.e. BDT at average rate and all balance sheet items except retained earnings were translated to presentation currency at the closing rate. Any resulting differences have been recognised as foreign currency translation reserve.

Commitments for outstanding forward foreign exchange contracts disclosed in the financials are translated at contracted rates. Contingent liabilities/ commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

2.2 Reporting period

These financial statements cover one calendar year from 1 January to 31 December 2025.

2.3 Cash and cash equivalents

For the purpose of presentation in the cash flow statements, cash and cash equivalents includes cash in hand and cash at bank, highly liquid interest bearing investment/securities with original maturities of less than three month.

As per IAS 7 Statement of Cash Flows, cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry . The method selected is applied consistently. As per BRPD 14 dated 25 June 2003, cash flow statement should be a mixture of direct and indirect method.

2.4 Loans and advances

a) Loans and advances of Off-shore Banking Units are stated in the balance sheet on gross basis.

b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

2.5 Provision for liabilities

A provision is recognised in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 " Provisions, Contingent Liabilities and Contingent Assets".

2.6 General

a) Figures appearing in these financial statements have been rounded off to the nearest Taka and rearranged wherever necessary.

	Particulars	2025		2024	
		USD	Taka	USD	Taka
3	**Balance with other banks and financial institutions**				
	JP Morgan Chase Bank, New York	4,653,819	569,140,651	2,827,963	339,355,512
	JP Morgan AG, Frankfurt, Germany	689,478	84,319,935	435,063	52,207,562
	JP Morgan Chase, N.A., London	1,025,449	125,407,692	1,780,069	213,608,317
	Inter-Bank Accepted Bill Financing-OBU	23,429,954	2,865,375,566	-	-
	BBL OBU to Other Bank OBU placement	7,500,000	917,215,500	-	-
		37,298,700	**4,561,459,344**	**5,043,095**	**605,171,391**
4	**Loans and advances**				
	Loans, cash credits, overdrafts etc. (note 4.1)	789,425,608	96,543,120,454	594,948,358	71,393,803,001
	Small and medium enterprises	1,749,354	213,937,983	752,747	90,329,658
	Bills purchased and discounted (except SME)	29,612,421	3,621,462,870	16,378,607	1,965,432,809
		820,787,383	**100,378,521,307**	**612,079,712**	**73,449,565,468**
4.1	**Loans, cash credit, overdrafts etc.**				
	Overdrafts	5,540,615	677,591,676	5,558,804	667,056,535
	Demand loans	707,373,020	86,508,466,419	524,663,086	62,959,570,274
	Term loans	76,511,973	9,357,062,359	64,726,468	7,767,176,192
		789,425,608	**96,543,120,454**	**594,948,358**	**71,393,803,001**
5	**Other assets**				
	Interest receivables	16,355,065	2,000,149,252	15,573,759	1,868,851,059
	Deferred revenue expenditure	2,797,464	342,116,983	3,365,911	403,909,315
		19,152,529	**2,342,266,235**	**18,939,670**	**2,272,760,374**
6	**Borrowings from other banks, financial institutions and agents**				
	Inside Bangladesh:				
	On Shore to BRAC Bank Off Shore	193,228,750	23,630,987,273	116,788,798	14,014,655,760
		193,228,750	**23,630,987,273**	**116,788,798**	**14,014,655,760**
	Outside Bangladesh:				
	Asian Development Bank	30,000,000	3,668,862,000	30,000,000	3,600,000,000
	ABC Bank UK	10,000,000	1,222,954,000	-	-
	British International Investment PLC	43,750,000	5,350,423,750	50,000,000	6,000,000,000
	Caixabank S.A.	60,000,000	7,337,724,000	70,000,000	8,400,000,000
	Commerzbank Ag, Hamburg, Germany	30,000,000	3,668,862,000	10,000,000	1,200,000,000
	Abu Dhabi Commercial Bank, UAE	15,000,000	1,834,431,000	-	-
	Commercial Bank Of Dubai	20,000,000	2,445,908,000	-	-
	International Finance Corporation (IFC), USA	50,000,000	6,114,770,000	50,000,000	6,000,000,000
	JP Morgan Chase Bank N.A. Singapore	-	-	20,000,000	2,400,000,000
	Mizuho Bank Ltd, Singapore	50,000,000	6,114,770,000	28,000,000	3,360,000,000
	Citibank Hong Kong	25,000,000	3,057,385,000	-	-
	Citibank, N.A.,Tokyo Branch	-	-	1,428,571	171,428,570
	National Bank Of Ras Al-Khaimah	50,000,000	6,114,770,000	-	-
	DEG - Deutsche Investitions	40,000,000	4,891,816,000	50,000,000	6,000,000,000
	Emirates Nbd Bank Pjsc, Dubai	50,000,000	6,114,770,000	20,000,000	2,400,000,000
	Japan International Cooperation Agency (JICA)	90,000,000	11,006,586,000	90,000,000	10,800,000,000
		563,750,000	68,944,031,750	419,428,571	50,331,428,570
		756,978,750	**92,575,019,023**	**536,217,369**	**64,346,084,330**

	Particulars	2025		2024	
		USD	Taka	USD	Taka
7	**Other liabilities**				
	Provisions for loans and advances	8,207,715	1,003,765,732	8,831,500	1,059,780,047
	Provision on interest receivable	162,013	19,813,407	155,738	18,688,511
	Interest suspense	-	-	128,727	15,447,248
	Provision for taxation net off AIT	552,814	67,606,624	563,389	67,606,624
	Interest payable on borrowings	7,400,230	905,014,035	6,734,209	808,105,042
	Accrued expenses	323,917	23,698,264	323,227	23,613,958
	Payable to on-shore	28,735,575	2,342,085,550	26,725,229	2,096,402,140
	Payable against SWIFT charge	19,232	2,352,029	16,717	2,006,030
	Others payable	511,752	18,244,333	890,286	52,809,855
		45,913,248	**4,382,579,974**	**44,369,022**	**4,144,459,455**
8	**Surplus in profit and loss account/ retained earnings**				
	Balance at the beginning of the year	11,119,823	1,734,624,268	(1,566,517)	270,966,613
	Add: Retained surplus for the year	10,130,611	1,241,339,337	12,686,340	1,463,657,655
		21,250,434	**2,975,963,605**	**11,119,823**	**1,734,624,268**
9	**Interest income**				
	Interest on loans and advances	48,257,691	5,897,587,279	53,530,096	6,226,407,571
	Interest on money at call and short notice	96,367	11,790,351	46,389	5,477,125
	Other interest income	282,620	34,555,861	701,854	80,474,761
		48,636,678	**5,943,933,491**	**54,278,339**	**6,312,359,457**
10	**Interest paid on deposits and borrowing etc.**				
	Interest on deposits	2,114,547	258,437,877	2,403,252	279,693,300
	Interest on borrowing from banks & FIs	35,361,247	4,317,956,974	41,176,627	4,768,604,654
	Interest on funding SWAP	-	-	44,919	5,323,769
	Interest on money at call and short notice	25,124	3,065,749	35,628	4,221,693
		37,500,918	**4,579,460,600**	**43,660,426**	**5,057,843,416**
11	**Commission, exchange and brokerage**				
	Commission Income	65,069	7,949,969	107,881	12,595,783
	Fees Income	984,030	120,134,027	897,471	103,878,943
		1,049,099	**128,083,996**	**1,005,352**	**116,474,726**
12	**Other operating income**				
	Miscellaneous income	738,752	90,389,869	740,708	83,407,440
		738,752	**90,389,869**	**740,708**	**83,407,440**
13	**Rent, taxes, insurance, electricity etc.**				
	Rent, rates and taxes	79,478	9,713,125	84,998	9,852,571
	Insurance	1,445	176,639	1,473	173,361
	Power and electricity	8,509	1,040,039	9,107	1,067,393
	WASA and sewerage	805	98,402	777	90,592
		90,237	**11,028,205**	**96,355**	**11,183,917**

	Particulars	2025		2024	
		USD	Taka	USD	Taka
14	**Postage, stamp, telecommunication etc.**				
	Postage and courier	9,578	1,170,712	5,915	687,606
	Court fees & stamps, Telegram, telex, fax and network	1,749	213,892	6,707	791,881
	Telephone- Office	3,218	393,251	2,899	337,864
		14,545	**1,777,855**	**15,521**	**1,817,351**
15	**Stationery, printing, advertisement etc.**				
	Stationery and printing	4,494	549,036	3,764	438,285
	Security stationery	1,529	186,915	1,342	156,101
	Advertisement	49,041	5,996,567	52,200	6,123,403
		55,064	**6,732,518**	**57,306**	**6,717,789**
16	**Provisions for loans and advances**				
	For classified loans and advances	(1,326,641)	(162,594,034)	(6,879,359)	(746,612,235)
	For unclassified loans and advances	2,066,075	253,250,585	4,721,426	523,989,067
		739,434	**90,656,551**	**(2,157,933)**	**(222,623,168)**

17 Provision for tax

Offshore Banking Unit (OBU) is an integral business unit of the Bank. The income from OBU is included in the separate financial statement of the Bank and tax has been provided on total income of the Bank including income from OBU. Hence provision for tax has not been calculated for OBU portion separately.

SUBSIDIARY COMPANIES

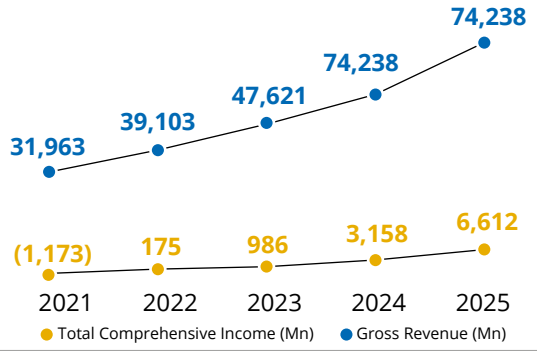
COMPANY OVERVIEW

bKash LIMITED

In 2025, bKash Limited delivered outstanding financial performance, recording a post-tax profit of BDT 6.6 billion—an impressive 109% increase from the previous year. This strong growth was fueled by expansion of customer relevant products, continuous enhancements to user experience, and an expanding customer base. Gross revenue climbed by 29.6% to BDT 74,238 million, underscoring the company's effective use of technological innovation to streamline operations and broaden its financial product offerings. Together, these achievements further strengthened bKash's position as the leading mobile financial services provider in Bangladesh.

Introduction

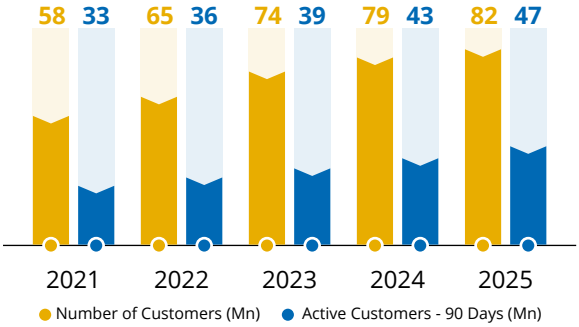
In 2025, bKash reached major milestones, delivering strong growth across volume, revenue, and profitability. This performance was propelled by the introduction of new services and continued technological advancements, which broadened customer access and strengthened all areas of the business.



Customers

In 2025, total gross customer additions were 9.7Mn which expanded customer base to reach ~82.2 million. The number of active customers (defined as those who made at least one transaction in the past 90 days) has increased by 4.3 million in 2025 from 2024. The total active subscribers as of Dec 2025 was 57.5%.

Customers



Key Achievements in 2025

Despite the unpredictable external environment in 2025, bKash continued to deliver strong performance, achieving notable growth in both profitability and transaction volume. The company introduced a range of new customer centric features and expanded its customer base.

Throughout the year, millions of unique users experienced bKash's financial services which has helped enrich the daily lives of millions of Bangladeshis. Financial services consist of two basic products: savings and small ticket credit. Both such products are delivered to the customer with the partnership of various financial institutions.

Remittance has become an increasingly important component of bKash's product portfolio, helping millions of beneficiaries receive foreign remittance almost on a real time basis direct to their bKash wallet.

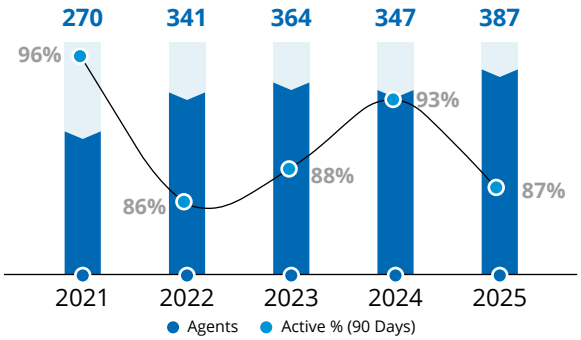
To maintain its growth trajectory, bKash continued to invest strategically in strengthening a diversified digital financial ecosystem. During the year, the company introduced several key initiatives including the Send Money Bundle to enhance customer value, Agent-Assisted Mobile Recharge to support users requiring guided transactions, and NFC Payment to facilitate faster, tap-to-pay transactions and biometric Face ID authentication in its app enabling faster and more secure transactions. These initiatives collectively improved customer convenience, reinforced trust in the platform, and broadened the scope of digital financial use cases nationwide. In 2025, bKash was also recognized as the overall Best Brand in Bangladesh for the seventh consecutive years, further demonstrating the company's strong market leadership and sustained consumer confidence. bKash has won awards at the Bangladesh Fintech Award 2025 for its contribution to advancing digital

financial inclusion and promoting secure transactions through innovative technologies and solutions. The company also received BIDA's Excellence in Investment Award 2025 for its significant role in attracting foreign direct investment and supporting sustainable economic growth in Bangladesh.

Agents

As of Dec 2025, bKash agent base stood around ~380 K out of which approximately 90% of the agents were active. All agents were subject to rigorous compliance checks throughout the year.

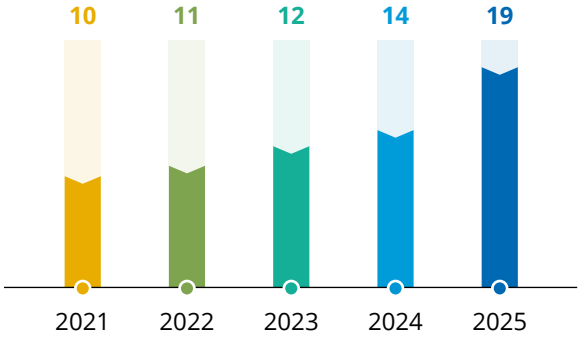
Agents (K)



Transactions

Agent centric cash-in and cash-out still occupy the dominant share of the volume. Total transaction volume grew around 33% in 2025 from 2024, and BDT 13.97 trillion volumes of transaction generated through around 7 billion transactions. Average daily transaction count increased in 2025 by 39.6% to 19.0 million.

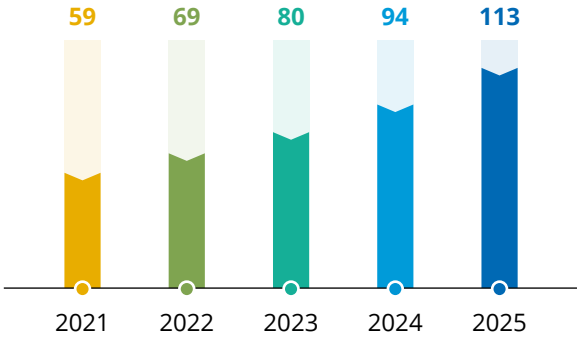
Avg. Daily Transaction Count (mn)



Trust Cum Settlement Account (TCSA)

The TCSA balance has consistently increased over the years to reach 113 billion as at 31 December 2025 resulting in a ~20% YoY growth. As bKash's customer base and transactions are continuously growing the balance of TCSA is also steadily increasing.

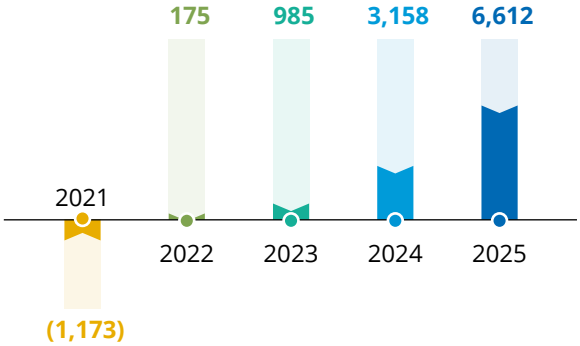
Trust Cum Settlement Account (TCSA) billion



Financial Performance

The total comprehensive income in 2025 was BDT 6,612 million compared to BDT 3158 million in 2024. This rise in profit is due to consistent increase in transaction volume, optimization of channel commission and other operating expenses with increased active customer base.

Total Comprehensive Income BDT mn



Economic outlook

A Year of Challenges and Progress

The global economy in 2025 operated in an environment marked by persistent uncertainty. Geopolitical tensions including ongoing conflicts in Ukraine and the Middle East continued to cloud the outlook, affecting commodity markets and global supply chains. Despite these headwinds, major economies avoided recession, demonstrating resilience amid a more fragmented global landscape.

Economic Challenges

Bangladesh's economy in 2025 remained under strain from lingering global and domestic disruptions. Inflation averaged 8–9%, easing from the double-digit highs of 2024 but still well above the central bank's target. Food and energy costs were the primary drivers, while contractionary monetary policy kept demand subdued. GDP growth slowed further to around 4%, reflecting weak investment and export challenges despite resilience in the knit-RMG sector. The

external sector showed relative strength, with export earnings rebounding by 8.6% in FY2025, reaching USD ~48 billion, driven primarily by the ready-made garment sector. The banking sector faced heightened vulnerabilities, with declining capital adequacy ratios among state-owned banks. The balance of payments deficit persisted, though remittance inflows provided partial relief. Overall, 2025 underscored the fragility of Bangladesh's macroeconomic stability, with inflationary pressures, reserve depletion, and structural weaknesses continuing to weigh on growth prospects. Bangladesh underwent a historic national election during 2026, marking an important moment in the country's ongoing political transition following the significant shifts that began in 2024.

Strength Amidst Challenges

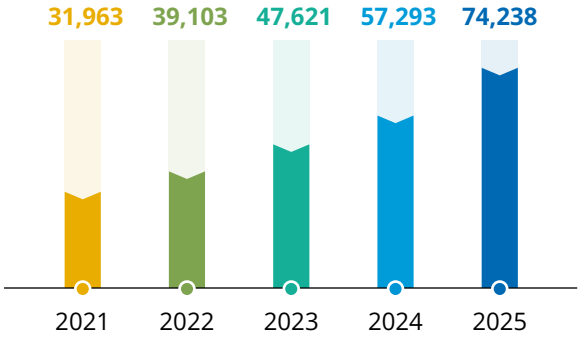
Remittances provided critical support, exceeding a record $32.8 billion in 2025, up ~26% from 2024. Strong enforcement of formal channels ensured stability when other sectors struggled, sustaining the economy during turbulent periods. Bangladesh's foreign exchange reserves stood at $28.04 billion as per BPM6 by mid-December, enough to cover over three months of imports. Despite this buffer, the exchange rate fluctuated between BDT 122–123/USD, highlighting that stability remained fragile.

Sectoral Highlights

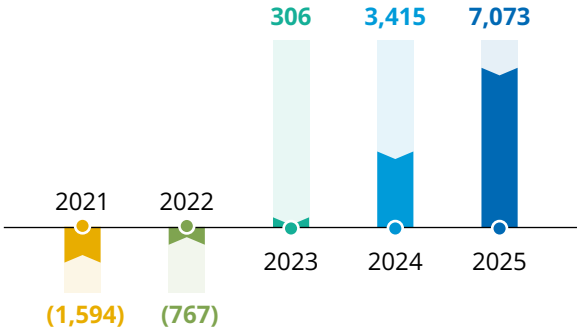
The Mobile Financial Services (MFS) industry continued its strong upward trajectory throughout 2025, reinforcing its position as a driving force behind Bangladesh's digital financial transformation. The sector experienced another year of high velocity expansion, with the total transaction rising to ~22 trillion, reflecting an increase of ~26% compared to the previous year. This surge underscores the sector's deepening integration into everyday financial behavior, as MFS becomes the preferred channel for utility bill payments, salary disbursements, business payments, and domestic remittances.

Financial Highlights

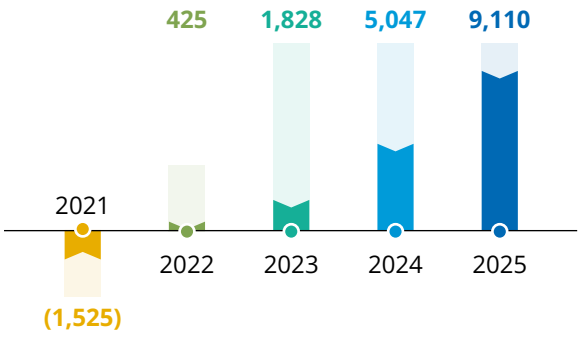
Gross Revenue (Mn) BDT mn



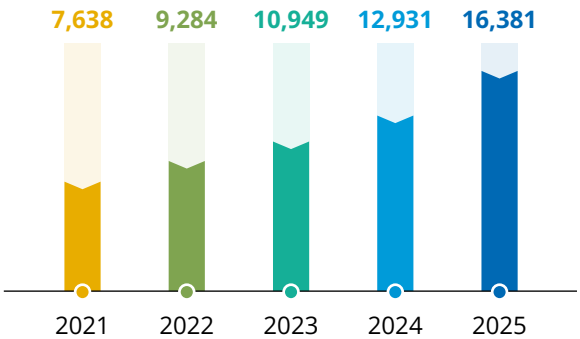
Operating Profit (Mn) BDT mn



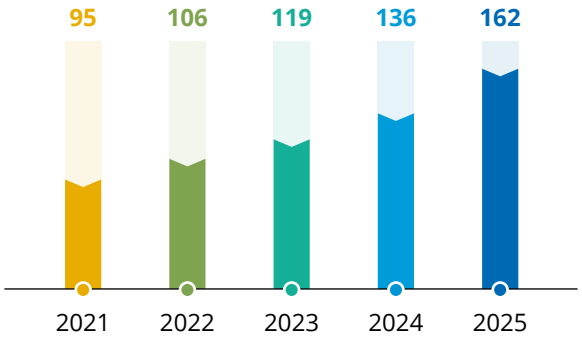
Profit Before TAX BDT mn



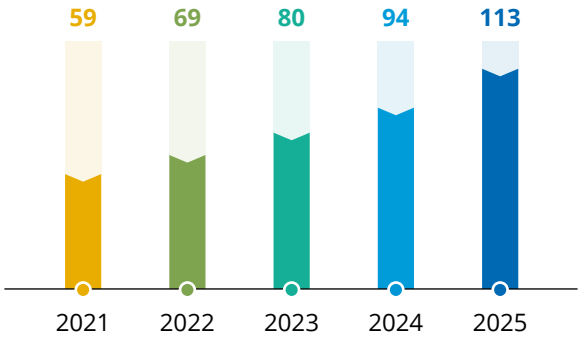
Contribution to Exchequer BDT mn



Total Assets (Bn)

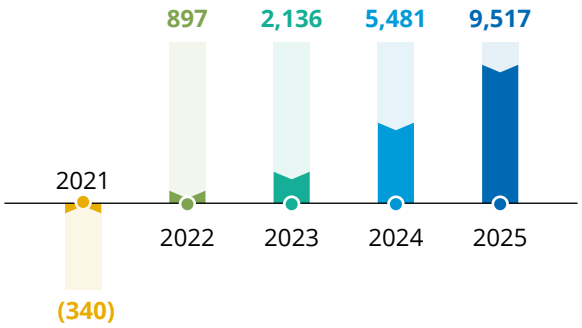


TCSA Balance (Bn)

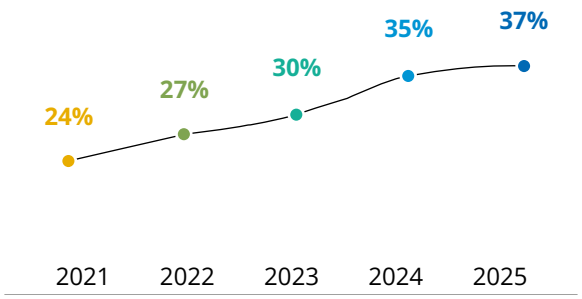


EBITDA

BDT mn



Gross Profit Ratio



DIRECTORS' REPORT

TO THE SHAREHOLDERS OF bKash LIMITED

Dear Shareholders

The Board of Directors of bKash Limited is pleased to present the Directors' Report on the company's operational and financial activities, along with the Audited Financial Statements for the year ended 31 December 2025. This report complies with Section 184 of the Companies Act, 1994, and regulatory requirements.

Driven by innovation and a commitment to financial inclusion, bKash Limited continued to expand its footprint as Bangladesh's most trusted Mobile Financial Services provider. Established in July 2011 as a joint venture between BRAC Bank PLC and Money in Motion LLC (USA), bKash has since attracted strategic investments from IFC, Gates Foundation, Ant Financial, and SoftBank. Since its inception, bKash has been instrumental in reshaping the country's financial landscape with a mission to serve the unbanked, building Bangladesh's strongest MFS network of over 380,000 agents, and evolving from a basic money transfer service into a comprehensive financial platform serving more than 82 million customers.

In 2025, bKash was honored with the "Excellence in Investment Award" from BIDA, recognizing its continued contribution to Bangladesh's digital financial ecosystem. The company achieved remarkable revenue growth, reaching over ~BDT 74.2 billion—an increase of ~29.6% from 2024. Alongside revenue, bKash saw significant growth in volume, profit, and new services, culminating in an impressive post-tax profit of ~BDT 6.6 billion. These accomplishments underscore bKash's pivotal role in bridging the digital divide and expanding financial services across the nation.

Looking ahead, bKash remains focused on leveraging technology to improve the lives of millions across Bangladesh. Total gross customer additions were 9.7Mn which expanded customer base to reach ~82.2 million, with ~57.5% of active users (at least one transaction in the past 90 days). These active users conducted transactions totaling ~BDT 13,965 billion, reflecting ~33.2% year-on-year growth.

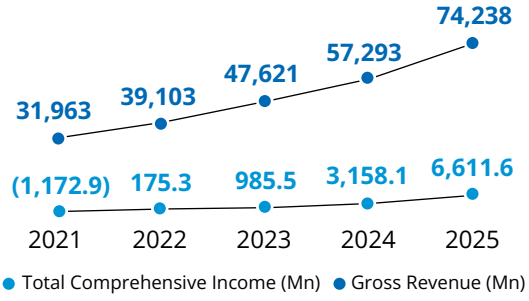
In 2025, bKash strengthened its commitment to nationwide financial inclusion by launching large-scale digital literacy initiatives, including the 'Digital Union' program, which brought safe and easy digital transactions to rural households and empowered communities with the knowledge to participate confidently in the digital economy.

The Company transcends mere financial inclusion, dedicating itself to empowering lives and making a positive impact. Through initiatives such as bAcademy, bNext, and GenNext, bKash not only fosters career growth but also promotes and nurtures local talent. In 2025, bKash directly employed 1,697 people and supported many more through its extensive distribution network, which included ~315 distribution houses. Contributions to the government in taxes and levies increased by ~27%, reaching BDT 16.4 billion. bKash also focused on social initiatives, such as the government's stipend program for students and salary disbursements for RMG workers. Around 1.2 million RMG workers received their salaries directly into their bKash wallets at a concessional rate. Additionally, the company donated more than ~40,000 books across the country.

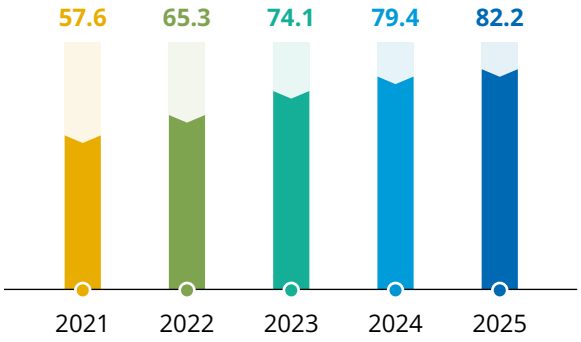
In 2025, bKash continued to strengthen its growth trajectory by introducing new features that further expanded the everyday utility of digital financial services. Key launches included the Send Money Bundle for greater value, Agent-Assisted Mobile Recharge to support customers needing in-person guidance, and NFC Payment for faster, tap-to-pay transactions. With innovations like Touch ID and Face ID, the bKash app now enables secure login, mobile recharge, and payment transactions, significantly enhancing user convenience and safety. These innovations enhanced customer convenience and trust, while broadening the range of use cases for bKash users across the country.

At the end of 2025, approximately ~23.6 million customers and over 319 thousand agents were actively using the app for daily transactions. The total comprehensive income for 2025 was BDT 6,611.6 million, a significant increase from BDT 3,158.1 million in 2024.

Gross Revenue & Total Comprehensive Income



Number of Customers BDT mn



The financial statements have been prepared on a going concern basis and using the accrual method of accounting, in accordance with International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh, the Companies Act 1994, and other relevant laws.

The statutory auditor, Rahman Rahman Huq, Chartered Accountants, has completed their audit for the year 2025 and is eligible for reappointment for the year 2026. The Board recommends their reappointment as the statutory auditor for 2026.

The Board expresses its appreciation to the entire bKash management team and acknowledges the exceptional efforts of the staffs in overcoming challenges and achieving the company's goals while maintaining high service standards.

The Board also thanks the shareholders for their continued support, as well as the regulators and government agencies for their ongoing assistance. Finally, the Board extends its gratitude to all loyal clients, whose confidence has made bKash the most preferred MFS provider and top brand in the country.

For and on behalf of the Board of Directors,

Chairman

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of bKash Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of bKash Limited ("the Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with Intemational Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or,

if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor

Ashraf-Uz-Zaman Ali, Partner, Enrolment Number: 1518
Rahman Rahman Huq, Chartered Accountants
Firm Enlistment Number: CAF-001-080

Dhaka, 05 Mar 2026
DVC: 2603081518AS113603

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the followings:

a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books, and

c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

bKash Limited

STATEMENT OF FINANCIAL POSITION

In Taka	Note	31 December 2025	31 December 2024
Assets			
Property, plant and equipment		3,502,982,310	2,460,182,121
Intangible assets		2,742,585,694	3,139,280,314
Deferred tax assets		1,313,628,967	1,632,917,967
Contract costs		929,185,612	1,016,244,312
Investment in government securities		1,987,336,041	7,476,091,613
Non-current assets		**10,475,718,624**	**15,724,716,327**
Operational and other receivables		2,489,538,542	1,759,676,620
Advances, deposits and prepayments		1,801,377,399	1,551,760,917
Current tax assets		-	139,222,475
Airtime in circulation		378,150,536	1,098,019,440
Trust cum settlement account and investments		112,615,253,015	94,072,835,312
Investment in government securities		12,400,955,166	12,826,530,308
Investment in fixed deposits		7,979,049,826	1,074,863,000
Cash and cash equivalents		14,069,961,133	7,582,073,082
Current assets		**151,734,285,617**	**120,104,981,154**
Total assets		**162,210,004,241**	**135,829,697,481**
Equity			
Ordinary shares		22,389,731,460	22,389,731,460
Preference shares		9,561,105,700	9,561,105,700
Capital Reserve		450,000,000	450,000,000
Retained earnings		8,911,822,130	2,300,195,950
Total equity		**41,312,659,290**	**34,701,033,110**
Liabilities			
Lease liabilities		915,792,975	199,726,959
Non-current liabilities		**915,792,975**	**199,726,959**
Defined benefit plan - gratuity		372,410,649	171,322,104
e-money in circulation		110,045,917,157	93,109,564,563
Operational and other payables		2,797,954,988	2,564,268,798
Current tax liabilities		19,477,435	-
Lease liabilities		147,215,722	160,672,712
Accrued expenses		6,598,576,025	4,923,109,235
Current liabilities		**119,981,551,976**	**100,928,937,412**
Total liabilities		**120,897,344,951**	**101,128,664,371**
Total equity and liabilities		**162,210,004,241**	**135,829,697,481**

Chief Executive Officer | Director | Director | Company Secretary

As per our report of same date.

Auditor

Ashraf-Uz-Zaman Ali, Partner,
Enrolment Number: 1518
Rahman Rahman Huq, Chartered Accountants
Firm Enlistment Number: CAF-001-080

DVC: 2603081518AS113603

Dhaka, 05 Mar 2026

bKash Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Taka	Note	For the year ended	
		31 December 2025	31 December 2024
Revenue		**65,655,624,371**	**50,582,056,407**
Cost of services		(41,477,725,220)	(32,697,675,477)
Gross profit		**24,177,899,151**	**17,884,380,930**
Operating and administrative expenses		(13,069,844,850)	(10,472,064,526)
Commercial expenses		(4,034,806,547)	(3,996,902,095)
Operating profit		**7,073,247,754**	**3,415,414,309**
Net finance income		2,516,438,140	1,897,154,305
Profit before contribution to WPPF		**9,589,685,894**	**5,312,568,614**
Contribution to WPPF		(479,484,295)	(265,628,431)
Profit before tax		**9,110,201,599**	**5,046,940,183**
Income tax expenses		(2,346,852,545)	(1,889,207,336)
Profit		**6,763,349,054**	**3,157,732,847**
Other comprehensive income/(expense)			
Item that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan		(209,272,930)	429,928
Related tax		57,550,056	(107,482)
		(151,722,874)	322,446
Total comprehensive income		**6,611,626,180**	**3,158,055,293**

Chief Executive Officer | Director | Director | Company Secretary

As per our report of same date.

Auditor

Ashraf-Uz-Zaman Ali, Partner,
Enrolment Number: 1518
Rahman Rahman Huq, Chartered Accountants
Firm Enlistment Number: CAF-001-080

Dhaka, 05 Mar 2026

DVC: 2603081518AS113603

bKash Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

In Taka	Ordinary shares	Preference shares	Capital reserve	Retained earnings/ (loss)	Total equity
Balance at 1 January 2024	**22,389,731,460**	**9,561,105,700**	**134,559,434**	**(542,418,777)**	**31,542,977,817**
Total comprehensive income					
Profit for the year	-	-	-	3,157,732,847	3,157,732,847
Other comprehensive income/(expense)	-	-	-	322,446	322,446
Transfer to capital reserve	-	-	315,440,566	(315,440,566)	-
Total	**-**	**-**	**315,440,566**	**2,842,614,727**	**3,158,055,293**
Balance at 31 December 2024	**22,389,731,460**	**9,561,105,700**	**450,000,000**	**2,300,195,950**	**34,701,033,110**

For the year ended 31 December 2025

In Taka	Ordinary shares	Preference shares	Capital reserve	Retained earnings/ (loss)	Total equity
Balance at 1 January 2025	**22,389,731,460**	**9,561,105,700**	**450,000,000**	**2,300,195,950**	**34,701,033,110**
Total comprehensive income					
Profit for the year	-	-	-	6,763,349,054	6,763,349,054
Other comprehensive income/(expense)	-	-	-	(151,722,874)	(151,722,874)
Total	**-**	**-**	**-**	**6,611,626,180**	**6,611,626,180**
Balance at 31 December 2025	**22,389,731,460**	**9,561,105,700**	**450,000,000**	**8,911,822,130**	**41,312,659,290**

bKash Limited
STATEMENT OF CASH FLOWS

In Taka	For the year ended	
	31 December 2025	31 December 2024
Cash flows from operating activities		
Cash receipt from customers and others	95,600,268,734	77,285,859,668
Cash paid to suppliers, employees and others	(58,950,343,014)	(50,342,267,924)
Cash generated from operating activities	**36,649,925,720**	**26,943,591,744**
Taxes paid to government exchequer	(10,288,784,810)	(7,899,128,133)
Net cash generated from operating activities	**26,361,140,910**	**19,044,463,611**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(980,706,833)	(656,879,433)
Acquisition of intangible assets	(1,334,489,387)	(1,977,030,736)
Interest received from deposits and government securities	2,338,508,748	1,983,096,094
(Investment in)/encashment of government securities	5,914,330,715	(7,119,103,240)
(Investment in)/encashment of fixed deposits	(6,904,186,826)	2,930,268,259
Net cash used in investing activities	**(966,543,583)**	**(4,839,649,056)**
Cash flows from financing activities		
Lease liabilities	(364,291,573)	(234,932,073)
Net cash used in financing activities	**(364,291,573)**	**(234,932,073)**
Net increase in cash and cash equivalents	**25,030,305,754**	**13,969,882,482**
Cash and cash equivalents including trust cum settlement account and investments as at 1 January	101,654,908,394	87,685,025,912
Cash and cash equivalents including trust cum settlement account and investments as at 31 December	**126,685,214,148**	**101,654,908,394**
Less: Trust cum settlement account and investments as at 31 December	**112,615,253,015**	**94,072,835,312**
Cash and cash equivalents as at 31 December	**14,069,961,133**	**7,582,073,082**

COMPANY OVERVIEW

BRAC EPL INVESTMENTS LIMITED (BEIL)

Company Profile

BRAC EPL Investments Limited (BEIL) is a leading investment bank in Bangladesh, backed by BRAC Bank PLC and BRAC. The Company provides integrated investment banking, advisory, and wealth management services, with a strong track record in structuring and executing complex capital market transactions.

BEIL has played a significant role in the development of Bangladesh's capital markets through its involvement in several landmark transactions. These include acting as Issue Manager in pioneering public offerings such as the first IPO of a greenfield company, the first IPO with a green shoe option, and the first IPO under the book-building method, as well as the first power sector bond IPO. The Company also acted as Arranger for a syndicated working capital facility for the country's first Public-Private Partnership (PPP) project and has advised on notable cross-border transactions, including brand and energy sector acquisitions.

In addition, BEIL has been associated with some of the most significant transactions in the market, including serving as Corporate Advisor in the demutualization of the Dhaka Stock Exchange (DSE), and acting as Issue Manager in one of the largest bank IPOs and rights offerings in Bangladesh.

Building on this legacy, BEIL continues to support its clients in accessing capital, managing financial risks, and achieving sustainable growth through innovative and market-driven solutions.

Retail and Wealth Management Services

In line with its commitment to broadening access to capital markets, BEIL offers a range of investment solutions tailored to both traditional and emerging investors. The Company currently serves approximately 3,000 clients and manages Assets Under Management (AUM) exceeding BDT 700 crore.

1. Portfolio Management Services

BEIL offers both discretionary and non-discretionary portfolio management solutions designed to accommodate varying levels of investor involvement, risk appetite, and return expectations.

a. Cap Edge

A non-discretionary portfolio management solution designed for investors who prefer to retain full control over their investment decisions. Clients independently determine the selection and timing of investments, while benefiting from continuous market insights, research-backed recommendations, and efficient trade execution support provided by BEIL's portfolio managers.

b. Cap Cash

A non-margin, non-discretionary investment solution offered through individual BO accounts, suitable for investors seeking to participate in the capital market without leverage exposure. The product combines investor autonomy with professional advisory support, enabling informed decision-making while maintaining a conservative risk profile.

2. Wealth Management Solutions

BEIL's wealth management offerings are structured to address diverse financial goals, investment horizons, and risk-return preferences, ranging from capital preservation to long-term wealth creation.

a. PROGOTI (Systematic Investment Plan)

A structured monthly investment program designed to help investors build wealth through disciplined and consistent contributions. By investing a fixed amount at regular intervals, clients benefit from market averaging and reduced timing risk, making it suitable for long-term financial planning and goal-based investing.

b. SHUROKKHA (Secure Investment)

A capital preservation-focused solution that provides investors with access to government securities, including Treasury Bills and Treasury Bonds across varying maturities. This product is particularly suited for risk-averse investors seeking stable and predictable returns with minimal exposure to market volatility.

c. SHOMRIDDHI (Managed Portfolio)

A diversified portfolio management solution designed for investors seeking professional management across multiple asset classes. The portfolio is actively allocated between equities and fixed-income instruments to achieve optimal risk-adjusted returns, based on prevailing market conditions and investment objectives.

d. PROVIDDHI (Active Fund Management)

An actively managed portfolio solution tailored for high-net-worth individuals seeking enhanced returns through dynamic asset allocation and strategic investment decisions. The product emphasizes active monitoring, tactical positioning, and risk management to capitalize on market opportunities.

e. BONDHON (Fixed-Income Portfolio)

A non-discretionary portfolio focused on fixed-income securities, including government and corporate bonds. Designed for conservative investors, this solution provides a structured avenue to access debt instruments while maintaining control over investment decisions, supported by advisory and execution services.

Corporate and Investment Banking Services

BEIL provides a comprehensive suite of investment banking and advisory services to corporate, financial institution, and institutional clients. The firm supports clients across the full transaction lifecycle—from strategic planning and capital structuring to execution and post-transaction advisory—enabling efficient access to capital and long-term value creation.

1. Debt Arrangement

BEIL specializes in structuring and arranging a broad range of debt financing solutions tailored to the specific requirements of clients. These include syndicated loans, corporate bonds, bridge financing, mezzanine debt, and asset-backed securities. The firm works closely with borrowers and lenders to design optimal capital structures, negotiate terms, and ensure efficient execution, supporting both working capital and long-term financing needs.

2. Private Equity Advisory

BEIL advises clients on raising capital through private equity and venture capital, offering alternatives to traditional debt financing. Leveraging its network of local and international investors, the firm assists in identifying suitable funding partners, structuring transactions, and negotiating terms that align with the client's strategic objectives. This service is particularly relevant for growth-stage companies seeking expansion capital and strategic partnerships.

3. Public Equity

BEIL provides end-to-end advisory and execution support for raising capital through public equity markets, including Initial Public Offerings (IPOs), Repeat Public Offerings (RPOs), Rights Issues, Qualified Investor Offerings (QIOs), and underwriting services. The firm guides clients through the entire process—ranging from transaction structuring, valuation, and preparation of offer documents to regulatory approvals and market execution—ensuring compliance and optimal market positioning.

4. Quasi Equity Solutions

BEIL facilitates capital raising through hybrid instruments that combine features of both debt and equity, such as preference shares and convertible bonds. These solutions offer flexibility in structuring financing arrangements, enabling clients to optimize their capital structure while balancing cost, risk, and control considerations.

5. Mergers & Acquisitions (M&A) Advisory

BEIL provides comprehensive advisory services on mergers, acquisitions, divestitures, and strategic partnerships across sectors and geographies. The firm supports clients throughout the transaction lifecycle, including target identification, valuation, financial and commercial due diligence, deal structuring, negotiation, and execution. BEIL acts as a trusted advisor to ensure that transactions are aligned with clients' strategic and financial objectives.

6. Corporate Advisory

BEIL delivers specialized corporate and financial advisory services to support strategic decision-making and business transformation. These include project financing advisory, financial restructuring, feasibility analysis, and financial due diligence. The firm works closely with clients to develop tailored solutions that enhance operational efficiency, optimize capital structures, and support sustainable growth.

Sustainability and Values

As part of the BRAC family, BEIL is committed to responsible and sustainable business practices. The Company integrates environmental, social, and governance (ESG) considerations into its operations and advisory services, recognizing that long-term value creation depends on sustainable growth, ethical practices, and responsible investment.

Network and Presence

BEIL's Corporate Head Office is located in Mohakhali, Dhaka. The Company operates multiple branches across key financial hubs, including Motijheel and Gulshan in Dhaka, as well as a presence in Chattogram, enabling it to effectively serve clients across the country.

DIRECTORS' REPORT

TO THE SHAREHOLDERS OF BRAC EPL INVESTMENTS LIMITED

Dear Shareholders, The Board of Directors of BRAC EPL Investments Limited (BEIL) is pleased to present the Directors' Report on the operational and financial activities of BEIL together with the Audited Financial Statements for the year ended 31 December, 2025. The Directors' Report has been prepared in compliance with Section 184 of the Companies Act, 1994, and the requirements mandated by the regulatory bodies.

Global Economy

The global economy in 2025 continued to navigate a complex transition phase, characterized by cautious optimism alongside persistent structural and geopolitical challenges. According to the International Monetary Fund's World Economic Outlook, global economic growth is projected to remain steady at approximately 3.2 percent, broadly but still below the historical long-term average. This reflects gradual normalization following years of pandemic disruptions, supply-chain shocks, and aggressive monetary tightening across major economies.

Global financial markets remained sensitive to policy signals and geopolitical risks. Equity markets have shown selective strength, particularly in technology, energy transition, and healthcare sectors, while bond markets continue to adjust to changing yield expectations. Cross-border capital flows remain volatile, reflecting investor preference for economies with strong macroeconomic fundamentals.

The World Bank emphasizes that global growth remains constrained by low investment, subdued productivity, demographic pressures, and climate-related risks.

Bangladesh Economy

Bangladesh's economic condition in 2025 reflects a phase of macroeconomic adjustment and cautious recovery. External sector pressures stabilized, supported by strong remittance inflows and gradual improvement in export earnings. However, elevated foreign debt levels continue to demand prudent fiscal and debt management. The economy is experiencing a fragile, uneven recovery with moderated GDP growth estimated between 3.7% and 4.1% for FY2025, marking a three-year decline. High inflation (approx. 8-10%), subdued investment, banking sector vulnerabilities (non-performing loans at 24.1%), and political transition challenges continue to constrain growth, despite resilient garment exports. Food inflation continues to affect household purchasing power, driven by supply chain inefficiencies and import dependency. The Bangladesh Bank's tight monetary stance has helped ease inflationary pressures, but long-term stability requires reforms in agriculture, logistics, and energy sectors.

The global and Bangladesh economic outlook in 2025 reflects a balance between resilience and reform imperatives. Strengthening financial markets, enhancing governance, and maintaining macroeconomic stability will be essential for achieving sustainable growth.

Capital Market Scenario

The capital market experienced yet another bearish year in 2025, with the Dhaka Stock Exchange Market Capitalization falling 9.9% and the benchmark index (DSEX) shedding 351 points (6.7%) over the year, ending at 4,865 points.

A combination of factors kept the market under pressure throughout the year. Uncertainty over the upcoming national election weighed heavily, discouraging both local and foreign investors from taking long-term positions. Additionally, overall economic uncertainty, a deterioration in law and order and weak private investment further eroded sentiment.

Regulatory actions significantly shaped market behavior. The BSEC took punitive steps against several high-profile investors accused of wrongdoing. Heavy fines were imposed on some large investors for past manipulation. While the move was certainly overdue to create accountability, the abrupt actions heightened short-term uncertainty and froze trading activity, affecting the overall market movements and investor participation. Confidence was also hit by internal challenges at the regulator. Reports of operational chaos and delays in finalizing key regulations left investors uncertain about policy direction. The absence of any new IPOs throughout the year further narrowed investment options, leaving the market reliant on secondary trading of existing stocks.

At the same time, 2025 laid the groundwork for reform. Building on the reform momentum initiated by the reconstituted regulatory body, the market began to show signs of long-term stabilization. Throughout the year, the Bangladesh Securities and Exchange Commission (BSEC) continued implementing reform initiatives. These reforms focused on addressing long-standing structural weaknesses, including market

manipulation, negative equity concerns, governance lapses, and barriers to capital formation. Several visible measures, such as strengthened surveillance systems, stricter compliance requirements, and improved disclosure standards, contributed to gradually rebuilding investor confidence.

In parallel, macroeconomic conditions showed relative improvement compared to the previous year. Inflationary pressures began to ease due to prudent monetary management, and the central bank adopted a more balanced policy stance aimed at supporting economic growth while maintaining price stability. Liquidity conditions in the financial system improved moderately, allowing greater institutional participation in the equity market.

Overall, 2025 can be characterized as a transitional year of rebuilding trust and strengthening foundations. With reform initiatives gaining traction and macroeconomic indicators gradually stabilizing, the capital market is positioned for more robust and sustainable growth in the coming years. We remain confident that the ongoing structural reforms, combined with supportive economic policies, will foster a transparent, efficient, and resilient capital market ecosystem going forward.

Business Review

The market situation during 2025 reflected upon our traditional retail business. Marketing, sales, and promotional activities remained intentionally subdued due to the volatility of the market, the overall uncertainty in the economy, and pending policy changes by the Bangladesh Securities & Exchange Commission. Our retail focus remained in growing the wealth management products that were introduced in 2024. Our stand-out product for 2025 has been a corporate debt focused product named Bondhon, with an AUM of BDT 450 crore. For comparison, our AUM in all other retail products combined at the end of 2025 stood at approximately BDT 330 crore. Our focus going forward will be to continue launching new products under the wealth management division to penetrate untapped markets with new product classes to cater to the untapped segments of the population.

Despite sluggish economic activities, no scope for public fund raising, and high yield of treasury products, our corporate division enjoyed one of the most successful years raising an unprecedented BDT 1,151 crore through private placement. Successful closures of the BRAC Bank 2nd subordinated bond and the Dhaka Bank Subordinated bond worked as an intervention in the sub-bond market segment and introduced new distribution channels to sell such bonds. In 2025, we were the most active merchant bank in terms of working with social enterprises; successfully raising funds through Zero Coupon Bond issuances for Sajida Foundation and CDIP.

Additionally, the year 2025 saw the issuance of the first Social Bond of Bangladesh. This internationally accredited global standard bond issuance introduced a thematic bond sub-class in the country's capital market, and served as the building block in establishing the impact investment ecosystem in Bangladesh. The bond issued by BRAC Bank has already completed 80% subscription and is expected to be fully subscribed by Q1 2026, marking the first successful closure of a social bond in Bangladesh. Additionally, the application for the issuance of the first Orange Bond in Bangladesh was also submitted to the respective Regulators at the end of 2025. The Orange bond derived from SDG 5 (Gender Equality) will further enhance the depth of the thematic bond industry, and channel crucial capital into untapped and underserved communities of the country.

Our primary focus for 2026, will be to continue issuing new thematic bonds for Banks, MFIs and Corporates in order to build a comprehensive impact investment ecosystem in Bangladesh. We will focus on providing retainer based financial and advisory services for social enterprises as the country prepares for the challenges post LDC graduation. We have already established a separate dedicated IPO team, as this public fund raising is expected to significantly pick-up during 2026, following the much-awaited issuance of the new Public Issue Rules by BSEC. BEIL is also active in Preference share issues, Valuation and Trustee deals, M&A and Loan syndications.

Operating Results

During the year under review, the Company demonstrated a significant turnaround in performance despite continued challenges in the capital market and the overall economy. Revenue stood at BDT 102.06 million compared to BDT 115.61 million in 2024; however, prudent cost management and a substantial reduction in direct expenses resulted in a notable improvement in gross profit. The loss from investment in securities narrowed considerably, leading to a significant reduction in operating loss to BDT 120.93 million from BDT 230.39 million in the previous year. Consequently, the Company recorded a net profit of BDT 17.51 million for 2025, compared to a net loss of BDT 577.33 million in 2024, reflecting improved operational resilience and financial stability.

Balance Sheet Performance

As at 31 December 2025, the Company's total assets stood at BDT 1,692.64 million, compared to BDT 1,675.28 million in 2024, reflecting a stable and resilient financial position. During the year, the Company strategically reduced its exposure to quoted securities, resulting in a lower investment portfolio,

while significantly strengthening its liquidity through a substantial increase in cash and cash equivalents. Loans and advances to customers increased, indicating improved margin lending activities and greater client engagement.

Total equity rose to BDT 733.59 million from BDT 716.09 million in the previous year, supported by the profit earned during 2025, which helped reduce accumulated losses. Total liabilities remained broadly stable at BDT 959.04 million, with a notable reduction in bank overdrafts and an increase in customer deposits, reflecting an improved funding structure and enhanced investor confidence. Overall, the balance sheet demonstrates prudent financial management, stronger liquidity, moderated market risk exposure, and gradual improvement in the Company's financial stability.

Note of Appreciation

On behalf of the Board of Directors, I extend my deepest appreciation to the entire BRAC EPL Investments Limited team. It is important to recognize the extraordinary commitment and teamwork demonstrated by our employees in overcoming numerous challenges during a demanding year. They consistently stepped forward to address significant responsibilities while maintaining the highest standards of integrity and service excellence for our clients.

The Board also conveys its sincere gratitude to our valued clients and respected shareholders for their continued confidence and steadfast support of BEIL.

We would further like to acknowledge, with appreciation, the continued guidance and cooperation of the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, and Central Depository Bangladesh Limited for their valuable role in supporting and strengthening the capital market.

For and on behalf of the Board of Directors

Fahima Choudhury
Chairperson

INDEPENDENT AUDITOR'S REPORT

To the shareholders of BRAC EPL Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BRAC EPL Investments Limited (the ""Company"") which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of BRAC EPL Investments Limited for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 22 April 2025.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectives of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to case to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 2020, we also report the following:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) In our opinion, proper books of account as required by law have been kept by the Company's so far as it appeared from our examination of those books;

c) The Company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Akhtar Sanjida Kasem FCA, FCMA, CFE
Engagement Partner
ICAB Enrolment Number: 0643

DVC: 2603030643AS353614

Place: Dhaka
Date: 03 March 2026

BRAC EPL Investments Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

In Taka	Note	31 December 2025	31 December 2024
Assets			
Property, plant and equipment		20,376,881	27,116,317
Intangible assets		1,194,376	2,581,127
Right-of-use assets		26,889,887	31,219,273
Deferred tax assets		464,367,612	319,846,323
Non-current assets		**512,828,755**	**380,763,040**
Accounts receivable		50,138,406	30,155,725
Investment in securities		372,402,705	725,679,988
Intercompany receivable		-	57,500
Loans and advances to customers		420,816,986	382,867,977
Advances, deposits and prepayments		1,050,909	1,250,316
Cash and cash equivalents		335,399,254	154,505,662
Current assets		**1,179,808,260**	**1,294,517,168**
Total assets		**1,692,637,015**	**1,675,280,208**
Equity			
Share capital		2,585,000,000	2,585,000,000
Share premium		436,825,951	436,825,951
Retained earnings		(2,288,231,817)	(2,305,737,750)
Total equity		**733,594,134**	**716,088,201**
Liabilities			
Lease Liabilities		26,133,081	31,074,912
Term loans from ICB		95,177,924	-
Non-current liabilities		**121,311,005**	**31,074,912**
Lease liabilities		3,422,705	3,566,460
Customer deposits		315,682,996	133,588,343
Bank overdrafts		408,772,169	748,946,087
Term loans from ICB		44,822,076	-
Accounts payable		14,753,661	2,678,071
Current tax liabilities		4,005,779	4,328,689
Other liabilities		46,272,491	32,482,646
Intercompany payable		-	2,526,799
Current liabilities		**837,731,877**	**928,117,095**
Total liabilities		**959,042,882**	**959,192,007**
Total equity and liabilities		**1,692,637,015**	**1,675,280,208**

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Akhtar Sanjida Kasem FCA, FCMA, CFE
Engagement Partner
ICAB Enrolment Number: 0643

DVC: 2603030643AS353614

Place: Dhaka
Date: 03 March 2026

Fahima Choudhury
Chairperson

Mohammod Masud Rana
Director

Syed Rashed Hussain
Chief Executive Officer

BRAC EPL Investments Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

In Taka	Note	31 December 2025	31 December 2024
Revenue		102,060,628	115,612,682
Direct expenses		(83,687,275)	(112,112,851)
Gross profit		**18,373,353**	**3,499,831**
Income/(loss) from Investment in Securities		(45,537,808)	(146,850,209)
Operating expenses		(95,336,359)	(87,081,431)
Other income		1,570,725	38,988
Operating profit		**(120,930,089)**	**(230,392,821)**
Net finance income		6,043,195	1,538,878
Profit/(loss) before tax		**(114,886,894)**	**(228,853,943)**
Income tax expense		132,392,827	(348,471,955)
Profit/(loss) for the year		**17,505,933**	**(577,325,898)**

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Akhtar Sanjida Kasem FCA, FCMA, CFE
Engagement Partner
ICAB Enrolment Number: 0643

DVC: 2603030643AS353614

Place: Dhaka
Date: 03 March 2026

Fahima Choudhury
Chairperson

Mohammod Masud Rana
Director

Syed Rashed Hussain
Chief Executive Officer

BRAC EPL Investments Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the company			
	Share capital	Share premium	Retained earnings	equity
Balance at 1 January 2024	**2,585,000,000**	**436,825,951**	**(1,728,411,852)**	**1,293,414,099**
Total comprehensive income				
Profit for the year	-	-	(577,325,898)	(577,325,898)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**(577,325,898)**	**(577,325,898)**
Transactions with owners of the Company				
Contributions and distributions				
Issue of ordinary shares	-	-	-	-
Dividends	**-**	**-**	**-**	**-**
Total transactions with owners of the Company	**-**	**-**	**-**	**-**
Balance at 31 December 2024	**2,585,000,000**	**436,825,951**	**(2,305,737,750)**	**716,088,201**
Balance at 1 January 2025	**2,585,000,000**	**436,825,951**	**(2,305,737,750)**	**716,088,201**
Total comprehensive income				
Profit for the period	-	-	17,505,933	17,505,933
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**17,505,933**	**17,505,933**
Transactions with owners of the Company				
Contributions and distributions				
Issue of ordinary shares	-	-	-	-
Dividends	-	-	-	-
Total transactions with owners of the Company	-	-	-	-
Balance at 31 December 2025	**2,585,000,000**	**436,825,951**	**(2,288,231,817)**	**733,594,134**

BRAC EPL Investments Limited

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Note	2025 In BDT	2024 In BDT
Cash flows from operating activities			
Profit before tax		(114,886,894)	(228,853,943)
Adjustments for:			
– Depreciation of property, plant and equipment		7,329,897	5,956,772
– Amortisations of intangible assets		1,386,751	1,015,723
– Gain on sale of property, plant and equipment		(1,400,000)	(18,863)
– Loss/(Gain) on disposal of right-of-use assets		(2,444,236)	2,103,628
– Depreciation of right-of-use assets		4,976,272	5,197,099
– Interest expense of right-of-use assets		3,738,838	4,113,509
– Income from Dividend own investment		(28,652,150)	(42,836,767)
– Change in fair value of investment in securities		(87,929,597)	118,598,027
		(102,994,225)	**94,129,128**
Changes in:			
– Loans and advances to customers		(37,949,009)	168,850,051
– Accounts receivable		(27,388,144)	10,511,204
– Advances, deposits and prepayments		199,407	10,064,374
– Intercompany receivable		57,500	(57,500)
– Customer deposits		182,094,653	8,217,086
– Accounts payable		12,075,590	(1,760,304)
– Intercompany payable		(2,526,799)	553,165
– Other liabilities		13,789,847	19,153,248
Cash generated from operating activities		**140,353,045**	**215,531,324**
Income tax paid		(12,451,373)	(13,607,994)
Net cash from/(used in) operating activities		**(89,979,447)**	**67,198,515**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(590,460)	(24,772,062)
Acquisition of intangible assets		-	(2,047,500)
Proceeds from sale of property, plant and equipment		1,400,000	50,000
Received from Dividend Investments		36,057,613	46,047,053
Sale/(purchase) of investment securities		441,206,880	232,730,862
Net cash from/(used) in investing activities		**478,074,033**	**252,008,353**
Cash flows from financing activities			
Payment of lease liabilities		(7,027,075)	(6,181,036)
Repayment of bank overdrafts		(340,173,918)	(294,593,145)
Receipts/(Payments) of ICB term loans		140,000,000	-
Net cash from/(used) in financing activities		**(207,200,993)**	**(300,774,181)**
Net increase in cash and cash equivalents		**180,893,593**	**18,432,687**
Cash and cash equivalents at 1 January 2025		154,505,662	136,072,975
Cash and cash equivalents at 31 December 2025		**335,399,254**	**154,505,662**

COMPANY OVERVIEW

BRAC EPL STOCK BROKERAGE LIMITED (BESL)

About Us

BRAC EPL Stock Brokerage Limited (BESL) is the 3rd largest stock brokerage house among 288 brokers in the country with a 4.84% market share of DSE in 2025. BESL has a dominant market share of more than 51% in the foreign portfolio investment execution segment. The company also offers brokerage services to its 24,184 clients, including local institutions, retail clients, non-resident Bangladeshis (NRBs), and more than 100 foreign institutional clients through 14 branches and 151 employees.

Product & Services

BESL offers stock brokerage services to all Bangladeshi and International Capital Market Investors. Our services include equity and fixed-income execution in the public market

Public Market Execution

BESL has maintained the third position among 288 brokers. On average, BESL had 4.84% market share of DSE turnover.

Investment Research & Advisory Services

BESL pioneered the investment research industry in Bangladesh. Currently, the Research Department, with seven analysts, including CFA Charter holders and multiple CFA pursuing candidates, has broader investment research and investment advisory mandates. The team has research partnerships with Bloomberg, Thomson Reuters, S&P Capital IQ, FactSet and AlphaSense. The following are some of the key achievements of the team in recent times:

- Organized and hosted the Foreign Investors Summit 2025 in August 2025 in Dhaka, bringing together policymakers, regulators, listed companies, and 100+ international investors to discuss Bangladesh's capital market reforms, investment opportunities, and foreign participation.
- Arranged the largest virtual investor conference in Bangladesh for international clients in December 2024, bridging key stakeholders with investors from Europe, North America & Asia Pacific.
- Successfully provided multiple research advisory services to domestic & international clients, including service to a US Bank in 2023, meeting US Federal Reserve regulations.
- Launched subscription-based information & analytics services for domestic and international clients in 2022, alongside existing sell-side research services.
- Expanded its presence in macroeconomic research as well as analytics space, and broadened digital media presence, strengthening footprint in Bloomberg, Global Finance magazine and other reputed media.
- The Team continues to generate direct foreign income from sell-side research, information services and advisory services.
- The team was awarded as the Best Research House in Bangladesh in 2019 by International Finance Publications.

Financial Highlights (BDT in million unless otherwise specified)

Particulars	2025	2024	2023	2022	2021
Total Revenue	308.09	331.07	306.74	402.19	590.45
Profit Before Tax	170.35	47.73	119.08	159.48	379.41
Net Profit After Tax (PAT)	67.22	(39.06)	45.31	77.31	257.93
EBITDA	109.59	53.06	134.02	175.03	400.59
Total Assets	2,648.79	2,517.13	2,462.64	2,183.72	2,425.63
Contribution to Exchequer	80.35	89.05	71.27	99.47	112.41
Gross Profit Margin Ratio	74.31%	73.06%	78.57%	76.74%	76.91%
Earnings per share (EPS), BDT	5.26	(3.06)	3.70	7.66	30.67

Capital Market Outlook

2025 remained a difficult and transitional year for Bangladesh's capital market, shaped primarily by tight macroeconomic conditions, elevated risk-free returns, and persistent investor caution. While expectations at the beginning of the year leaned toward gradual normalization following the structural and regulatory shifts of 2024, market performance continued to reflect liquidity stress and risk aversion. By December 30, 2025, the DSEX Index declined to 4,865.3 points, registering a 6.7% YoY fall, extending the multi-year corrective cycle. Equity market capitalization contracted 9.9% YoY, as uncertainty surrounding interest rates, earnings visibility, and political direction, on top of volatile global geopolitics, weighed on valuations.

Early optimism - supported by regulatory continuity and reform signaling—gradually faded as macroeconomic pressures persisted through the year. Exogenous shocks like US tariff plays and others added more to the worries. Although intermittent spurts of trading activity were observed, overall liquidity conditions remained tight throughout 2025. Market activity overall shrunk further to BDT 5.2 Bn (-17.5% YoY), with a significant portion of listed securities trading below prior-year levels. Competition from high yield government securities and political worries were key factors behind muted participation.

Primary market activity was notably subdued in 2025. No IPOs debuted in the Equity Main Market or the DSE SME platform, and no corporate bonds were listed during the year, as the prevailing regulatory focus remained centered on corrective actions and policy reforms. With new rules for equity issuance, mutual fund management and margin loans being unveiled, a fresh start could begin from 2026 and ahead. Meanwhile, fixed income investing gained traction across retail and institutional segments, and appears to be a lasting development. The equity market of Bangladesh traded at 8.6x PE ratio and 1.5x PBV ratio at the end of December 2025.

We expect the market to take a positive turn in 2026, primarily catalyzed by post-election clarity, improved policy visibility, and a gradual normalization of macroeconomic conditions supporting corporate earnings and investor sentiment. With the national election scheduled in February 2026 and economic direction expected to become clearer thereafter, business confidence and investment activity should gradually rebound. Moreover, as inflation moderates and the interest rate environment begins to ease from its elevated cycle, incremental liquidity is expected to flow back into the equity market from fixed-income instruments. In parallel, the continued expansion of digital trading infrastructure, OMS stabilization, and technology-led investor onboarding is expected to support a structurally higher participation of retail investors, reinforcing a tech-driven increase in market engagement.

In this evolving landscape, our goal is to increase market share and broaden participation through technology-led and partnership-driven initiatives. To achieve this, BRAC EPL Stock Brokerage Limited (BESL) will focus expanding online client base leveraging our strategic integrations with Astha, bKash and ecosystem partners. Internal automation and tech driven initiatives will increase further, to improve overall reach while ensuring a better client experience. Alongside, collaborating with banks and other financial service providers, we would broaden our service offerings across various financial sectors.

On August 13, 2025, BRAC EPL Stock Brokerage Limited hosted the "Foreign Investor Summit 2025", and brought together more than a hundred foreign investors in person, as well as key stakeholders from the financial and economic sectors. The event served as a platform to present Bangladesh's investment landscape internationally and promote engagement with foreign participants and non-resident Bangladeshis (NRBs). Leveraging the success of our roadshow, we plan to attract more foreign investors and NRBs to increase our market share in the foreign segment, supported by a more market-driven FX regime that should improve confidence and ease of capital flow.

Our corporate access desk, one of the most active in the country, has managed over 50 client roadshows since its inception a few years ago. We aim to leverage this position to better serve our clients. BESL plans to focus on the corporate business wing to enhance capital market investments in both equity and fixed income spaces. We will prioritize superior trade flow management, better execution, and increased customer engagement through sales calls in collaboration with our research team to further improve client service.

DIRECTORS' REPORT

TO THE SHAREHOLDERS OF BRAC EPL STOCK BROKERAGE LIMITED

Dear Shareholders,

The Board of Directors of BRAC EPL Stock Brokerage Limited (BESL) is pleased to present before you the Directors' Report on the operational and financial activities of your Company together with the Audited Financial Statements for the year ended 31 December 2025. The Directors' Report has been prepared in compliance with Section 184 of the Companies Act, 1994, and the requirements mandated by the regulatory bodies.

Bangladesh Economy Review 2025

2025 was a year of macroeconomic consolidation for Bangladesh, marked by tight policy settings, external sector repair, and an explicit shift toward market-based mechanisms. Policymakers prioritized restoring confidence, rebuilding foreign exchange buffers, and containing inflation after the extended stress cycle of recent years. While growth remained subdued, the year was defined by stabilization rather than crisis management. Political developments increasingly influenced sentiment, with the national election formally scheduled for 12 February 2026, anchoring expectations around policy continuity and institutional normalization.

The year progressed unevenly, reflecting a gradual shift from stress management toward stabilization. The first half of the year remained constrained by tight liquidity, elevated interest rates, and subdued risk appetite, keeping economic and market activity muted. Conditions improved modestly in the second half as foreign exchange availability normalized and confidence stabilized. Capital market indicators mirrored this trajectory: the DSEX reached a low of 4,615 in May 2025, before rebounding to a year-high of 5,636 in September, although gains proved difficult to sustain amid persistent liquidity constraints. Market activity remained thin overall, with Average Daily Turnover declining to BDT 5.2 billion in 2025 (-17.5% YoY), highlighting that stabilization did not yet translate into a full liquidity recovery.

On the global front, international trade went through a disruptive phase of transition, as tariff actions and realigned supply chains pushed trading partners to adjust to a new reality and rethink trade dynamics. Bangladesh, however, navigated the disruptions with composure, managing the pressure points, while keeping trade competitiveness broadly aligned with key regional peers like Vietnam. Looking ahead, Bangladesh's anticipated LDC graduation in November 2026 remains a defining catalyst, expected to shape the next chapter of our trade competitiveness.

Bangladesh's external position improved materially in 2025. 2025 remittance inflows reached a record USD 32.0 billion in 2025 (+22.3% YoY), crossing the USD 30 billion threshold for the first time, supported by stronger formal channel usage and policy incentives. Export earnings remained resilient at USD 48.28 billion in FY25 (+8.6% YoY) despite global uncertainty. These inflows supported FX market normalization and trade settlement. Foreign exchange reserves (IMF BPM6 basis) rose to USD 28.52 billion by 30 December 2025, from USD 21.39 billion at end-2024, while gross reserves stood at USD 33.19 billion. Although rating agencies maintained a cautious stance reflecting legacy stress, reserve rebuilding and external inflow momentum materially reduced near-term balance-of-payments risk.

Domestically, the costs of heavy borrowing to finance the budget became more pronounced, with interest expense expected to consume ~15% of the total budget. As expenditure continued to outpace revenue collection, the GoB relied on relatively expensive bank borrowing despite fiscal austerity measures. Although Treasury yields eased modestly after staying near 12.0% mark for an extended period, G-Sec still remained an attractive alternative investment. Notably, the 5-Year T-Bond fell to 10.84% on Dec'25, from 12.36% in Dec'24. Within the banking system, lending rates remained in double digits, while deposit rates adjusted broadly in line with easing Treasury yields. During 2025, BB kept the policy rate unchanged at 10.0%, following the last hike in October 2024. Enhanced central bank involvement in the money market kept the call money rate anchored around the ~10.0% range, while improved liquidity in H2'25 enhanced banks' participation in the money market. Reflecting the broader easing trend, the 91-D T-Bill yield declined to 10.5% (~100 bps YoY) and 364-D T-Bill eased to 10.7% (~130 bps YoY) by the end of December 2025.

The banking and broader financial system remained under intense regulatory focus in 2025. Bangladesh Bank initiated Asset Quality Review (AQR) exercises to improve transparency around balance sheet health and legacy asset quality issues. As part of structural reform, the central bank advanced a merger process involving five Shariah-based banks, aiming to address chronic governance weaknesses and restore depositor confidence. In parallel, regulatory

actions progressed on stressed non-bank financial institutions, including liquidation and resolution planning, reinforcing discipline across the financial system. Elevated treasury exposure and liquidity tightness continued to weigh on intermediation capacity, underscoring the trade-off between fiscal financing and private sector credit expansion.

Meanwhile, continuing under elevated interest rates, GoB borrowing, and other catalysts, inflation continued as a persistent economic challenge, further stretched by external shocks, import limitations, and market inefficiencies. It remained elevated throughout 2025, constraining real income recovery and reinforcing policy tightness. Point-to-point headline inflation stood at 8.49% YoY in December 2025, compared to 9.41% in December 2024, indicating gradual moderation. The 12-month moving average inflation also declined to 8.77%, suggesting improvement, even as cost pressures continued to linger. Food inflation eased during the year, while non-food inflation remained sticky at above 9% YoY, driven by housing, transport, energy, and service costs, as well as lagged exchange rate pass-through and high financing costs. Persistently high inflation limited the scope for near-term monetary easing despite improving external conditions.

In 2025, the regulatory landscape reflected a mix of structural reform and targeted policy recalibration across the banking sector. Most notably, BB transitioned to a more market-driven exchange rate regime from May 14, 2025, while maintaining an undisclosed band to support FX market stability. The highly anticipated Bank Resolution Ordinance 2025 introduced a formal resolution framework, strengthening the authorities' ability to intervene early, restructure, and stabilize distressed banks and NBFIs. Loan classification and provisioning requirements were updated, alongside tighter dividend eligibility for weaker banks. BB also outlined IFRS 9 transition roadmap (expected credit loss framework), with implementation expected by 2027. Meanwhile, BB issued a series of FX and trade-related circulars, in line with improving FX liquidity conditions.

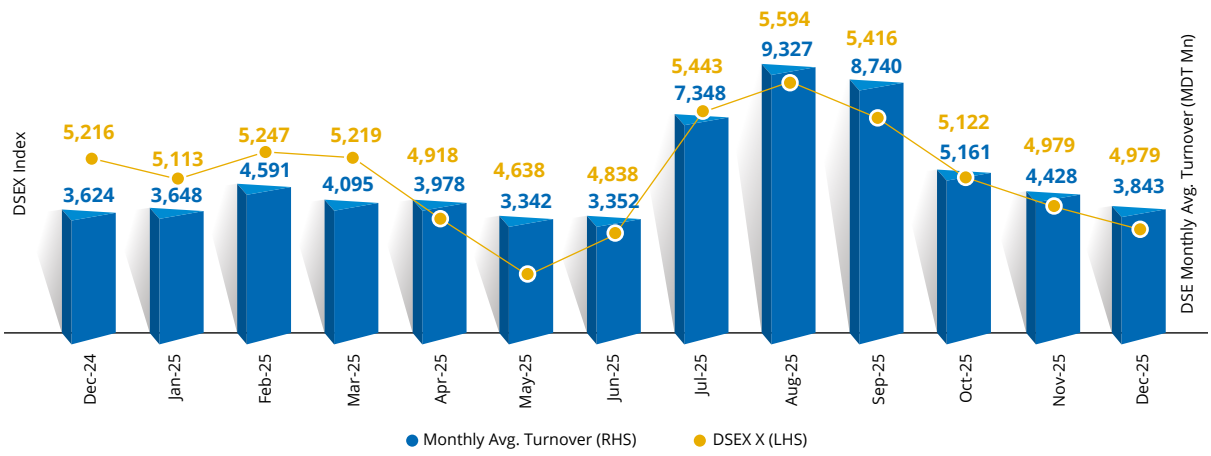
Capital Market Review 2025

Bangladesh's capital market remained subdued in 2025, reflecting the tight macro backdrop, elevated risk-free returns, and investor caution amid ongoing financial sector reform narratives. The year witnessed episodic activity bursts but overall anemic turnover, with market leadership concentrated in select names and small-cap activity remaining more visible than broad-based price discovery.

By year-end, the Dhaka Stock Exchange benchmark index DSEX declined 6.7% YoY to 4,865.3 points on 30 December 2025 (Dec'24: 5,216.4), while equity market capitalization declined 9.9% YoY. Average daily turnover value (ADTV) contracted to BDT 5,215 Mn (-17.5% YoY), compared with BDT 6,320 Mn in 2024, as liquidity remained constrained through most of the year. At end-December 2025, the market traded at 8.6x P/E and 1.5x P/B, with dividend yield around 6.38%, highlighting compelling headline valuation metrics relative to many regional markets, albeit within a risk premium framework driven by macro and governance uncertainty. No IPOs debuted in 2025.

On the regulatory front, BSEC introduced several important updates, including the BSEC (Mutual Fund) Regulations, 2025, the BSEC (Public Offer of Equity Securities) Rules 2025, and the BSEC (Margin) Rules, 2025 (repealing the Margin Rules, 1999). BSEC also extended deadlines—with conditions—for provisioning and adjustment against negative equity and unrealized losses for capital market intermediaries, which will help improve market capability ahead. BSEC reduced the BO account maintenance fees to ease participation costs for investors.

Index and Turnover Movement in 2025

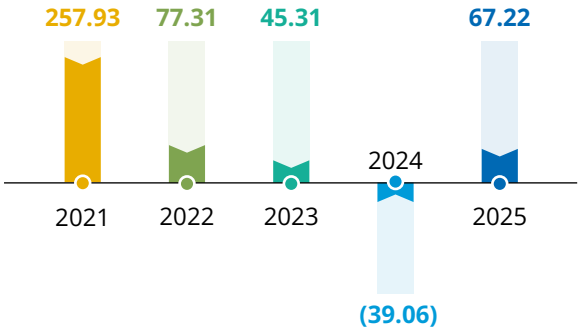


Financial Performance

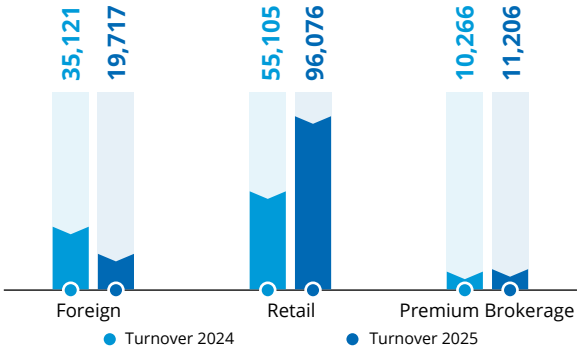
BRAC EPL Stock Brokerage Limited (BESL) was third among the 288 brokers with a 4.84% market share in 2025. BESL holds a 51% market share in DSE's foreign trade.

BESL registered a net Profit of BDT 67.22 million in 2025, compared to BDT 39.06 million loss in 2024.

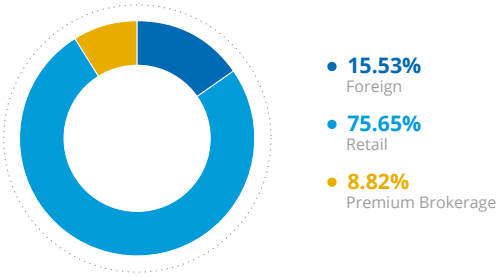
Net Profit After Tax (PAT) BDT mn



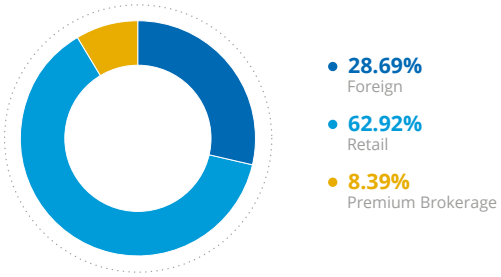
YoY Turnover Growth BDT mn



Turnover Composition in 2025



Turnover Composition in 2024



Among the three major verticals, the contribution from foreign business was 15.53% of total turnover in 2025 compared to 28.69% in 2024. Thus, there was 44% YoY degrowth in foreign business.

The Retail business is strengthening through more contributions. The segment contributed 75.65% of the total turnover in 2025. Thus, there was a 74% YoY increase in turnover growth in the Retail business.

Our corporate business contributed 8.82% of the company in 2025. Thus, there was a 9% YoY increase in turnover growth. However, with the new team and the strategies in place, we expect this segment to be a sizeable portion of the company in the coming years.

Future Outlook of Industry

Despite the challenges of recent years, we remain constructive on the trajectory of Bangladesh's macroeconomic normalization entering 2026. External balance conditions have improved meaningfully, supported by record remittance inflows and reserve rebuilding, while the transition toward a more market-based exchange rate regime has restored FX availability despite introducing episodic volatility. As inflation trends moderate and policy credibility strengthens, the FY26 Budget is expected to play an important role in reinforcing macro stability and setting the tone for growth normalization. With the national election now scheduled for early 2026, greater political clarity is expected to support business confidence and capital allocation decisions, although the pace of recovery will remain sensitive to inflation and interest rate dynamics.

Our outlook for Bangladesh's capital market remains positive over the medium term, underpinned by attractive valuation metrics and improving market structure. At the end of 2025, the equity market traded at ~8.6x P/E and ~1.5x P/B, remaining at a discount to long-term averages and regional peers. The sharp price corrections following the removal of floor price regulations have largely played out, and the market has undergone a prolonged valuation reset. While regulatory normalization and improved governance have supported sentiment, this remains a selective market, not a broad-based re-rating environment.

Earnings visibility, balance sheet strength, and governance quality are expected to drive increasing dispersion, with fundamentally strong companies positioned to benefit as liquidity conditions improve.

For 2026, we expect a more liquid market environment as inflation eases, interest rates begin to taper, and macro and political clarity returns. Based on current conditions, we project a base-case DSE return of 10%–12%, with upside potential beyond 15% in a scenario of stronger liquidity. Improved FX stability, declining yields, and normalized market operations are expected to support a YoY recovery in ADTV, reversing the contraction seen in 2025. Key liquidity movers are expected to include national election, Bangladesh Bank's rate decisions, inflation trajectory, FY26 Budget implementation, corporate earnings recovery, and further regulatory normalization by BSEC.

Strategic Outlook of the Company

In this era of rapid technological change, maintaining competitiveness requires continuous development and operational discipline. In 2025, management focus continued on strengthening market position, improving client experience, and scaling business lines with sustainable economics. Key concentration areas include:

- Retain market leadership
- Grow trade business in both foreign and local segment
- Further develop and structure corporate business wing
- Strengthen retail business
- Focus on growing client base using tech collaborations
- Fully automate client services
- Capitalize the brand value
- Invest in our staff through training and development

We believe that our teamwork will play a vital role in reaching our target and achieve the corporate mission to be the market leader by increasing market share.

Appreciation

I would like to thank my colleagues on the board for their continued support and on their behalf, I would like to express my heartiest thanks to the entire BRAC EPL Stock Brokerage team. It would be unfair if we do not acknowledge the exceptional efforts of our employees who worked in partnerships to meet many challenges of a difficult year. They were called upon to embrace some major challenges while at the same time maintaining the highest standards of service to our clients. They met the challenges, and we thank each of them for their extraordinary performance.

Finally, on behalf of the Board, I would like to thank our loyal clients and honorable shareholders for their continued support to the Company. Taking this opportunity, the members of the Board would also like to thank the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange, Chittagong Stock Exchange, and Central Depository Bangladesh Limited who were the partners in the growth of your company.

For and on behalf of the Board of Directors,

Fahima Choudhury
Chairperson

INDEPENDENT AUDITOR'S REPORT

To the shareholders of BRAC EPL Stock Brokerage Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BRAC EPL Stock Brokerage Limited (the ""Company"") which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of BRAC EPL Stock Brokerage Limited for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 15 April 2025.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectives of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor s report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to case to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 2020, we also report the following

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;

iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns.

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Akhtar Sanjida Kasem FCA, FCMA, CFE
Engagement Partner
ICAB Enrolment Number: 0643

DVC: 2603030643AS752098

Place: Dhaka
Date: 03 March 2026

BRAC EPL Stock Brokerage Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

In Taka	Note	31 December 2025	31 December 2024
Assets			
Property, plant and equipment		90,886,259	44,776,185
Intangible assets		7,972,274	1,113,454
Right-of-use assets		46,579,638	57,322,337
Investment in exchanges		86,268,265	86,268,265
Deferred tax assets		8,614,947	6,297,023
Investment in FDRs		171,551,699	130,616,492
Non-current assets		**411,873,082**	**326,393,756**
Investment in securities		665,662,024	590,304,076
Accounts receivables		192,415,679	98,156,021
Margin loan receivables		93,190,473	134,601,248
Inter-company receivables		-	2,526,799
Advances, deposits and prepayments		16,245,937	79,318,788
Other receivables		33,993,964	16,012,008
Cash and cash equivalents		1,235,413,504	1,269,812,577
Current assets		**2,236,921,581**	**2,190,731,517**
Total assets		**2,648,794,663**	**2,517,125,273**
Equity			
Share capital		1,276,857,500	1,276,857,500
Retained earnings		117,467,414	56,971,022
Fair value reserve for TREC license		77,997,453	77,997,453
Capital reserve		44,358,060	37,636,239
Total equity		**1,516,680,427**	**1,449,462,214**
Liabilities			
Lease liabilities		26,017,875	39,767,856
Non-current liabilities		**26,017,875**	**39,767,856**
Lease liabilities		25,229,801	24,324,173
Accounts payables		976,341,653	947,535,093
Specific provision		931,905	1,346,012
Intercompany payables		-	57,500
Liability for expenses		63,211,190	39,349,441
Current tax liabilities		40,381,812	15,282,984
Current liabilities		**1,106,096,361**	**1,027,895,203**
Total liabilities		**1,132,114,236**	**1,067,663,059**
Total equity and liabilities		**2,648,794,663**	**2,517,125,273**

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Akhtar Sanjida Kasem FCA, FCMA, CFE
Engagement Partner
ICAB Enrolment Number: 0643

DVC: 2603030643AS752098

Place: Dhaka
Date: 03 March 2026

Fahima Choudhury
Chairperson

Mohammod Masud Rana
Director

Ahsanur Rahman
Chief Executive Officer

BRAC EPL Stock Brokerage Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

In Taka	Note	31 December 2025	31 December 2024
Service revenue		414,577,727	453,140,209
Direct expenses		(106,489,566)	(122,066,995)
Gross profit		**308,088,161**	**331,073,214**
Investment income		85,829,703	11,486,741
Other income		345,869	2,194,917
Operating expenses		(332,719,158)	(324,260,406)
Operating profit		**61,544,575**	**20,494,466**
Finance income		124,575,062	40,119,792
Finance expense		(15,768,809)	(12,881,291)
Net finance income		**108,806,253**	**27,238,501**
Profit before tax		**170,350,828**	**47,732,967**
Income tax expense		(103,132,615)	(86,797,465)
Profit/(loss) for the year		**67,218,213**	**(39,064,498)**

A. Qasem & Co.
Chartered Accountants
FRC Enlistment No.: CAF-001-129

Akhtar Sanjida Kasem FCA, FCMA, CFE
Engagement Partner
ICAB Enrolment Number: 0643

DVC: 2603030643AS752098

Place: Dhaka
Date: 03 March 2026

Fahima Choudhury
Chairperson

Mohammod Masud Rana
Director

Ahsanur Rahman
Chief Executive Officer

BRAC EPL Stock Brokerage Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

In Taka	Attributable to owners of the company				
	Share capital	Capital reserve	Retained earnings	Fair value reserve for TREC license	Total equity
Balance at 1 January 2024	**1,110,310,900**	**33,523,303**	**266,695,056**	**77,997,453**	**1,488,526,712**
Total comprehensive income for the period					
Profit/(loss) for the period	-	-	(39,064,498)	-	(39,064,498)
Fair value reserve for TREC license				-	-
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**(39,064,498)**	**-**	**(39,064,498)**
Transactions with owners of the Company Contributions and distributions					
Issue of ordinary shares- Bonus shares	166,546,600	-	(166,546,600)	-	-
Dividends	-	-	-	-	-
Total contributions and distributions	**166,546,600**	**-**	**(166,546,600)**	**-**	**-**
Transactions in compliance with regulatory law					
Capital reserve	-	4,112,936	(4,112,936)	-	-
Total transactions with owners of the Company	**166,546,600**	**4,112,936**	**(170,659,536)**	**-**	**-**
Balance at 31 December 2024	**1,276,857,500**	**37,636,239**	**56,971,022**	**77,997,453**	**1,449,462,214**
Balance at 1 January 2025	**1,276,857,500**	**37,636,239**	**56,971,022**	**77,997,453**	**1,449,462,214**
Total comprehensive income for the period					
Profit/(loss) for the period	-	-	67,218,213	-	67,218,213
Fair value reserve for TREC license	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**67,218,213**	**-**	**67,218,213**
Transactions with owners of the Company Contributions and distributions					
Issue of ordinary shares - Bonus shares	-	-	-	-	-
Dividends	-	-	-	-	-
Total contributions and distributions	**-**	**-**	**-**	**-**	**-**
Transactions in compliance with regulatory law					
Capital reserve	-	6,721,821	(6,721,821)	-	-
Total transactions with owners of the Company	**-**	**6,721,821**	**(6,721,821)**	**-**	**-**
Balance at 31 December 2025	**1,276,857,500**	**44,358,060**	**117,467,414**	**77,997,453**	**1,516,680,427**

BRAC EPL Stock Brokerage Limited
STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 In BDT	2024 In BDT
Cash flows from operating activities		
Brokerage commission	388,810,796	403,470,439
Payments to creditors and other expenses	(398,359,639)	(422,458,026)
Loans and advances	38,533,456	261,712,515
Cash generated from operating activities	**28,984,613**	**242,724,928**
Bank interest income	106,205,843	28,356,782
Income from margin loan	10,421,157	39,280,784
Interest on treasury bills & bonds	61,181,000	14,852,557
Gain/(loss) on sale of shares	(19,367,228)	(32,828,415)
Other operating income	15,723,800	10,942,617
Income tax paid	(80,351,711)	(89,048,777)
Cash used in other operating activities	**93,812,861**	**(28,444,452)**
Net cash flows (used)/from operating activities	**122,797,474**	**214,280,476**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(66,695,783)	(23,509,039)
Acquisition of intangible assets	(9,963,747)	-
Sale of property, plant and equipment	34,500	1,622,800
Lease rental receipt	1,852,656	2,244,830
Dividend income	10,978,073	28,562,066
Investment in shares	(42,221,775)	(71,858,202)
Investment in FDRs	(40,935,207)	(9,106,487)
Net cash flows (used)/from investing activities	**(146,951,283)**	**(72,044,032)**
Cash flows from financing activities		
Finance expense	(10,245,263)	(7,002,692)
Net cash (used)/from in financing activities	**(10,245,263)**	**(7,002,692)**
Net increase in cash and cash equivalents	**(34,399,072)**	**135,233,752**
Cash and cash equivalents at 1 January 2025	1,269,812,577	1,134,578,825
Cash and cash equivalents at 31 December 2025	**1,235,413,504**	**1,269,812,577**

COMPANY OVERVIEW

BRAC SAAJAN EXCHANGE LIMITED

Overview

BRAC Saajan Exchange Ltd (BSEL) is a fully authorised payment institution regulated by the Financial Conduct Authority (FCA), specialising in remittance services for the Bangladeshi community in the United Kingdom. The company operates through an extensive agency network across the UK and generates revenue primarily through transaction fees and foreign exchange margins while maintaining a secure and compliant remittance infrastructure.

Following the restart of operations in December 2022, BSEL has steadily rebuilt its presence in the UK remittance market through expansion of its agency network, strengthening of correspondent banking relationships and continued investment in operational and technology capabilities. During 2025, BSEL further expanded its service offering by introducing multi-corridor remittance services through an aggregator model, enabling the company to send remittances to 27 countries through international partners. This development marks an important milestone in the company's strategy to diversify its services and expand beyond the traditional UK-Bangladesh remittance corridor.

Business Growth Snapshot

Key Metrics	2023	2024	2025
Remittance Volume (£million)	63	130	201
No of Transactions	95,948	211,778	296,927
Active Agents	152	279	404
Employees	39	50	55

The company has experienced consistent growth in both remittance volumes and operational capacity. Remittance volume increased from £63 million in 2023 to £130 million in 2024, and further grew to £201 million in 2025, representing strong market acceptance and improved customer engagement.

Operational Overview

The company has made substantial progress in rebuilding its business operations following the restart of activities in December 2022. A major focus has been on strengthening its agency network, re-engaging previously listed agents and onboarding new partners across the UK. By the end of 2025, the number of active agents had increased to 404, compared with 279 agents in 2024, significantly expanding BSEL's presence within the UK remittance market.

This growth in the agent network has contributed to the increase in remittance transactions, which rose from 211,778 transactions in 2024 to 296,927 transactions in 2025.

To enhance payout coverage for beneficiaries in Bangladesh, BSEL maintains remittance drawing arrangements with 17 commercial banks, covering more than 15,000 payout locations across Bangladesh. These partnerships allow the company to ensure efficient fund disbursement and maintain competitive exchange rates for customers.

In addition to traditional remittance channels, BSEL introduced aggregator-based remittance services in the last quarter of 2025, allowing the company to send remittances to 27 countries through international partners. This expansion provides new revenue opportunities and strengthens the company's competitiveness in the global remittance market.

Financial Strength and Capital Support

Maintaining strong liquidity and capital support remains a key priority for the company. BSEL's parent company, BRAC Bank PLC, continues to provide strategic and financial support to facilitate the company's growth. Over the past two years, the parent company injected £3 million in capital (£1.5 million in November 2024 and a further £1.5 million in September 2025) to strengthen BSEL's capital base and ensure compliance with regulatory capital requirements. In addition, the company's access to overdraft financing has been increased from £3.5

million to £6 million effective February 2026, enabling BSEL to support higher remittance settlement volumes and maintain smooth operational liquidity.

Human Resources

To support the rapid growth in business volume, the company has expanded its workforce across key operational areas including sales, operations, compliance, internal control, finance and IT. By the end of 2025, the company employed 55 staff members, compared with 50 employees in 2024. This expansion supports operational efficiency, strengthens compliance functions and enhances the company's technology and customer service capabilities.

Compliance Framework

BSEL maintains a strong compliance framework in line with regulatory requirements of the Financial Conduct Authority (FCA). The company utilises third-party verification services such as GBG, DBS and Dow Jones to conduct customer and agent due diligence, ensuring robust identity verification and risk monitoring. The organisation follows a three-lines-of-defence compliance model, involving operational staff, the Money Laundering Reporting Officer (MLRO) and the Risk & Internal Control Team, to ensure effective oversight of compliance activities.

The company also conducts regular independent audits to strengthen governance and regulatory compliance. The Annual AML audit is conducted by Eversheds Sutherland, while financial audit is conducted by Reddy Siddiqui LLP.

In addition, the company has established a Risk and Audit Committee (RAC) comprising internal and independent external members. The committee reports directly to the Board and is responsible for reviewing risk management practices and ensuring effective internal controls across the organisation.

Technology and Transformation

BSEL continues to invest in technology and operational transformation to support long-term scalability.

The company's RemitERP platform and RemitNGo digital application are continuously enhanced to improve system performance, transaction monitoring and customer experience.

A dedicated Transformation Team has been established to drive automation and process improvements across key areas including operations, IT systems, treasury and business development, enabling greater operational efficiency and stronger internal controls.

Forward Looking Statement

The UK remains one of the top remittance source countries for Bangladesh, according to statistics published by Bangladesh Bank.

As the only Bangladeshi-owned FCA-regulated remittance institution operating through a nationwide UK agent network, BSEL is well positioned to capture future growth opportunities in this market. The company expects continued growth in remittance volumes supported by:

- Expansion of its agent network across the UK
- Growth in aggregator-based remittance corridors
- Increased adoption of digital remittance channels through RemitNGo
- Planned expansion of RemitNGo services into European markets
- Strategic collaboration with BRAC Bank PLC

With strong financial backing, a growing distribution network and continued investment in digital capabilities, BSEL remains well positioned to strengthen its presence in the UK remittance market and expand into new international corridors.

DIRECTORS' REPORT

TO THE SHAREHOLDERS OF BRAC SAAJAN EXCHANGE LIMITED

The Board of Directors of BRAC Saajan Exchange Limited (BSEL) is pleased to present the Directors' Report on the operational and financial activities of the company together with the audited financial statements for the year ended 31 December 2025.

Principal activities

The principal activity of the company continued to be that of money remittance services, facilitating cross-border fund transfers primarily from the United Kingdom to Bangladesh. During the year, the company also introduced multi-corridor remittance services through an aggregator model, enabling BSEL to expand its remittance services to 27 countries through international payout partners.

Operating modes

The company conducts its operations through multiple channels, including agency modality, physical branches, and a mobile application platform.

Results and dividends

The results for the year are set out on statements of comprehensive income. The directors do not recommend payment of dividends as the company has made a loss in the year.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

- Mr. Meheriar M. Hasan
- Mr. Tareq Refat Ullah Khan
- Mr. Dr Zahid Hussain
- Mr. Abdus Salam

Future developments

The company anticipates continued growth in remittance volumes within the UK retail remittance sector, supported by expansion of its agency network and digital remittance services.

During 2025, BSEL successfully expanded its agency network to 404 active agents, strengthening its presence across the United Kingdom. The company will continue onboarding new agents while re-engaging previously inactive agents to further expand its market coverage.

BSEL commenced aggregator-based remittance operations in the last quarter of 2025, enabling the company to send remittances to 27 countries through international partners. Further developments are underway to enable BSEL to collect remittances from European markets through the RemitNGo mobile application, which will significantly expand the company's geographic footprint.

The company also continues to enhance its RemitNGo mobile application to improve customer experience and operational efficiency. Through digital marketing initiatives and community engagement programs, BSEL aims to expand its customer base and strengthen brand visibility within the remittance market.

In addition, BSEL has established a Transformation Team to drive automation and process improvements across key areas including business development, operations, IT systems, treasury management and internal processes. These initiatives are expected to enhance operational efficiency and support scalable growth.

The company also continues to implement agent incentive and reward programmes to strengthen relationships with its agency partners and maintain competitiveness in the market.

Auditor

The auditor, Reddy Siddiqui LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy within the UK during the reporting period, it qualifies as a low energy user under these regulations and is therefore not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approval of this report is aware, there is no relevant audit information of which the company's auditor is unaware. The directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The directors have reviewed the company's financial forecasts, liquidity position and available financing facilities and are satisfied that the company has adequate resources to continue its operations for at least twelve months from the date of approval of the financial statements.

BRAC Bank PLC, the majority shareholder of BSEL, has continued to provide financial support to the company through capital injections. A total of £3 million has been injected over the past two years (£1.5 million in November 2024 and a further £1.5 million in September 2025), strengthening the company's capital base and improving its working capital position.

In addition, the company's access to overdraft facilities has been extended from £3.5 million to £6 million effective from 16 February 2026, providing sufficient liquidity to support operational settlement requirements.

Based on these arrangements, the directors consider it appropriate to prepare the financial statements on a going concern basis.

On behalf of the board

Abdus Salam
Managing Director & CEO

INDEPENDENT AUDITOR'S REPORT

To the shareholders of BRAC Saajan Exchange Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BRAG SAAJAN EXCHANGE LTD (the 'company') for the year ended 31 December 2025 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 29 in the financial statements, which indicates that the Company incurred operating losses during the year and, during 2024 and 2025, breached the regulatory capital requirements set by the Financial Conduct Authority. These breaches were subsequently remedied through the conversion of debt to equity and further capital injections from the parent undertaking, BRAG Bank PLC.

Notwithstanding these actions, the Company's ability to meet its ongoing regulatory capital requirements and continue its operations remains dependent on the continued financial support of its parent undertaking.

These conditions, along with the other matters set out in Note 29, indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Conclusion Relating to Going Concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Based on the audit evidence obtained, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, we have identified a material uncertainty related to events or conditions which, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date the financial statements are authorised for issue. This relates to the Company's regulatory capital position and its dependence on continued financial support from its parent undertaking.

Our conclusions are based on audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In auditing the financial statements, we have considered the inherent risks associated with the Company's business model, including regulatory compliance requirements and dependence on parental support, and we have assessed the reasonableness of management's judgments and related disclosures.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks applicable to the company and the industry in which it operates and determined which may influence the financial statements.

We determined that the following laws and regulations are the most significant which are directly relevant to specific assertions in the financial statements:

- Those that relate to reporting frameworks being international accounting standards in conformity with the requirements of the Companies Act 2006 and the Companies Act 2006 and the relevant tax compliance regulations.
- Those that relate to the operational activities of the company being compliance with the requirements of the Financial Conduct Authority.

We assessed the susceptibility of the company's financial statements to material misstatements, including how fraud might occur. We performed the following audit procedures to address the risks related to irregularities and fraud:

- evaluation of the processes and controls in place to address the risks related to irregularities and fraud;
- challenge of the assumptions and judgements made by management in its significant accounting estimates;
- review and testing of journal entries, in particular manual journal entries, relating to management estimates and journal entries impacting the reported result of the year;
- consideration of the potential for fraud in revenue recognition;
- identifying and testing related party transactions.

We enquired of management whether there was any awareness of instances of non-compliance with laws and regulations or whether they had any knowledge of actual or suspected fraud.

In assessing potential risks of material misstatement, we obtained an understanding of the company's operations, the applicable statutory provisions and business risks that may result in risk of material misstatement, and the company's control environment, including the adequacy of procedures for authorisation of transactions.

The engagement team's experience with similar engagements, their understanding and knowledge of the company's industry and their understanding of the industry and regulatory requirements were considered in assessing the appropriateness of the collective competence and capabilities of the engagement team.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements, Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intention misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https:// www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Omar Siddiqui (Senior Statutory Auditor)
For and on behalf of Reddy Siddiqui LLP, Statutory Auditor
Chartered Accountants
183-189 The Vale
Acton
London
W3 7RW
United Kingdom
23 April 2026

BRAC Saajan Exchange Limited

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2025

	Note	2025 £	2024 as restated £
Turnover		3,636,350	2,482,194
Cost of sales		(2,468,535)	(1,674,109)
Gross profit		**1,167,815**	**808,085**
Administrative expenses		(1,866,509)	(1,261,501)
Other operating income		9,405	64,091
Operating loss		**(689,289)**	**(389,325)**
Interest receivable and similar income		30,303	4,108
Interest payable and similar expenses		(251,996)	(382,556)
Amounts written off investments			(4,144)
Loss before taxation		**(910,982)**	**(771,917)**
Tax on loss		(1,503)	1,084
Loss for the financial year		**(912,485)**	**(770,833)**

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BRAC Saajan Exchange Limited

BALANCE SHEET

As at 31 December 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Intangible assets			17,268		30,012
Tangible assets			312,607		302,689
Investments			-		36,662
			329,875		369,363
Current Assets					
Debtors		4,024,314		2,530,891	
Cash at bank and in hand		2,991,024		2,087,117	
		7,015,338		4,618,008	
Creditors: amounts falling due within one year		(6,322,978)		(4,543,682)	
Net current assets			692,360		74,326
Total assets less current liabilities			1,022,235		443,689
Creditors: amounts falling due after more than one year			(83,008)		(93,157)
Provisions for liabilities					
Deferred tax liability		19,085		17,905	
			(19,805)		(17,905)
Net assets			**920,142**		**332,627**
Capital and reserves					
Called up share capital			4,333,333		2,833,333
Share premium account			249,999		249,999
Profit and loss reserves			(3,663,190)		(2,750,705)
Total equity			**920,142**		**332,627**

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 23 April 2026 and are signed on its behalf by:

Abdus Salam
Director

Company registration number 06469886 (England and Wales)

BRAC Saajan Exchange Limited
STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

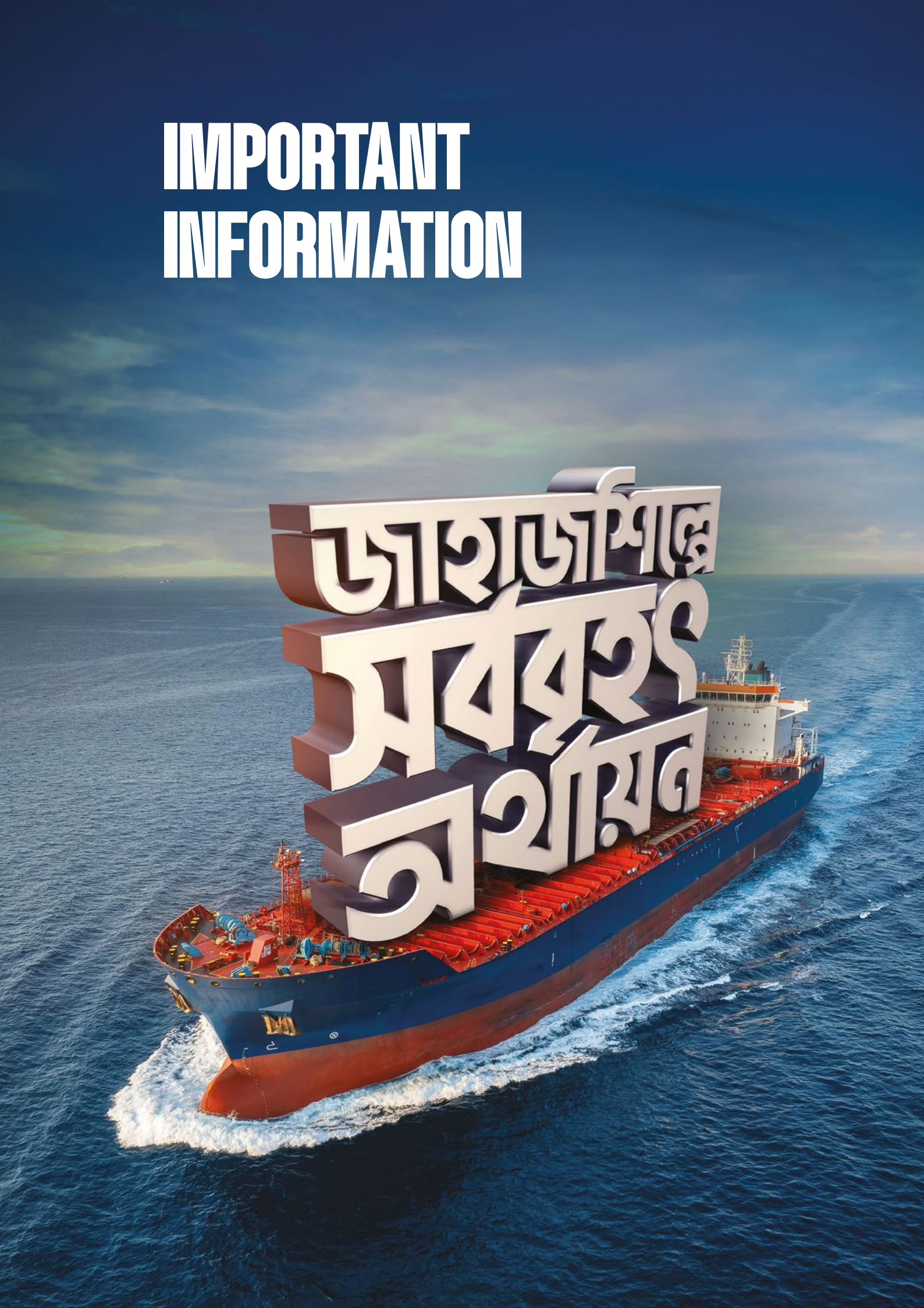
	Notes	Share capital	Share premium account	Profit and loss reserves	Total
		£	£	£	£
As restated for the period ended 31 December 2024:					
Balance at 1 January 2024		1,333,333	249,999	(1,979,872)	(396,540)
Year ended 31 December 2024:					
Loss and total comprehensive income		-	-	(770,833)	(770,833)
Conversion of loan to shares		1,500,000	-	-	1,500,000
Balance at 31 December 2024		**2,833,333**	**249,999**	**(2,750,705)**	**332,627**
Year ended 31 December 2025:					
Loss and total comprehensive income		-	-	(912,485)	(912,485)
Issue of share capital		1,500,000	-	-	1,500,000
Balance at 31 December 2025		**4,333,333**	**249,999**	**(3,663,190)**	**920,142**

BRAC Saajan Exchange Limited
STATEMENT OF CASH FLOWS

for the year ended 31 December 2025

	Notes	2025		2024	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations			(348,645)		(1,011,025)
Interest paid			(251,996)		(382,556)
Net cash outflow from operating activities			**(600,641)**		**(1,393,581)**
Investing activities					
Purchase of intangible assets		-		(9,303)	
Purchase of tangible fixed assets		(48,595)		(25,898)	
Proceeds from disposal of subsidiaries		36,662		-	
Interest received		30,303		4,108	
Net cash generated from/(used in) investing activities			**18,370**		**(31,093)**
Financing activities					
Proceeds from issue of shares		1,500,000		-	
Repayment of borrowings		-		1,500,000	
Payment of finance leases obligations		(13,822)		(21,662)	
Net cash generated from financing activities			**1,486,178**		**1,478,338**
Net increase in cash and cash equivalents			**903,907**		**53,664**
Cash and cash equivalents at beginning of year			2,087,117		2,033,453
Cash and cash equivalents at end of year			**2,991,024**		**2,087,117**

IMPORTANT INFORMATION



GLIMPSES OF THE 26TH ANNUAL GENERAL MEETING

BRAC Bank held its 26th Annual General Meeting (AGM) on a virtual platform on June 19, 2025

Presided over by Chairperson Meheriar M. Hasan, the AGM was also attended by Vice Chairperson Faruq M. Ahmed and Directors - Farzana Ahmed, Anita Ghazi Rahman, Chowdhury MAQ Sarwar and Lila Rashid.

The bank's Managing Director and CEO Tareq Refat Ullah Khan thanked the shareholders for their unwavering trust and confidence in the bank and responded to their queries. Company Secretary M Mahbubur Rahman, FCS, moderated the AGM.

The bank's officials were witnessing the proceedings of the 26th AGM held on a virtual platform.

SCRUTINIZER VOTING RESULTS

Resolution 1: To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2024 and the Reports of the Directors' and Auditors' thereon.

Vote in favor of the resolution

Vote against the resolution

Resolution 2: To declare 25% dividend (12.50 % Cash & 12.50% Stock) for the year ended December 31, 2024, as recommended by the Board of Directors.

Vote in favor of the resolution

Vote against the resolution

Resolution 3: Re-appointment of Mr. Asif Saleh as Nominated Director subject to approval from Bangladesh bank and Re-appointment of Mr. Faruq Mayeenuddin Ahmed and Mr. Salek Ahmed Abul Masrur as Independent Director for Second Tenure as instructed by BSEC.

Vote in favor of the resolution

Vote against the resolution

Resolution 4: Re-appointment of A. Qasem & Co. - Chartered Accountants as Statutory Auditors of the Bank at a fee of BDT 60 Lac (Sixty lac) excluding VAT.

Vote in favor of the resolution

Vote against the resolution

Resolution 5: Re-appointment of Mohammad Sanaullah & Associates, Chartered Secretaries and Management Consultants as Corporate Governance Compliance Auditors at a fee of BDT 111,111 (One Lac Eleven Thousand One Hundred Eleven) excluding VAT.

Vote in favor of the resolution

Vote against the resolution

LIST OF VP & ABOVE

Mr. Tareq Refat Ullah Khan
Managing Director and Chief Executive Officer

Mr. Md. Shaheen Iqbal, CFA
AMD and Head of Wholesale Banking

Mr. Syed Abdul Momen
AMD and Head of SME Banking

Mr. Ahmed Rashid
AMD and Chief Risk Officer

Mr. M Masud Rana FCA
AMD and Chief Financial Officer

Mr. A.S.M. Wasi Noman
AMD and Chief Information Officer

Mr. Sheikh Mohammad Ashfaque
DMD and Head of Branch Distribution Network

Mr. Nazmur Rahim
DMD and Head of Alternate Banking Channels

Mr. Md. Muniruzzaman Molla
DMD and Head of Operations

Mr. Md. Mahiul Islam
DMD and Head of Retail Banking

Mr. Chowdhury Moinul Islam
DMD and Chief Anti Money Laundering Compliance Officer

Mr. Md. Abdullah Al Mamun
DMD and Head of Internal Control and Compliance

Mr. Md. Asif Bin Idrish
DMD and Head of Corporate, Commercial & Inst. Banking Div.

Ms. Monzula Morshed
DMD and Chief Human Resources Officer

Ms. Nurun Nahar Begum
Chief Technology Officer

Mr. Md. Sarwar Ahmed
Head of Specialized & Vigilance Audit

Mr. Rasheed Ahmed
Chief Legal Officer

Mr. S.M. Alomgir Hossain
Head of Cottage, Micro & Small Business (Unit-1)

Mr. Mohammad Abdul Ohab Miah FCA
Financial Controller

Mr. Indrajit Sur
Head of Medium Business and Supply Chain Finance

Mr. Md. Taher Hasan Al Mamun
Senior Zonal Head, South

Ms. Tapati Bose
Head of Retail Deposit and Initiatives

Mr. A. K. M. Tareq
Senior Zonal Head, North

Mr. Muhammod Ekramul Kabir
Chief Communication Officer

Mr. Brig Gen Md. Amin Akbar (Rtd.)
Head of General Services

Mr. Akm Faisal Halim
Head of Transaction Banking.

Mr. Kamrul Hasan Khan
Head of Regional Corporate - Chattogram

Mr. Shah Ibnul
Head of Corporate SAM.

Mr. Shahrear Md. Zamil
Head of Remittance and Probashi Banking.

Mr. Mesbah Uddin Muntassir
Senior HR Business Partner, SME, Legal and Recovery

Mr. Uttam Adhikari
Head of Core Banking Application

Mr. Kazi Asaduzzaman
Head of Asset and ROC Operations

Mr. Biplab Kumar Biswas
Head of Cottage, Micro & Small Business (Unit-3)

Mr. Swapan Kumar Das
Head of Treasury and FI Operations

Mr. Abu Sadat Chowdhury
Area Head -1 ,Dhaka

Mr. Sk. Moinul Hassan
Head of Credit Risk- Medium Business

Mr. Mohammed Aminul Hoque Sarwar
Head of Procurement

Ms. Farhana Sharmin Sumi
Senior HR Business Partner, Retail Banking and Treasury & FI

Mr. Md. Abu Taher Mridha
Head of Account Services

Mr. Hasnain Mohammad Abid Zaman
Head of Retail Collections and SAM

Mr. Khaled Al Fesani
Area Head -3 ,Dhaka

Mr. Najmus Sakeb Jamil
Head of Technology Infrastructure and Systems Management

Mr. Mohammad Mahbubur Rahman FCS
Company Secretary

Mr. Mohammed Abdul Aziz
Head of Credit Risk-Small, Cottage & Micro (South)

Mr. Imtiaz Ahmed
Head of ADC

Mr. Khair Uddin Ahmed
Head of Merchant Acquiring

Mr. Md. Mahboob Ur Rahman
Head of Wholesale Underwriting, Area-1

Mr. Monzur Ul - Mowla
Head of Credit Administration

Mr. Lt. Col. Mahdi Nasrullah Shahir (Retd.)
Head of SAM-SME

Mr. Muhammad Ali Talukder
Head of Branch Digital Transformation

Mr. Md. Borhan Uddin
Regional Head and Head of Sub Branches

Mr. Mohammad Syed Bashir Ali
Head of Regulatory Reporting and Taxation

Mr. Khan Md. Golam Shahriar
Senior Deputy CAMLCO

Mr. Md. Ariful Islam
Head of Cottage, Micro & Small Business (Unit-4)

Mr. A.T.M. Zamal Uddin
Head of Commercial Banking

Mr. Mahbubur Rahman
Head of Cottage, Micro & Small Business (Unit-2)

Mr. Surajit Kumar Mutsuddi
Head of Trade Operations

Mr. Mohammad Jakirul Islam
Head of SME Strategy, Innovation & New Business

Mr. Indraneel Chattopadhyay
Chief Marketing Officer

Mr. Md Mokerrobin Mannan
Chief Digital Officer

Ms. Sazia Hussain
Regional Head, Dhaka Central and Narayanganj Region

Mr. Mohammed Saiful Ahsan Chowdhury
Head of Relationship Unit 2

Mr. Md. Nadeem
Head of Payments and Transactions

Mr. Md Arifur Rahman
Head of Regulatory Monitoring

Mr. Beni Amin
Head of Audit

Mr. Md Moazzem Hossain Shumon
Head of Wholesale Underwriting, Area-2

Mr. Abdul Gaffar
Cluster Manager, Dhaka South West and Faridpur Region

Mr. Dabasish Bhowmik
Cluster Manager, Dhaka North and Mymensingh Region

Mr. Md. Moinul Ahsan
Unit Head, Unsecured Assets, Unit-1, Retail Underwriting

Mr. Noman Nasir
Head of FI Relationships

Mr. S. M. Soeb
Unit Head, Local Export

Mr. Syed Niaz Ahmed
Head of Relationship Unit 10

Mr. Anowarul Islam
Head of Credit Inspection and Monitoring

Mr. Md. Jashim Uddin Chowdhury
Head of National Sales, Retail Banking

Mr. Md. Mahbub Hossain
Head of Asset-Liability Management

Mr. Sk Md Zulfiqer Amin
Head of Compliance

Mr. Anwar Sadat
Cluster Manager, Dhaka South East Region

Mr. Md. Abdul Wahed
Unit Head, Retail Loan Ops.

Mr. Md. Hafizur Rahman
Head of SAM, Small Business-East

Mr. Mohammed Monir Hossain
Regional Head of SME Banking, Motijheel Region

Mr. Shankar Kumer Das
Unit Head, Credit Risk- Medium Business

Mr. Tofazzul Hossain
Head of Credit Risk-Small, Cottage & Micro (North)

Mr. Al Amin Shaikh
Regional Head, South Bengal Region

Ms. Syeda Mahzabeen
Cluster Manager, Dhaka South East Region

Mr. Md. Shafiqul Islam
Head of Regional Monitoring Team-SME & ABC

Mr. Mesbah Uddin Ahmed
Head of Relationship Unit 3

Mr. Md. Mahabubul Farook Khan
Head of PL & Auto Loan

Mr. Mohammod Fidaul Gias
Senior HR Business Partner, ABC, ICC & AMLD

Mr. Sheikh Nabidur Rahman
Cluster Manager, Dhaka West and Savar Region

Mr. Nakib Zaman
Regional Head, Dhaka South West and Faridpur Region

Mr. Md. Rafiqul Islam
Head of Relationship Unit-2, Medium Business

Mr. Md. Zakir Hossain Haider
Head of Cards and ADC Technology

Ms. Mehruba Reza
Head of TARA, Agami and Premium Banking segments

Mr. Abu Shafique
Head of Trade Development, Transaction Banking

Mr. Abu Naser Mohammad Faysal Haider
Regional Head, Dhaka West and Savar Region

Mr. Mohammad Anamul Hoque
Unit Head, Foreign Export

Mr. Mohammed Shohel Ahmed
Head of Relationship Unit-3, Medium Business

Mr. Md. Sadekul Hoque
Head of Relationship Unit 9

Mr. Moin Hassan
Head of Relationship Unit 1

Mr. Md. Abu Zaher
Head of Virtual Banking

Mr. Md. Arifuzzaman
Regional Head, Branch Channel Development

Mr. Khondker Emdadul Haq
Head of Government and Institutional Relations

Mr. K. M. Ershad Hossain
Unit Head, Data Platform & Engineering

Mr. Muhammad Tunvir Rahman
Regional Head, Dhaka North and Mymensingh Region

Mr. Md. Rashidul Hassan
Cluster Manager, Dhaka South West and Faridpur Region

Mr. Md. Nazmul Hasan
Head of Agent Banking

Mr. Shafayet Hussain Ahmed
Cluster Manager, Sylhet Region

Ms. Ishrat Jahan
Head of Cards, Bonds and Custodial Operations

Mr. Musabbir Ahmed
Head of Cash Management, Transaction Banking

Mr. Monotosh Roy
Head of Enterprise Application Management

Mr. Zahedul Matin
Cluster Manager, Dhaka North and Mymensingh Region

Mr. Mohd. Mahabubur Rashid
Head of Government and Institutional Relations-Deposit

Mr. Tapos Kumar Roy
Head of MFI and Agriculture Finance

Mr. Debprasad Chowdhury
Head of Business Planning and Analysis

Mr. Mohammad Rubait Tauhid Siddique
Human Resources Chief Operations Officer

Mr. Mohammad Mahbubur Rahman Khan
Senior HR Business Partner, Distribution Network

Ms. Sabrina Faruk
Deputy CAMLCO.

Mr. Mohammad Maroof Hossain
Head of AML Assurance

Mr. Sk. Sunjur Ahmed
Head of Digital Banking

Mr. Wahid- Bin- Ahmed
Unit Head, Credit Risk- Medium Business

Mr. Mohammad Ashiqur Rahman
Head of Retail Underwriting

Mr. Azizul Hoq
Head of Business Transformation and Product

Mr. Kazi Jonayed-Un-Naby
Unit Head, Core System

Mr. Touhid Sarwar
Head of Relationship Unit 5

Mr. Md. Rezaur Rahman
Regional Head, Sylhet Region

Mr. Md Tanimul Haque
Head of AML Advisory (Retail & SME) & Oversight

Mr. Tashmeem Muntazir Chowdhury
Head of ESG and Sustainable Finance

Mr. Shaikh Mohammad Imran Quader
Regional Head, Dhaka South East Region

Mr. Hasan Mahmud
Cluster Manager, Dhaka Central and Narayanganj Region

Mr. S M Musa
Area Head -2 ,Dhaka

Mr. Syed Maheen Jubayed
Head of Premium Banking Business Acquisition

Mr. Md. Mohsinur Rahman
Head of Relationship Unit-1 & Startup Financing

Mr. Nazmul Ahsan, CFA
Head of Treasury

Mr. Adnan Kabir Rocky
Head of RB Analytics

Mr. Asif Ibne Sattar
Head of Process Re-Engineering

Ms. Zakia Jalil
Head of Unit-2, Commercial Banking

Mr. Fahad Bin Sultan
Acting Head of RB Strategy

Mr. Mohammad Abul Morshed
Head of Branch Governance

Mr. Saiful Alom
Cluster Manager, Sylhet Region

Mr. Yusuf Zaman Khan
Cluster Manager, Dhaka North and Mymensingh Region

Mr. Sohel Rana
Cluster Manager, Dhaka North and Mymensingh Region

Mr. Ashok Datta
Branch Manager, Sylhet Region

Mr. S.M. Mamun Salahuddin
Unit Head, Secured Assets, Retail Underwriting

Mr. Mohammed Ruhul Bari
Cluster Manager, Dhaka South West and Faridpur Region

Mr. Raees Siddiq
Unit Head, Loan settlement and Maintenance

Mr. Mohammad Saifur Rahman
Unit Head, Card Financial, Cards Operations

Mr. Mohammad Saifuddin Khan
Unit Head, Import Origination

Mr. Md. Rahat Jamel Hyder
Cluster Manager, Dhaka South East Region

Mr. Tasif Hasan Khan
Head of Branch Sales Team

Mr. Md. Azgar Hossain
Cluster Manager, North Bengal Region

Mr. Mintu Kumar Mondal
Branch Manager, Dhaka South East Region

Mr. Mohammad Mosharaf Hossain
Acting Branch Manager, Dhaka West and Savar Region

Mr. Syed Mostofa Ali
Cluster Manager, Dhaka South East Region

Mr. M. Latif Abu Anam
Cluster Manager, Dhaka South West and Faridpur Region

Mr. Goutam Kumar Sarker
Unit Head, SME Loan Ops.

Mr. Md. Abdul Matin
Head of SAM, Small Business-West

Mr. Mohammad Ishak Miah
Regional Credit Head, (South)

Mr. Sk. Shuvo Rahman
Head of Central Operations

Mr. Bipul Krishna Karmakar
Cluster Manager, South Bengal Region

Mr. Mezbahul Huque
Cluster Manager, Dhaka Central and Narayanganj Region

Mr. Proshanta Kumar Saha
Senior Manager, Regulatory Relations & Stakeholder Mgt.

Mr. Md. Mamunur Reza Al Faruki
Regional Head, Recovery-Narayanganj Region

Mr. Mohammed Kabir Hossain
Senior Manager,Recovery(Unsecured Loan)

Mr. Md. Tahidul Islam
Cluster Manager, South Bengal Region

Mr. Md. Abdul Kader
Regional Credit Head, (South)

Mr. A.H.M. Mizanur Rahman
Regional Head of SME Banking, Chattogram Region

Mr. Md. Anowar Hossain
Regional Credit Head, (North)

Mr. Md. Humayun Kabir
Regional Head, Recovery-Jashore Region

Ms. Sabina Sarmin
Cluster Manager, Dhaka West and Savar Region

Mr. Muhammad Waliul Awal Khan
Regional Head, Recovery-Dhaka Region

Mr. S.M. Salek Ahammed
Head of Concurrent Audit

Mr. Kanu Chakraborty
Cluster Manager, Chattogram Region

Mr. Bidhan Chandra Mukherjee
Regional Head of SME Banking, Rangpur Region

Mr. Ripon Kumar Roy
Cluster Manager, Dhaka North and Mymensingh Region

Mr. Musharaf Hosain
Branch Manager, Dhaka North and Mymensingh Region

Mr. Kazi Md. Abu Sayed Mahamud
Cluster Manager, Dhaka Central and Narayanganj Region

Mr. Mohammad Ismail Hossain
Head of Relationship Unit-7, Medium Business

Mr. Md. Anwarul Islam
Regional Head of SME Banking, Narayanganj Region

Mr. Md. Ahsan Habib
Regional Head of SME Banking, Faridpur Region

Mr. Md. Mijanur Rahaman
Regional Head of SME Banking, Savar Region

Mr. S.M. Saiful Islam
Head of Portfolio Management and Analytics

Mr. A.K.M. Shahadul Islam
Head of Employee Banking

Mr. Sorwar Morshed
Head of Disbursement and Settlement

Mr. Rubyat Meer Iftekhar Omar
Branch Manager, Dhaka West and Savar Region

Mr. Md. Zahirul Haque Khan
Cluster Manager, Cumilla Region

Mr. Md. Mahatab Uddin
Head of Relationship Unit 4

Mr. Md. Alamgir Hossain
Branch Manager, Dhaka Central and Narayanganj Region

Mr. Kh. Shafayet Hossain
Head of Corporate Affairs

Mr. Md. Oliure Rahman Ripon
Head of Retail Sales, Unit-05

Mr. Towhidur Rahman Chowdhury
Head of Sales Governance and Business Analytics- Retail

Mr. Syed Naseef Maksud
Head of RMG Monitoring Unit

Mr. Kazi Dawood Raihan
Head of Relationship Unit 7

Mr. Md. Shahariar Kamal
Head of Monitoring & MFI/FI Risk Unit

Ms. Ummul Gofran Nazibah
Head of Relationship Unit 8

Mr. Md. Jamalgir Alam
Senior Relationship Manager, Relationship Unit 5

Mr. Md. Abdul Karim
Cluster Manager, Paltan Cluster

Mr. Obaid Mohammad Minhazul Hoque
Unit Head, Guarantee & Reporting

Mr. Md. Dulal Miah
Cluster Manager, North Bengal Region

Mr. A. K. M. Ohidul Haque
Senior Manager, Treasury Mid Office

Mr. Md. Boshirul Islam
Head of Corporate Support Unit

Mr. Titas Roy
Head of Corporate Documentation and Custodian

Mr. Mohammad Shihab Ehsan
Head of Talent Acq. & Emp. Branding and Sr HRBP-Core Support

Mr. Tasvim Alam Mallick
Head of Customer Experience

Mr. Md. Anwar Jahid
Unit Head, Corporate Onboarding & CDD Assurance Unit

Mr. Mohammad Masudur Rahman
Unit Head, Call Center and POS Terminals

Mr. Md. Zia Sajid
Head of Product, Transaction Banking

Mr. Mohammad Abdul Malek
Head of Relationship Unit-4, Medium Business

Mr. Abhijit Shil
Cluster Manager, Chattogram Region

Mr. Mohammad Zia Ul Haque
Branch Manager, Dhaka South Region

Mr. Mohammed Yahya
Cluster Manager, Sylhet Region

Mr. Shamir Mitra
Cluster Manager, Dhaka South Region

Mr. Bikash Kumar Nandi
Head of Process Automation and R&D

Mr. Ali Nur Shishir Ahmed
Senior Manager, Data Analytics and Engineering

Mr. Abul Kasam Mohammad Fuzlul Haque
Head of Retail Sales, Unit-06

Mr. Md. Shahidul Islam Khan
Regional Head, Chattogram Region

Mr. Md. Saeed Khan
Branch Manager, Dhaka South East Region

Mr. Ifta Khirul
Acting Head of ADM

Mr. Abu Syeed Muhammad Al Mustofa
Unit Head, Enterprise Network Services

Mr. Shafiqur Rahman Bhuiyan
Head of Internal Communications & CSR

Mr. Mohammad Gaus Samdani
Head of GL

Mr. Mir Mohammad Asiful Bari
Head of Systems Support and Service Operations

Mr. S M Ishtiaque
Head of Risk Analytics and AI Lab

Mr. S M Shafiqul Islam
Unit Head, Astha, Digital Onboarding & Service Platform

Mr. Saif Uddin Mamtaz
Unit Head, Card Accounts

Mr. Rabi Bhowmick
Head of Enterprise Risk Management

Mr. Mohammad Abdur Rahim
Head of External Communications & Media Relations

Mr. Rasif Al Karim
Head of Debit Cards

Mr. Md Syedul Haque
Head of Safety and Security

Mr. Uggal Mallick
Branch Manager, Dhaka North and Mymensingh Region

Mr. Md Foysal Hossain
Unit Head, SME Liability Business

Mr. Mohammad Nahidul Islam Chowdury
Head of Unit-1, Commercial Banking

Mr. Mohammad Abu Baker Siddque
Cluster Manager, Dhaka West and Savar Region

Mr. Md. Fazlul Kabir
Regional Head, North Bengal Region

Mr. Faruque Ahmed
Cluster Manager, Dhaka South West and Faridpur Region

Ms. Armeen Ahmed
Head of Proposition & Portfolio - Premium Banking

Mr. Nur Muhammed
Unit Head, Special Asset Management,Corporate Banking

Mr. Md. Nazmul Hasan
Unit Head, Client Service Team, Trade Operations

Mr. Tanveer Kamal
Head of Structured Finance

Mr. Asadus Sadeque Talukder
Senior Manager, Strategic Client Advisory Group, TB

Ms. Kazi Dilruba Akter
Head of SME Business Support

Mr. Md. Masfikuzzaman
Head of Unit-1, Cash Management

Mr. Md. Masud Alam
Regional Head, Cumilla Region

Mr. Dewan Sharior Shuvo
Head of Unit-2, Cash Management

Mr. Mohammad Mahbub Hossain
Head of Bancassurance Business Development

Mr. Sm Parvej Islam
Head of Works Stream, Business & Function Strategy

Ms. Nazia Barkat
Senior Relationship Manager, Unit-1, Cash Management, TB

Mr. Md. Golam Dostagir
Acting Head of Mortgage

Mr. Shihab Ahmed Siddique
Head of AML Advisory (Corporate, FI, Trade & Payments)

BRANCH LIST

Agrabad Branch
C&F Tower, 1st Floor,1222 SK Mujib Road, Agrabad C/A, Chattogram

Araihazar SME / Krishi Branch
Shahjalal Medicine Market (1st Floor), College Road, Araihazar, Narayanganj-1450

Armanitola Branch
A.K. Adil Famous Tower (Ground Floor), Holding # 2/2/A, K.P. Ghosh Street, Armanitola, Bangshal, Dhaka – 1100

Ashkona Branch
Ashkona community center & Decorator,567/1, Ashkona, Dakhinkhan, Dhaka-1230

Ashulia Branch
Abbas Shopping Complex (1st Floor) Jamgora, Ashulia, Savar, Dhaka-1341

Ati Bazar Branch
Nuruddin plaza,holding 21 atibazar keranigonj dhaka 1312

Badda Branch
The Parl Trade center(PTC).Road no: Progoti Sarani Road,Holding No : Cha-90/3,Ward No: 21,Dhaka North city Corporation.Thana: Badda Thana,Distric: Dhaka.

Bagerhat SME / Krishi Branch
Hazi Badar Uddin Tower, Bazar Main Road (Supari Potti)

Bahaddarhat Branch
WASA MODS-3 , Holding# 4848/5817, Arakan Road, Ward# 04, Chattogram City Corporation, Thana: Chandgaon, District: Chattogram

Banani Branch
Borak Mehnur, 51/B Kamal Ataturk Avenue 4th and 5th Floor, Banani, Dhaka-1213

Banani-11 Branch
Sheltech Northern Star Tower, Floor-2nd&3rd|Holding:E-118|Road-11(Khademul Bashar Road)|, Word No:19|Banani |Dhaka

Bandartila Branch
Osman Plaza (1st Floor) , 800 New M A Aziz Road , Opposit of Darrussalam Mosjid , Bandartila , CEPZ, Chattogram.

Baniachong Branch
Hazi Harun Mansion, Holding No # 5, Boro Bazar, Baniachong, Habigonj.

Barishal Branch
S. Rahman Market (1st Floor); 79, Sadar Road, Barishal Sadar, Barishal-8200.

Baro Bazar Branch
A Hossain Plaza,4 Sir Iqbal Road,Borobazar,Khulna

Barura Branch
Angkur Bhuiyan Complex (Ground Floor) College Road , Barura Bazar , Barura , Cumilla

Bashabo Branch
Holding Number : 213, House Name : Doric Hakim Tower, Road Number : 19, Word Number : 4, Middle Bashabo,Sabujbag,Dhaka 1214

Bashundhara Branch
Holding: 193, Block-B, Safwan Road,Bashundhara R/A, Dhaka-1229

Beanibazar Branch
Hazi Abdus Sattar Market, Beanibazar, Sylhet.

Belkuchi Branch
1014,Bhuiyan Plaza,Mukundagati Bazar Road, Belkuchi, Sirajgonj.

Benapole SME/Krishi Branch
House# 492, Anu Bhaban, Ward No. 04, Benapole, Sharsha, Jashore

Bhairab Branch
Jahanara Mansion (1st Floor), Bangabandhu Sarani, Bhairab Bazar, Bhairab, Kishoreganj

Bhanga SME / Krishi Branch
Bhuiyan Market (1st Floor), Holding No-414, Thana Road, Bhanga Bazar, Ward No-08, Bhanga, Faridpur.

Bhedorgonj Branch
Maa Plaza, Holding 137/1, Asian Highway Road, (Teringer More) Bhedorgonj, Shariatpur

Bheramara Branch
Morjina Complex (1st floor), Godawn More, High Road Ward-06, Bheramara, Kushtia

Bhola Branch
Holding Number 1331-1338,Mahabuba Market,Sadar Road,Bangla School More,Bhola Sadar,Bhola

Bhulta SME / Krishi Branch
Purbachol New Garden City, Golakandail, Mouja: Golakandail, Union: Golakandail, Thana: Rupganj, District: Narayanganj

Bijoynagar Branch
Tepa Complex, 169, Shahid Sayed Nazrul Islam Sarani (1st Floor), Bijoynagar, Palton , Dhaka

Biswanath Branch
Grand Complex (1st Floor), Rampasha Road, Biswanath, Sylhet

Board Bazar Branch
Hazi Ahammad Ali Eco complex, House-7,Kolomeshor Board Bazar, Gazipur-1704

Bogura Branch
Sheikh Mansion (Ground Floor) 368/405 Rangpur Road,Borogola, Bogura-5800

Bondor Branch
Nur Mansion , (1st floor) , Lal Dighir Par , Bondor Bazar , Sylhet

Bonosree Branch
Plot #12 (Ground & 1st Floor), Block # C, Bonosree Main Road,Bonosree, Dhaka-1219, Bangladesh

Brahmanbaria SME / Krishi Branch
1116, Foyaz Plaza (1st Floor), Moshjid Road,Brahmanbaria Sadar, Brahmanbaria

CDA Avenue Branch
Hosna Kamal Complex,3439,CDA Avenue,East Nasirabad,Chattogram

Chandina Branch
Joynal Abedin Shopping Mall (1st Floor),Moddho Bazar,Thana Road,Ward No-05,Chandina,Cumilla.

Chandpur SME / Krishi Branch
514/459, Shadona Plaza (1st Floor) Shahid Mukdijodha Sarak, Chandpur Sadar, Chandpur

Chapainawabgonj SME / Krishi Branch
H:15.W-02,Islampur.boro Indira More, Sadar Chapainawabganj

Chawk Bazar Branch
Al Madina Tower (1st Floor), College Road, Olikha Masjid More, Chawkbazar, Chattogram

Chhagalnaiya Branch
Hoque Tower Shopping Complex, Holding No. 1433, Main Road (Dakbanglo Road), Ward No. 06, Chhagalnaiya, Feni

Chokoria SME / Krishi Branch
Holding#1136, 1st floor, Jahir Market, Thana Rastar Matha, Chokoria, Cox's Bazar.

Chowmuhoni Branch
Rupali Bhaban, Holding No. 807(Ground Floor) Feni Road, Chowmuhani, Begumgonj, Noakhali

Chuadanga SME / Krishi Branch
House NO # 4276 (1st Floor), Court Road , Chuadanga

Companyganj Branch
Mim plaza (Ist Floor)Holding No 0006-00 Thana Road ward No 03 . Bashurhat Pourashava ,PS: Companygonj . Dist: Noakhli

Coxs Bazar Branch
An Nahar Complex(1st floor),1462 Burmise Market, Main road, Cox's bazar Sadar, Cox's Bazar.

Cumilla Branch
K.R Vivacity (1st Floor), Holding no- 382, Shahid Khawaja Nizam Uddin Road, Ward- 10, Kandirpar, Cumilla-3500

Cumilla SME / Krishi Branch
Desh Jannat Tower(1st Floor) 66 Chawbazar (Dhaka- Chattogram trunk Road),Cumilla-3500

Dakhshin Surma SME/Krishi Branch
Jaigirdar Plaza, Holding # 2999 ,Varthokhola, Station Road, Sylhet-3100

Daulatpur Branch
SS Center Shopping Mall Holding 1/1 Ward no 6 Jassore Khulna Road, Daulatpur,Khulna

Demra SME / Krishi Branch
Megna Plaza ,Holding #11,Ward#02,Konapara Bazar ,Jatrabari,Dhaka

Dhanmondi 27 Branch
BTI Lake Palisade 1st & 2nd Floor, Holding # 23, Road # 27, Dhanmondi, Dhaka-1209.

Dhanmondi 6 Branch
Hakim's Heritage", Plot#15/A (Old), 16 (New), Road#06 (Old), Mirpur Road, Dhanmondi, Ward#15, P/S-Dhanmondi

Dhanmondi Branch
Bay Park Heights, Holding# 02 (New), Ward# 15, Road # 09, Dhanmondi, Dhaka-1205.

Dinajpur SME / Krishi Branch
Dinajpur SME Krishi Branch , Noor Tower, Holding No 814/772, 1st Floor, Lilir More, Sadar, Dinajpur

Dohar Branch
67, Ashraf Ali plaza, Joypara, Dohar, Dhaka-133.

Donia Branch
Dhaka Shopping Tower, (1st Floor), Holding-852, Ward-03, Zia Sarani Road, Donia, Kadamtoli, Dhaka-1236

Elephant Road Branch
"Akram Serenity", Holding # 323, Shahid Jahanara Imam Sarani Road (Old Elephant Road), Ward No. 18, New Market , Dhaka-1205.

Faridpur SME / Krishi Branch
Swarnamoyee Plaza (1st Floor), Holding No - 115 & 115/1 Mujib Sarak, P.S- Kotwali, DIst-Faridpur-7800

Feni SME / Krishi Branch
Kazi Center, (2nd Floor), 105/106, S S K Road, Feni Sadar, Feni-3900

Ganakbari Branch
Neyath Solim Plaza (1st Floor), Bolivadra Bazar, Ganakbari, Ashulia, Savar, Dhaka.

Gandaria Branch
Holding#119/E, Ward#45(New),81(Old)

Gazipur SME / Krishi Branch
95 Manik Bhaban (1st Floor), Block -G, Rajbari Road, Joydebpur, Gazipur-1700.

Ghatail SME / Krishi Branch
Kajim Uddin Super market,Holding 752,Ward: 07,Thana Ghatail, Tangail

Ghorashal Branch
Kalu Haji Plaza, Holding # 193, 193/1, 193/2, Tekpara Bazar Road(School Road), Ward No. -07, Pouroshova-Ghorashal, Thana-Palash, District-Narsingdi

Goalabazar Branch
Shikder Plaza (1st floor) , North Goalabazar, Osmaninagar, Sylhet-3124

Gobindaganj SME / Krishi Branch
Holding : 330, Jalil Super Market (1st Floor), Golapbag, Gobindagonj, Gaibandha.

Gopalganj SME / Krishi Branch
Babla Tower, 1st Floor, Holding No:143, College Road, Ward no: 06, Gopalganj Sadar, Gopalganj

Gouripur SME/Krishi Branch
Madona Towin Tower, Gouripur Homna Road, Daudkandi, Ward#01, Gouripur , Daudkandi, Cumilla.

Gulistan Branch
Mahmud Tower, 19, Siddik Bazar, Dhaka

Gulshan Branch
House: 50 (1st Floor), Road - 03, Plot -02, Block-SW(H), Gulshan Avenue, Gulshan -1, Dhaka

Gulshan North Avenue Branch
Rangs Arcade, Holding:10/A, Road-153, North Avenue Road, Dhaka North City Corporation, Gulshan, Dhaka

Hajiganj Branch
Mintu Tower, Holding no # 0010-01, Hajiganj-Chandpur Road, Ward No. 5, Hajiganj, Chandpur

Halishahar Branch
House-01, Road-01, Lane-01, Block-L, Halishahar H/E, Chattogram

Hathazari SME / Krishi Branch
S.S Tower, 2nd Floor, Holding #1104 & 1105, Ward # 05, Kachari Road, Hathazari, Chattogram

Hemayetpur Branch
Hazi Ashraf Shopping Complex, (Ground Floor),Holding # 251, Jadur Char, Hemayetpur Bus Stand,Hemayetpur, Savar, Dhaka-1340.

Hobigonj Branch
Green Line Electronices, Commercial Area, Hobigonj Sadar, HOBIGONJ-3300, Bangladesh

Imamgonj Branch
1 No. Nanda Kumar Dutta Road,1st Floor,Chawkbazar Dhaka-1211

Ishwardi Branch
Mahbub Plaza (1st Floor) ,993 Station Road, Ishwardi, Pabna

Islampur Branch
House# 10, Wise Ghat Road (Bishal Hafez Sharif Market) Islampur, Dhaka-1100

Jaleshwaritola Branch
Bogura City Center (1st Floor), H # 0113-00 , Shahid Abdul Jobbar Road, Jaleswaritola, Bogura

Jamalpur Branch
Beauty Plaza (1st Floor),Medical Road ,Jamalpur sadar , Jamalpur

Jashore Branch
Rownak Chember, 1st Floor., 01, MK Road , Kotwali| Jashore – 7400.

Jatrabari Branch
Abbas Uddin Garden,Ist Floor, 39,Shahid Faruk Sarak ,Jatrabari Dhaka

Jhalakathi SME / Krishi Branch
67-68, Monohori Potti Road, Jhalokathi Pouroshova, Jhalokathi - 8400

Jhenaidah SME / Krishi Branch
23,Agnibina Sarak(1st Floor), Jhenaidah

Jibon Nagar Branch
Hasina Plaza (1st Floor), Holding No-578, Hospital Road, Jibannagar, Chuadanga

Joydebpur Branch
Rahmat Tower,holding-1034,Tangail Road,Gazipur

Joypurhat SME / Krishi Branch
M. Rahman Plaza, Holding No.#0538-00, Sadar Road, Ward No.#06, Pourashova # Joypurhat, P.S # Joypurhat Sadar, District # Joypurhat

Jubilee Road Branch
Hazi M Rahman Mansion, 1st Floor, 184/A, Enayet Bazar, Jubilee Road, Chattogram

Kadamtoli Branch
Dewan Chand Mahal Tower (1st & 2nd Floor),1277, D. T. Road, Dhanialapara, Kadamtoli, Chattogram

Kapasia Branch
Prihan Tower(Ground Floor),Safaisri,Upazila Road,Kapasia,Gazipur

Karwan Bazar Branch
Borak Jahir Tower, Holding 01, Kazi Nazrul Islam Avenue, Karwan Bazar, Ward 26, Thana: Tejgaon, Dhaka-1215

Kazir Dewri Branch
18 S S Khaled Road, Kazir Dewri, Kotowali, Chattogram

Keraniganj Branch
Century Shopping Complex (1st Floor), Ward No-04,East Aganagar, Keraniganj,Dhaka.

Khatungonj Branch
473/485, N. C Tower (2nd Floor), Khatungonj, Kotowali, Chattogram.

Khilgaon Branch
Manama Chandradip, Holding # 901, Plot # 582, Shahid Baki Road

Khulna Branch
The Daily Probaha, 3, K.D.A Avenue, Khulna-9100

Kishoreganj SME/Krishi Branch
Hosendi Trade Center, Holding #0672-00, Shahabuddin Mashjid Road, Ward #06, Kishoreganj Pouroshova, Thana : Kishoreganj Sadar, Kishoreganj

Kolatoli Branch
The Swiss Hotel & Resort, Hotel Motel Zone, Plot: 05, Block: A, Kolatoli Road, Sadar, Cox's Bazar

Konabari SME / Krishi Branch
Surma Food And Industry (1st Floor), BSCIC Industrial Area, Dhaka Tangail High Way, Plot-143-144, Ward-09, Konabari, Gazipur 1346.

Kosba Branch
Simanto Complex-2, (1st Floor) Kasba Puratan Bazar, Kasba, Brahmanbaria

Kushtia SME / Krishi Branch
B.R.B Tower, Holding# 261, Nawab Siraj-ud-Daulah Road, Ward# 2, Pourosava: Kushtia, Thana: Kushtia Sadar, District: Kushtia

Laksham Branch
Laksham Govt. Pilot High School Market, 1449 Laksham-Chauddagram Road, Laksham Cumilla-3570

Laxmipur SME / Krishi Branch
Holding-1128, F.K Mansion (1st Floor), Banchanagar, Godown Road, Ps: Lakshmipur, Dist: Lakshmipur.

Lohagara SME / Krishi Branch
Best Chowdhury Plaza (1st Floor) Amirabad, Lohagara, Chattogram.

Madambibirhat Branch
T. K. Bhaban (1st Floor), Holding # 813, Madambibirhat, Bhatiary, Sitakunda, Chattogram, Bangladesh.

Madani Avenue Branch
Grameen Banglar Akshay Tower (1st Floor), House:51, Madani Avenue, Word: 40,Natun Bazar, Vatara, Dhaka-1212.

Madaripur SME/Krishi Branch
Kazi Abdur Rashid & Kazi Abdul Majid Plaza 1st Floor , Kazir More, Puran Bazar , Madaripur Sadar, Madaripur

Madhabdi Branch
236, Girls School Road (1st Floor), Madhabdi, Narsingdi

Magura SME / Krishi Branch
Magura Branch, 164. M.R Road, Alam Complex (1st Floor), Magura Sadar, Magura.

Maijdee SME / Krishi Branch
N. R. Tower (2nd Floor), Holding No# 807-808, Main Road (Abdul Malek Ukil Road), Maijdee Court, Ward# 04, Thana: Sudharam, Noakhali Sadar, Noakhali

Manikgonj Branch
Holding No-80/1, Jinnat Plaza,Shahid Rafique Sarak,Manikganj

Mawna Branch
Takbir Super Market, Mulaid, Mawna, Sreepur,Gazipur-1740

Mirpur Branch
House-13, Road-03, Block-A, Mirpur -11, Dhaka-1216

Mirpur Section 1 Branch
Plot: 1,2,3 Dhaka Eye Hospital Bhaban,Mirpur: 01, Dhaka-1216

Mirzapur Branch
Ashkibor Biponi Bitan, Holding -1, Old Bus Stand,, Mirzapur, Tangail

Mitford Branch
Abdul Kader Mansion, 139 Biren Bose Street, Mitford Road, Dhaka.

Moghbazar Branch
Noor Bhandari DOM INNO Benvento,217 & 217/A, Outer Circular Road (1st & 2nd Floor), Boro Moghbazar, Dhaka-1217

Mohadebpur Branch
Jamil palace (1st Floor) Boker More Mohadebpur Naogaon

Mohakhali Branch
16, Navana Yusuf Infinity Bhaban (2nd Floor), Bir Uttam A.k.khandaker Road, Mohakhali, Banani, Dhaka

Mohammadpur Branch
H I Khan Trade Center (2nd Floor), Z-23 & Z-24,Tajmahal Road, Mohammadpur, Dhaka-1207

Momin Road Branch
02, Momin Road, Jamal Khan, Kotowali Thana, Chattogram.

Monohordi Branch
House -30 (1st Floor) ,Sadar Hospital Road (beside of Upozila Land Office) Post Office + Upozila-Monohordi, District -Narsingdi,1650

Motijheel Branch
Rupayan Red Crescent Tower, 2nd Floor, Holding#86-87, Shahid Bir Uttam Ashfakush Samad Road, Ward#9, Dhaka South City Corporation, Motijheel C/A, Dhaka-1000

Moulvibazar Branch
Julia Shoping City(1st Floor), 111 Shantibag, Central Road, Moulvibazar.

Muktagacha SME / Krishi Branch
Hous#62, Puraton Bus Stand, Main Road, Muktagacha, Mymensingh-2210

Munshigonj Branch
MVK Center, Daag No: 2652, BB Road (Khal East)

Muradpur Branch
A K Trade Center, 1st Floor, 36/7, Cda Avenue, Muradpur, Chattogram

Mymensingh Branch
Razzak Tower, 8/ B ,Shamacharon Roy Road, Natun Bazar,Mymensingh

Naogaon SME / Krishi Branch
BRAC Bank PLC, Naogaon Branch, Ayen Molla Tower, (2nd Floor), Main Road (Old Bus Stand) , Thana : Naogaon Sadar, District : Naogaon

Narayanganj Branch
147,Bangabandhu Road (1st Floor),Narayanganj.
Narsingdi Branch C& B Road, Narsingdi Sadar, Narsingdi

Natore Branch
House # 402 Mokbul Plaza, Kanai Khali, Natore.

Nawabganj Branch
Kashbon Shopping Mall, (1st floor) Bagmara Bazar, ,Thana-Nawabgonj, Dhaka-1320

Nawabpur Branch
172 Nawabpur road, Nawabpur, Dhaka-1100

Netrokona SME / Krishi Branch
Hillol Market(1st Floor), 422, Teri Bazar, Sarar, Netrokona-2400

Nikunja Branch
"Asian Tower", Holding#52, Joar Shahara Commercial Area (Nikunja-2), Road # 21, Ward # 17, DNCC, P/S: Khilkhet, Dhaka

Nilphamari Branch
Ward No-02, Holding No-535, Toyez Uddin Plaza (Ground Floor), Haji Mohsin Road, Nilphamari Sadar, Nilphamari-5300.

Nitaigonj SME / Krishi Branch
House : 1 No. Banga Bondhu Road, 2nd Floor, Nitaiganj, Narayanganj.

Noapara Branch
H # 165, Rahim Tower (1st Floor) Station Bazar, Noapara, Abhaynagar Thana, Jashore

Nobigonj Branch
Khalique Manjil (1st Floor), Shantipara, Hospital Road, Nabigonj, Habigonj- 3370

North Gulshan Branch
Navana Pristine Pavilion, House # 128 (2nd Floor),Block # CEN(H),Gulshan Avenue,Gulshan-2,Dhaka-1212

Pabna SME / Krishi Branch
J.B Complex(1st Floor), Thana Road, Shalgaria, Pabna Sadar, Pabna-6600

Pahartoli Branch
Nazir Saleh Complex, Plot#512/659, D.T Road

Panchagar SME / Krishi Branch
644,Alochaya Super Market,ist Floor, Panchagarh Sadar, Panchagarh

Panthapath Branch
Union Heights, 2nd Floor, 55-2 Bir Uttam Kazi Nuruzzaman Road, West Panthapath, Dhaka-1215

Patuakhali Branch
140, Talukder Bhaban, 1st Floor, Natun Bazar, Sadar Road, Patuakhali-8600

Pirojpur SME / Krishi Branch
BRAC Bank PLC, Pirojpur Branch, Chadni Super Market, 279, Kapuria Potti, Pirojpur Sadar, Pirojpur.

Poradah Branch
Khan Supper Market, Poradah Bazar, Mirpur, Kushtia

Potiya Branch
1358- Kha, Patiya Model High School Market, Patiya, Chittagong

Progati Sarani Branch
Alamin Icon Center, Holding No-ka 57/4, Progati Sarani, Dhaka 1212

R.K. Mission Road Branch
Lily pond building(1st floor), 3 R .K mission Road,Motijheel ,Dhaka-1203

Raipur Branch
Holding # 384, Hazi Ali Akbar Shopping Complex, Main Road, Raipur, Laxmipur

Rajbari SME / Krishi Branch
Holding No.-0072-09, Bismillah Plaza (1st Floor), Main Road, Rajbari-7700

Rajshahi Branch
177, kumarpara Khoramara Boalia, Rajshahi

Rampura Branch
Khan Tower, 359, D.I.T Road, East Rampura, Dhaka-1219

Rangamati Branch
Kalpo Toru Holiday Inn Ltd. Holding # 1068, Rangamati-Chattogram Highway Road, Ward#07, Ps.: Kotowali, District:Rangamati

Rangpur Branch
Shah Bari Tower, Holding No: 286, Station Road, Word No: 24, Rangpur City Corporation, PS: Kotwali, Rangpur

Rokeyasarani Branch
Gemcon EL Mercado, 1st Floor, Holding-114, Begum Rokeya Sarani, Ward-14, DNCC ,Mirpur, Dhaka-1216

Sadarghat Branch
Rahmatullah Manshion (2nd Floor), 5/1/1, Simson Road, Dhaka 1100

Satkhira Branch
Nahar Plaza, Tufan Company More. Satkhira Sadar, Satkhira.

Satmasjid Road Branch
Gausia Twin Peak (2nd Floor),Holding #42 & 43, Satmasjid Road,Road No# 9/A Dhanmondi, Dhaka-1209

Savar Branch
Savar branch, Modern Plaza ltd(1st floor), D-136, THANA BUS STAND, TALBAG, SAVAR, DHAKA-1340

Shahjadpur SME/Krishi Branch
Shahjadpur SME/Krishi Branch: Aziz Mansion (1st floor), Holding No: 136,137,137/1. Monirampur Bazar, Shahjadpur Sirajgonj, Bangladesh.

Shakhipur Branch
House no: 109,110. Kurban ALi Plaza, Kachua Road, Ward No : 3, Shakhipur , Tangail

Shantinagar Branch
Shaan Tower, ground Floor, 24/1, Chamelibagh, Shantinagar, Thana: Paltan, Dhaka-1217

Shaymoli Branch
Shaymoli Cinema Complex,24/1 & 24/2 Bir Uttam ANM Nuruzzaman Sarak(1st Floor),Shaymoli , Dhaka-1207

Sheikh Mujib Road Branch
Johra Tower, Holding #2525/2526/4230, 1st Floor, Sk Mujib Road, Double Mooring Thana, Chattogram

Sherpur Branch
Holding# 1761-5, 1761-6, Mahmud Tower, Dhaka- Bogura Highway, Sherpur, Bogura.

Sherpur SME / Krishi Branch
Bhuiyan Plaza,175, 1st floor, Munshi Bazar Road,Sherpur Town,Sherpur -2100

Shibchar Branch
Ilias Ahmed Chowdhury Poura Super Market, Shibchar Bazar Road, Shibchar, Madaripur.

Shyamnagar Branch
Nizam Uddin Market, Vil-Shyamnagar, Dag 312, Khotian 513,Union- Shyamnagar, Thana-Shyamnagar, District- Shatkhira

Shyampur SME / Krishi Branch
35/1,Karimullar Bag, Postogola,Arsengate, Dhaka-1204

Siddirganj Branch
Al-Hera Tower, A/227, Road # 08, Hirajheel Main Road, Ward # 01, Siddirganj , Narayanganj

Sirajganj SME / Krishi Branch
Holding No. 521-522, M H Khan Plaza (First Floor), S. S Road, Sirajganj Sadar, Sirajganj

Sitakundo Branch
Holding Number-518, Kabir Plaza(1st Floor), DT Road, Sitakundo Pourashava, Sitakundo Thana, District:Chattogram

Sonagazi Branch
Sheikh abul market (1st Floor), Main Road, Sonagazi, Feni

Sonargaon Branch
Sonargaon Branch, Mograpara Chowrasta,Main Road, Sonargaoan, Narayanganj

Sreenagar Branch
M.Rahman Complex (1st Floor),Bhagyakul Road, Sreenagar Munshigonj

Sunamganj Branch
Neza Plaza, Holding NO: 1278-00, Station Road (Traffic Moor), Ward No. 05, Sunamganj Sadar, Sunamganj-3000

Swarupkathi SME / Krishi Branch
Holding# 1285, Haque Manson, Natun Road, Miarhat, Swaruptahi, Nesarabad, Pirojpur.

Syedpur Branch
Sayedpur Plaza (1st Floor), 81 Sher-E- Bangla Road, Syedpur Thana, Nilphamari District.

Sylhet Branch
Sylhet Branch, Pollobi Trade Center, Subid Bazar, Sunamgonj Road, Sylhet

Sylhet Uposhahar Branch
3/3, Uposhahar Main Road, Block-D, Shahjalal Uposhahar, Sylhet

Tangail Branch
Tangail Tower, Holding : 541, 542, 544 , Ground Floor, Main Road, Tangail.

Thakurgaon SME / Krishi Branch
Holding No # 1322, Nurjahan Plaza (2nd Floor), Shahid Mohammad Ali Sharak, Thakurgaon Sadar, Thakurgaon

Tongi Branch
Holding - 9/F (1st Floor), Sena Kalyan Comercial Complex, Dhaka Mymensingh Highway, Tongi, Gazipur

Uttara Branch
Atlanta Trade Center (2nd Floor) ,House :1/A,Road :01,Sector :04, Uttara, Dhaka-1230

Uttara Jashim Uddin Branch
Liberty Tower, Holding # 19, Sector # 03, Road # 02, Mymensingh Highway road, Dhaka-1230

Uttara Sonargaon Janapath Branch
Doel Center, Holding # 15, Sonargaon Janapath, Ward # 51, Sector # 13, Uttara, dhaka -1230

Zindabazar Branch
Symphony Heights, Baruthkhana Point, Sylhet

Zinzira Branch
Jahanara Plaza, Dakpara ,Zinzira, Thana- Keranigonj, Dhaka

Zirani Branch
Zirani New Market, Zirani Bazar, Union- 01 No. Shimulia Union Parishad, Thana-Ashulia, Upazilla-Savar, District-Dhaka

Lohagara Branch (Narail)
Lohagara Bazar, Plot-1000 (haal), High School Road, Ward: 04, Lohagara Pouroshova, PS: Lohagara, District: Narail

SUB-BRANCHES

Tejgaon Sub Branch
Gulshan Branch
Sepal Platinam Tower, Holding No 247/248, Road - Bir Uttom Mir Shawkat Ali Sarok, Ward No -24, Dhaka North City Corporation, Thana- Tejgaon, Zilla Dhaka.

Dakhin Khan Sub Branch
Nikunja Branch
"Mozaffar Tower" Plot # 103 (old) & 595 (new), Ward#50, Bir Mukti Joddha S.M. Mozammel Haq Sarak, P/S- Dakhkhin Khan, Dhaka

Shibu Market Sub Branch
Narayanganj Branch
Dewan Ali Palace (1st floor), Holding No. # 77, Village- Kutubail, Union # Fatulla, Thana- Fatulla, Zilla-Narayanganj.

Shariatpur Sub Branch
Bhedarganj Branch
Abul Hossen Plaza (1st Floor), Holding No # 841/1, Sador Road, Ward No. # 03, Sharaitpur.

Takerhat Sub Branch
Madaripur SME Branch
Rose Villa (1st floor), Takerhat Residential Area, Word No # 03, Pouroshova & Thana m# Rajor, Zilla-Madaripur

Khulshi Sub Branch
CDA Avenue Branch
"Triangle Tower", Holding No. # 168/A/429, Zakir Hossain Road, Ward No. # 13, Khulshi, Chattogram

Companyganj Sub Branch
Chandina Branch SME/Krishi Branch
M.D. Bhaban, Village- Companyganj, Union- 14 No. West Nabipur, Thana- Muradnagar, Zilla- Comilla

Dhamrai Sub Branch
Ganakbari Branch
Haji Riaz Plaza, Holding No. # 13, Gopnogor, Dhamrai Bazar, Pouroshova + Thana-Dhamrai, Zilla-Dhaka.

Jhikargacha Sub Branch
Jashore Branch
Korban Market , Holding No. # 654, Jessore-Benapole Road, Ward No. # 03, Pouroshova + Thana-Jhikorgacha, Zilla- Jessore

Barguna Sub Branch
Patuakhali Branch
Jobaida Mansion, Holding No: 99, Sadar Road, Ward No: 7, Pouroshova - Barguna, Thana- Barguna Sadar, Zilla - Barguna

Lalmonirhat Sub Branch
Rangpur Branch
Kulsum Plaza, Holding No: 1084, Puran Bazar Road, Ward No: 5, Pouroshova + Thana + Zilla -Lalmonirhat

Uttara Sector 10 Sub Branch
Uttara SME Service Center
Talukder Tower, Holding No 80, Rana Vola Main Road, Ward No 53, Dhaka North City Corporation, Turag, Dhaka

Pirerbag Sub Branch
Mirpur Section 1 Branch
Saleh Tower, Holding No 242, Sheikh Kamal Shoroni Road, Ward No 13, Dhaka North City Corporation, Mirpur, Dhaka

Wari Sub Branch
Nawabpur Branch
D.Q.L. Mohsin Plaza, Holding No 1/5, Folder Street, Ward No 41, Dhaka South City Corporation, Sutrapur, Dhaka

Zigatola Sub Branch
Satmasjid Road Branch
Dream World Tower, Holding No 23/C, Zigatola Main Road, Ward No 14, Dhaka South City Corporation, Hazaribag, Dhaka

New Market Sub Branch
Elephant Road Branch
New Market City Complex, Holding No 44/1, Rahim Square, Mirpur Road, ward No 18, Dhaka South City Corporation, New Market, Dhaka

Charpara Sub Branch
Mymensingh Branch
Minsa Tower, Holding No 5/A, Sehra Road, Ward No 17, Mymensingh City Corporation, Kotowali, Mymensingh

Fatulla Sub Branch
Narayanganj Branch
Lutfa Super Market, Fatulla Bazar, Dag No C S 27, R S 29, Fatulla, Naranyanganj

Nandipara Sub Branch
Bashabo Branch
Islam Tower, Holding No 3/1, Nandipara Main Road, Ward No 74, Dhaka South City Corporation, Khilgaon, Dhaka

Chourhash Sub Branch
Kushtia SME / Krishi Branch
Shomsher Plaza, Holding No 45, Kushtia - Jhenaidah Road, Ward No 5, Kushtia Sadar, Kushtia

Kaliakoir Sub Branch
Konabari SME / Krishi Branch
Nur Plaza, Tengla Bari, Dag No R.S. 12, Sreefolatoli, Kaliakoir, Gazipur

Shayestaganj Sub Branch
Hobigonj Branch
R K Plaza, Holding No 0307-00, Daudnagar Bazar Road, Ward No 2, Shayestaganj , Hobigonj

Madhabpur Sub Branch
Hobigonj Branch
S D Plaza, Holding No 115, Kaporpotti Road, Ward No 7, Madhabpur, Hobigonj

Sreemangal Sub Branch
Moulvibazar Branch
Nur Uddin Market, Holding No 0065-00, Hobigonj Road, Ward no 8, Sreemangal Sadar, Moulvibazar

Bashkhali Sub Branch
Potiya Branch
Jamal Center, Holding No 0771-01, Bashkhali Road, Ward No 8, Bashkhali, Chattogram

Banpara Sub Branch
Natore Branch
K.R Tower, Holding No 90, Kadirabad Cantonment Road, Ward No 2, Banpara, Natore.

Kurigram Sub Branch
Rangpur Branch
Gonir Uddin Market, Holding No 25, R.K Road, Ward No 3, Kurigram Sadar, Kurigram

Laxmipur Sub Branch
Rajshahi Branch
Kakoli House, Holding No 105, Greater Road, Ward No 8, Rajshahi City Corporation, Rajshahi

Gaibandha Sub Branch
Gobindaganj SME / Krishi Branch
Abbas Uddin Tower, Holding No 1799-00, Station Road, Ward no 2, Gaibandha Sadar, Gaibandha

Dhaka Uddan Sub Branch
Mohammadpur Branch
Holding No:19, Block A, Haji Dil Mohammad Avenue, Ward 33, ,Thana Mohammadpur, Dhaka

Mirpur Dohs Sub Branch
Mirpur Branch
Holding No # 108, Shagupta New Road, DOHS 1 No. Gate, Thana : Pallabi, Dhaka.

Mahiganj Sub Branch
Rangpur Branch
Sawdagor Complex, Holding No 2270, Road No 1, J.b Sen Road, Ward No 29, Rangpur City Corporation, Mahiganj, Rangpur

Adamjeenagar Sub Branch
Siddirganj Branch
Mir Tower, Holding No A 137, Adamjee EPZ Road, Ward no 6, Siddirganj, Narayanganj

Demra Stf Qtr Sub Branch
Demra SME / Krishi Branch
Akmal Shopping Mall, Holding No: 2/47, Bawani Road, Ward No: 69, DSCC, PS: Demra, District+Division: Dhaka

Uttara-07 Sub Branch
Uttara Jashim Uddin Branch
Mahmuds Bhaban, Holding No 25/B, Lake Drive Road, Sector 7, Ward No 1, Dhaka North City Corporation, Uttara, Dhaka

Navaron Sub Branch
Benapole SME/Krishi Branch
Zaman Mansion, Area-Navaron, DAG No-R.S 1742, Khatian No-R.S 1823, Mouza-Buruj Bagan, 10 No. Sharsha Union, Thana-Sharsha, District-Jashore

Ulukhola Sub Branch
Tongi Branch
Shahinur Trade Center, Ulukhola Bazar,Dag No. Rs- 33,Khotian No. Rs- 28,Mouja-Ulukhola,Union-Nagri Union, Thana-Kaliganj, Dist-Gazipur

Narail Sub Branch
Jashore Branch
Shekh Plaza (1st Floor), H- 0544-02, Narail-Jashore Road, Ward No. 05, Pouroshova- Narail, Thana- Narail Sador, Narail

South Bonosree Sub Branch
Bonosree Branch
Holding No- 60, Block-G, Road No-07, 7 No. Avenue, Ward No-03, Dhaka South City Corporation, Thana-Khilgaon, District-Dhaka

Velanagar Sub Branch
Narsingdi Branch
Nur Mohammad Khan Plaza -02 Nandipar, Jailkhana Mor, Union H-1022,Ward No-3, Union-Chinispur, Thana- Narsingdi Sadar, Dist-Narsingdi

Baneswar Sub Branch
Rajshahi Branch
A S Plaza, Baneswar Bazar, Dag No.: Rs-5281, Khotian No.: Rs Khotian - 953/1 ; Mouja: Shibpur; Union: 3 No Baneswar Union Parishad; Thana: Puthiya; District: Rajshahi

Kalshi Sub Branch
Mirpur Branch
Building: Parijat; Holding No.: 01; Road: Kalshi Road (Journalist Residential Area) ; Ward No.: 05; Dhaka North City Corporation; Thana: Pallabi; District: Dhaka

Court Bazar Sub Branch
Cox's Bazar Branch
Palong Shopping Complex, Court Bazar Arakan Road, Dag No.: 142, 143, 147; Khotian No.: 3709 ; Ward No.: Ratna Palong; Union: 2 No Ratna Palong Union; Thana: Ukhiya; District: Coxs Bazar

Cumilla Medical College Sub Branch
Cumilla SME / Krishi Branch
Haji Abul Hashem Plaza Kuchaitoli; Dag.: BS 550 ; Khotian.: 1057 ; Mouja: Kuchaitoli; Ward No.: 03 ; Union: 6 No Jogonnathpur ; Thana: Cumilla Adorsho Sadar; District: Cumilla

Kaliganj Sub Branch
Jhenaidah SME / Krishi Branch
Janata Super Market, Holding No.: 0175-00, 0176-00; Road: Modhuganj Bazar Road; Ward: 05; Pouroshova: Kaliganj Pouroshova; Kaliganj, Jhenaidah

New Eskaton Sub Branch
Karwan Bazar Branch
Shanta Garden, Holding No.: 50/B ; New Eskaton Road; Ward No.: 35 ; Dhaka South City Corporation; Thana: Ramna, District: Dhaka

Ashuganj Sub Branch
Bhairab Branch
Abdul Khair Monjil, Ashuganj Moddho Bazar; Dag No - Plot No - 705, 835, 847, 989; Khotian No.: 234; Union: 01 No Ashuganj; Thana: Ashuganj; District: Brahmanbaria

Hatirpool Sub Branch
Elephant Road Branch
Ahsan Trade Center, Holding No, 15/1 Paribag Shah Saheb Road, Ward No 21, City Corporation, Dhaka South City Corporation; Thana: Ramna, District: Dhaka

Nachol Sub Branch
Chapainawabganj SME/Krishi Branch
Zaman Tower, Nachol-Chapainawabganj Road (Thana Para, Nachol); Ward No.:07; Pouroshova: Nachol (Cat: Kha); Thana: Nachol; District: Chapainawabganj

Oxygen Moor Sub Branch
Muradpur Branch
Jahangir Center; Bangabondhu Avenue Road; Holding No.: 422; Ward No.: 02; City Corporation: Chattogram; Thana: Bayzid Bostami; District: Chattogram

Katiadi Sub Branch
Kishoreganj SME/Krishi Branch
K Alam Plaza, C & B Road, (Katiadi Bazar); Holding No.: 1253-00; (Puraton-3168); Ward No.: 03; Thana: Katiadi; District: Kishoreganj

Sadarpur Sub Branch
Faridpur SME/Krishi Branch
Doctor Anis Uddin Mansion; Sadarpur Bazar; Daag: 02 (Pot Number); Khatian: Brs 1474; Mouja: Satar Roshi; Union: 7 No Sadarpur; Thana: Sadarpur; District: Faridpur

Fakirhat Sub Branch
Bagerhat SME/Krishi Branch
Talukder Market, Atraki Bazar; Daag: Brs Daag No: 1057; Brs Khatian No: 1419; Mouja: Atraki; Union: 4 No Fakirhat; Thana: Fakirhat; District: Bagerhat

Charfashion Sub Branch
Bhola Branch
Haji Mojibul Haque Super Market; Sadar Road; Holding No.: 04/2; Ward No.: 05; Pouroshova: Char Fashion; Thana: Char Fashion; District: Bhola

Badamtoli Sub Branch
Islampur Branch
Rafiz Uddin Rabeya Complex; Ishwar Chandra Ghosh Street (Badamtoli); Holding No.: 3/5; Ward No.: 32; City Corporation: Dhaka South; Kotowali Dhaka

Birganj Sub Branch
Dinajpur SME/Krishi Branch
Habib Tower; Pirganj Road, Birganj Bazar; Holding No-298; Ward no-01; Pouroshova- Birganj Pouroshova (Cat-B); District- Dinajpur

Meghula Bazar Sub Branch
Dohar Branch
Faruk Mansion [1st Floor], Meghula Bazar, Malikanda, 06 No Narisha Union Parishad, Dohar, Dhaka-1330

Kazi Alauddin Road Sub Branch
Gulistan Branch
Haji Saifuddin Ahmed Milon Tower, Holding No-56-57, Kazi Alauddin Road, City Corp-Dhaka South, Thana- Bongshal, District- Dhaka

Kashinathpur Sub Branch
Pabna SME/Krishi Branch
Razu Bhaban, Kashinathpur Bazar, Daag No-1395, Khatian No-304, Union- 06 No Kashinathpur Union, Thana- Sathiya, District- Pabna

Anowara Sub Branch
Bandartila Branch
Piyal Bhaban, Kalabibi Dighir Mor, Khilpara; Daag No-Rs-663/1192, Rs-1745, Khatian No-Rs-482/46, Bs-46; Thana-Anowara, Dist- Chattogram

Tanbazar Sub Branch
Nitaiganj SME/ KRISHI Branch
Sarkar Mansion; S M Maleh Road; Holding No.: 41; Ward No.: 15; City Corporation: Narayanganj; Thana: Narayanganj Sadar; District: Narayanganj

Roopnagar Sub Branch
Mirpur Branch
Doreen Vinchita Shopping Center; 60 Feet Road-Mirpur, Main Road, Section-05, Holding -04; Ward No-07; Dncc ; P.s- Roopnagar

Rohonpur Sub Branch
Chapainawabganj SME/Krishi Branch
Arsad Tower,Holding: 0189-00, Godown Road (Station Para), Rohonpur, Gomostapur, Chapainawabganj.

Modhukhali Sub Branch
Faridpur SME / Krishi Branch
M R S Tower, Holding No- 0084-01, T & T Road, Ward No-05, Pouroshova- Modhukhali (Cat-B), Thana- Modhukhali, District- Faridpur

Shomsernagar Sub Branch
Moulvibazar Branch
Rahman Plaza, Shamshernagar Panchamohona, Rs Khatian No- 171, Rs Plot No-2501, 4 No Shamshernagar Up, Thana- Kamalganj, Dist-Moulovibazar

Rupatoli Sub Branch
Barishal Branch
Rahman Manzil, Holding: 0449-000,North Rupatoli, Block-A, Barisal City Corporation,Thana- Kotwali,Dist- Barisal

Modonpur Sub Branch
Sonargaon Branch
Nihal Complex; Bondor Road (Modonpur); Holding No- R,S Daag-44,45; Ward No-27; City Corporation- Narayanganj; Thana-Bondor; Narayanganj

Singair Sub Branch
Hemayetpur Branch
Nahar villa; shahid rafiq sarani, holding -0471-00; ward- 06; pouroshova- singair; p.S - singair; dist- manikganj

Ranisankail Sub Branch
Thakurgaon SME/Krishi Branch
N A R Jonaki Center, H#04, College RD, Pourashava Ranisankail, Ranisankail, Thakurgaon.

Baliakandi Sub Branch
Rajbari SME / Krishi Branch
Haji Muslim Uddin Super Market, Baliakandi Bazar, Narura Road, Daag No-BS-6595, Khatian No- 2078,87; Mouja- Baliakandi, Union-05 no Baliakandi, Baliakandi, Rajbari

Kochuya Sub Branch
Hajiganj Branch
K J Tower, Holding No- 00312-02, Kachua Hospital Road, Ward No-3, Pouroshova- Kachua, Thana- Kachua, District- Chandpur

Homna Sub Branch
Gouripur SME/Krishi Branch
Hakim Super Market, Homna Thana Road, Holding No- 00739-00, Pouroshova- Homna (Cat-B), Thana-Homna, District- Comilla

Modhupur Sub Branch
Ghatail SME / Krishi Branch
Hira Plaza, Holding- 385, Tangail-Mymenshing Road, Ward- 06, Madhupur Municipality, Thana-Madhupur, District- Tangail

Amtoli Sub Branch
Patuakhali Branch
Akon Tower, Holding No-381,382,383; Sadar Road, Ward No-4, Pouroshova-Amtoli, Thana-Amtoli, District- Borguna

Gazipura Sub Branch
Board Bazar Branch
Syed Ali Super Market, Holding: 04; Road: Haji A. Sattar Master Road, Ward:- 50, Gazipur City Corporation, Tongi West, Gazipur

Baburhat Sub Branch
Chandpur SME/Krishi Branch
Ashek Super Market, Holding: 0975-00, Road: Baburhat-Motlob Road, Chandpur Pouroshova, Thana: Chandpur Sadar, Dist: Chandpur

Lalbag Sub Branch
Imamganj Branch
Affan Plaza, Holding No: 70, 70/A, 70/B, 70/C, 70/D, Harnath Gosh Road, Ward No: 28; Thana: Chawkbazar; Dscc; Dis: Dhaka

Majhira Sub Branch
Bogura Branch
Shahid Mansur Rahman Complex, Vill: Shajapur; Mouja: Majhira, Union: 3 No Majhira, Thana: Shajahanpur, Dist: Bogura

College Gate Sub Branch
Tongi Branch
Pacific Tower, Holding No: 232, Road No: College Road, Ward: 54, Gazipur City Corporation, Thana: Tongi West, Dist: Gazipur

Uposohor Sub Branch
Rajshahi Branch
Monowara Max Tower, H: 531, Dorikhorbona Road (Uposohor Corner); Rajshahi City Corporation, Thana: Boalia, Dist: Rajshahi

Uttara Sect 6 Sub Branch
Uttara Branch
A N J Heights, H: 13 (Plot No), Road No: 12, Sector: 06; Dncc, Thana: Uttara East, Dist: Dhaka

Aruail Sub Branch
Brahmanbaria SME/Krishi Branch
Khondoker Tower, Vill: Aruail Bazar, Mouja: Aurail, Union: 1 No Aurail Union Parishad, Thana: Sarail, Dist: Brahmanbaria

Alfadanga Sub Branch
Faridpur Sme/Krishi Branch
Tahera Rashed Nakshi Bhaban, Holding No:736; Hospital Road, Ward: 07; Pouroshova: Alfadanga; Thana: Alfadanga; Dis: Faridpur

Kolatia Sub Branch
Ati Bazar Branch
Bhai Bhai Complex, Kolatia Bazar, Mouja: Fotenagar; 02 No Kolatia Union Parishad, Thana: Keraniganj; Dis: Dhaka

Aftabnagar Sub Branch
Bonosree Branch
Basic Mansuba Tower, H: A - 24 (Plot No), Block-A, Main Road (Aftabnagar Housing); DNCC, Thana: Badda, Dist: Dhaka

Chaktai Sub Branch
Khatunganj Branch
Mokka Tower; Holding No: 169/B; Notun Chaktai Road; Ward: 35; Thana: Bakolia; Chattogram City Corporation; Dis: Chattogram

Ramu Sub Branch
Cox's Bazar Branch
M H Residence, Moddhom Merongloa; Mouja: Merongloa; 5 No Fotekharkul Union Parishad; Thana: Ramu; Dis: Cox's Bazar

Muksudpur Sub Branch
Bhanga SME/Krishi Branch
Ononna Super Market, Holding No-21; Post Office Road, Ward No:06; Muksudpur Pouroshova, Thana: Muksudpur; Dis: Gopalganj

Galimpur Sub Branch
Nawabganj Branch
Dewan Super Market, Vill: Galimpur, Mouja: Galimpur, Union: 13 No Galimpur Union, Thana: Nababganj, Dist: Dhaka

Brahmanpara Sub Branch
Kosba Branch
Rijvia Bhaban, Vill: Brahmanpara Bazar; Mouja: Brahmanpara, Union: 6 No Brahmanpara Union, Thana: Brahmanpara, Dist: Cumilla

Shokhipur Sub Branch
Bhedorgonj Branch
Sarkar Market, Mouja: Char Shokhipur Ward No -02, Union: 07 No Shokhipur Union Parishad, Thana: Shokhipur, Dist: Shariatpur

Keranihat Sub Branch
Lohagora Sme/Krishi Branch
Ahmed Tower, Vill: Jonar Keochia; Keranihat; Mouja: Keochia; 10 No Keochia Union; Thana: Satkania; Dis: Chattogram

Namabazar Sub Branch
Savar Branch
Ahmed Center, Holding No: 0032-00 (South Namabazar) Bazar Road; Ward No: 04; Savar Pouroshova; Thana: Savar; Dis: Dhaka

Birampur Sub Branch
Dinajpur SME/Krishi Branch
Holding : 756, Road No: Main Road (Sonali Bank Mor), Ward: 05, Birampur Pouroshova, Thana: Birampur, Dist: Dinajpur

Nabinagar Sub Branch
Brahmanbaria SME/Krishi Branch
Haji Lilmia Complex; Holding No: 00573/0; High School Road, Pouroshova: Nabinagar; Thana: Nabinagar; Dis: Brahmanbaria

Hasnabad Sub Branch
Keraniganj Branch
Luna Trade Center, Vill: Hasnabad, Mouja: Ekuria, Union: Suvadda, Thana: South Keraniganj, Dist: Dhaka

Bandura Sub Branch
Dohar Branch
Saint Teresa Market, Vill: Bandura; Mouja: Old Bandura; 7 No Bandura Union; Thana: Nababganj; Dis: Dhaka

Nazimuddin Road Sub Branch
Imamganj Branch
S H Plaza, Holding No: 90/91, Nazimuddin Road, Ward No: 27; Thana: Chawkbazar; Dscc; Dis: Dhaka

Noyabazar Sub Branch
Pahartoli Branch
Tomijur Rahman Plaza, Holding # 3113/4514, Halisohor Road (Noyabazar Bissho Road Mor); Ward: 12, Pahartoli, Chattogram

Mazar Road Sub Branch
Mirpur Section 1 Branch
Sheltech Bithika, H# 114/1, Mazar Road (2nd Colony), Mirpur-1, Ward No: 10, Dncc, Thana: Darus Salam, Dist: Dhaka.

Hazaribag Sub Branch
Satmasjid Road Branch
A R House, Holding No: 55; Nababganj Road (Hajaribag Section); Ward No: 23; Thana: Lalbag; DSCC, Dis: Dhaka

Bashundhara I Block Sub Branch
Bashundhara Branch
Jcx Tower, H#1136/A, Japan Street, Block # I, Bashundhara R/A, Ward No: 40, Dncc, Vatara, Dhaka.

Mudafforganj Sub Branch
Barura Branch
Hazi Mohammad Jalaluddin Tower, Mudafforganj Bazar, 02 No Mudafforganj Union Parishad, Thana: Laksham, District: Cumilla

Godagari Sub Branch
Rajshahi Branch
Masud Tower, Rajshahi - Nawabganj Highway, Ward: 06, Godagari Paurashava, Thana: Godagari, District: Rajshahi

Bhojeshwar Sub Branch
Bhedorgonj Branch
Vill: Masura, Mouja: Masura, Union: 5 No Bhojeshwar Union, Thana: Naria, Dist: Shariatpur

Patherhat Sub Branch
Bahaddarhat Branch
Shah Amanot Market; Vill: Noapara, Patherhat; 13 No Noapara Union; Thana: Raujan; Dis: Chattogram

Boyra Bazar Sub Branch
Khulna Branch
Hazi Tower, Holding No: 0027-26, Road Name: Khan Bahadur Ahsanullah Road, Ward No: 16, City Corporation: Khulna, Thana: Daulatpur, District: Khulna.

Shibaloy Sub Branch
Manikganj Branch
Naj Plaza, Vill: Shibrampur, Tepra; 4 No Ulail Union; Thana: Shibaloy; Dis: Manikganj

Gangni Sub Branch
Chuadanga SME/Krishi Branch
J. S Plaza, H#1063, 1063/2, Thana Road (Gangni Bazar), Ward: 08, Gangni Paurashava Thana: Gangni, District: Meherpur

Moynamoti Cantonment Sub Branch
Cumilla Branch
Moynamoti Sena Kollan Market, Mouja: Lalmai Pahar, Union: Durgapur Union, Thana: Adarsha Sadar, Dist: Cumilla

Gobindaganj - Chhatak Sub Branch
Sylhet Branch

Square Masterbari Sub Branch
Mawna Branch
N. M. Tip Top Centre, Square Masterbari (Jamirdia), 10 No Hobirbari Union Parishad, Thana: Bhaluka, District: Mymensingh

Sipahipara Sub Branch
Munshigonj Branch
Badsha Bhuiyan Plaza, Mouja: Khanka, Union: Rampal, Thana: Munshiganj Sadar, District: Munshiganj

Karatia Sub Branch
Tangail Branch
Khandaker Mohammad Hossain Super Market, Karatia Bazar, Mouja: Karatia, Union: 04 No Karatia, Thana: Tangail Sadar, District: Tangail

Monipuri Para Sub Branch
Dhanmondi 27 Branch
Jdpc Bhaban, Holding: 145, Kazi Nazrul Islam Sharoni, Ward: 27, Dhaka North City Corporation, Thana: Tejgaon, District: Dhaka

Sathibari Sub Branch
Rangpur Branch
Kheraj Uddin Pradhan Market, Sathibari, Mouja: Sathibari Horipur, Union: 15 No. Durgapur, Thana: Mithapukur, Rangpur

ABBREVIATIONS AND ACRONYMS

AACOBB	Association of Anti Money Laundering Compliance Officers of Banks in Bangladesh
ACS	Automated Challan System
ADB	Asian Development Bank
ADC	Alternate Delivery Channels
AGM	Annual General Meeting
AIT	Advance Income Tax
ALCO	Asset Liability Management Committee
AML	Anti-Money Laundering
AYS	At your service
BAC	Board Audit Committee
BAMLCO	Branch Anti-Money Laundering Compliance Officer
BAS	Bangladesh Accounting Standards
BAU	Business As Usual
BB	Bangladesh Bank
BBPLC	BRAC Bank PLC
BCG	Boston Consulting Group
BCO	Branch Compliance Officer
BCP	Business Continuity Plan
BEIL	BRAC EPL Investments Limited
BERDO	Blind Education and Rehabilitation Development Organization
BESBL	BRAC EPL Stock Brokerage Limited
BFRS	Bangladesh Financial Reporting Standards
BIBM	Bangladesh Institute of Bank Management
BIDS	Bangladesh Institute of Development Studies
biTS	BRAC IT Services Limited
BLBC	BRAC Limb and Brace Centre
BMET	Bureau of Manpower Employment and Training
BO	Beneficial Owner
BRMC	Board Risk Management Committee
BSEC	Bangladesh Securities and Exchange Commission
BSS	Bangladesh Secretarial Standards
CAMLCO	Chief Anti-Money Laundering Compliance Officer
CASA	Current Account, Savings Account
CBS	Core Banking Software
CCC	Central Compliance Committee
CDBL	Central Depository Bangladesh Limited
CFC	Cyber Fusion Center
CFP	Contingency Funding Plan
CFT	Combating the Financing of Terrorism
CGC	Corporate Governance Code
CIDD	Center for Inclusive Development Dialogue
CIRDAP	Centre on Integrated Rural Development for Asia and the Pacific
CMSEs	Cottage, Micro and Small Enterprises
CMSMEs	Cottage, Micro, Small and Medium Enterprises
CRAB	Credit Rating Agency of Bangladesh
CRAR	Capital to Risk Weighted Assets Ratio
CRM	Credit Risk Management
CRMR	Comprehensive Risk Management Reporting
CRMs	Cash Recycler Machines
CRR	Cash Reserve Requirement
CSE	Chittagong Stock Exchange PLC
CSP	Customer Security Program
CSR	Corporate Social Responsibility
DCFCL	Departmental Control Function Checklist
DEI	Diversity, Equity and Inclusion
DMS	Document Management System
DPs	Depository Participant
DSE	Dhaka Stock Exchange Limited
DSHE	Directorate of Secondary and Higher Education
DTA	Deferred Tax Assets
EAR	Early Alert Review
EBCP	Enterprise Business Continuity Plan
ECRL	Emerging Credit Rating Limited
EMI	Equated Monthly Installments
EoP	End of Period
EPL	Equity Partners Limited
EPS	Earnings Per Share
ERAF	Enterprise Risk Associates Forum

ERGF	Enterprise Risk Governance Forum
ERM	Enterprise Risk Management
ERMC	Executive Risk Management Committee
ESCAP	Economic and Social Commission for Asia and the Pacific
ESG	Environmental, Social & Governance
ESRM	Environmental and Social Risk Management
e-TIN	Taxpayer's Identification Number
ETP	Effluent treatment plant
EVA	Economic Value Added
FCY	Foreign Currency
FDI	Foreign Direct Investment
FFD	Freedom Fixed Deposit
FI	Financial Institution
FRC	Financial Reporting Council
FSs	Financial Statements
FTE	Full Time Employee
FUM	Fund Under Management
FY	Financial Year
GABV	Global Alliance for Banking on Values
GBS	Golden Benefits Savings
GCC	Gulf Cooperation Council
GDP	Gross Domestic Products
GRI	Global Reporting Initiative
GSD	General Services Department
HMRC	His Majesty's Revenue and Customs
HNW	High Net Worth
IAR	Integrated Annual Report
IAS	International Accounting Standards
ICAAP	Internal Capital Adequacy Assessment Process
ICAB	Institute of Chartered Accountants of Bangladesh
ICCD	Internal Control and Compliance Division
ICMAB	Institute of Cost and Management Accountants of Bangladesh
ICSB	Institute of Chartered Secretaries of Bangladesh
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IMF	International Monetary Fund
IPFF	Investment Promotion and Financing Facilities
IPO	Initial Public Offering
IR	Investor Relations
IRF	Incident Response Forum
KPI	Key Performance Indicators
KRI	Key Risk Indicator
LCR	Liquidity Coverage Ratio
LDCL	Loan Documentation Checklist
LEED	Leadership in Energy and Environmental Design
LOS	Loan Originating System
LTU	Large Taxpayers Unit
MANCOM	Management Committee
MFS	Mobile Financial Services
MICR	Magnetic Ink Character Recognition
MIMAP	Micro Impact of Macroeconomics and Adjustments Policies
MPSA	Microsoft Product and Services greement
MVA	Market Value-added
NAV	Net Assets Value
NBFI	Non-banking Financial Institutions
NBR	National Board of Revenue
NCI	Non Controlling Interest
NFC	Near Field Communication
NFCD	Non-Resident Foreign Currency
NII	Net Interest Income
NIM	Net Interest Margin
NOPAT	Net Operating Profit After Tax
NPA	Non-performing Asset
NPL	Non-performing Loan
NRC	Nomination and Remuneration Committee
NSFR	Net Stable Funding Ratio
OBU	Off Shore Banking Unit
ORMC	Operational Risk Management Committee
PAT	Profit After Tax
PBT	Profit Before Tax
PBV	Price-to-book Value
PCIDSS	Payment Card Industry Data Security Standard
PIF	Post Import Financing
PPG	Product Program Guideline

PSO	Payment Systems Operator
PSP	Payment Service Providers
QOR	Quarterly Operations Report
QR	Quick Response
RAS	Risk Appetite Statement
RCDM	Real-time Cash Deposit Machine
RFCD	Residen Foreign Currency Deposit
RJSC & F	Registrar of Joint Stock Companies & Firms
RMD	Risk Management Division
RoA	Return on Assets
ROC	Regional Operating Centre
RoE	Return on Equity
RoI	Return on Investment
RPO	Repeat Public Offering
RWA	Risk Weighted Assets
SAFA	South Asian Federation of Accountants
SAM	Special Asset Management
SCF	Supply Chain Finance Solution
SDG	Sustainable Development Goals
SDP	Skills Development Program
SEIP	Skills for Employment Investment Programme
SFD	Sustainable Finance Department
SFU	Sustainable Finance Unit
SLR	Statutory Liquidity Ratio
SME	Small & Medium Enterprises
SOC	Security Operation Centre
SREP	Supervisory Review Evaluation Process
SRF	Socially Responsible Finance
STP	Straight-Through-Processing
TAT	Turnaround Time
TBS	Triple Benefit Savings
TTC	Technical Training Centres
UNCDF	United Nations Capital Development Fund
UNSDGs	United Nations' Sustainable Development Goals
VAS	Value Added Service
VoC	Voice of Customers
WFH	Working From Home
WHT	Withholding Tax
YLP	Young Leaders' Programme
YoY	Year-on-year

Consistency and Transparency in Reporting Units and Rounding Practices

The Annual Report 2025 of BRAC Bank PLC has maintained consistency, transparency, and clarity in the presentation of financial information throughout the report. The nature of disclosures relating to unit of measurement, rounding-off policy, and foreign currency conversion has been appropriately stated and is easily noticeable to the readers.

Key presentation practices adopted in the financial statements are as follows:

- All amounts disclosed in the financial statements are measured and presented in BDT, except for:
  - the financial statements of BRAC Saajan Exchange Limited, which are presented in Great British Pound (GBP); and
  - the financial statements of the Offshore Banking Unit (OBU), which are presented in United States Dollar (USD).
- Foreign currency conversion rates and related accounting treatment have been disclosed in Note 2.11 of the Financial Statements.
- Amounts have been rounded off to the nearest whole number, where any fraction above 0.5 has been rounded up.
- The same unit of measurement and rounding-off criteria have been consistently applied throughout the Annual Report 2025 to ensure uniformity, comparability, and ease of understanding for the users of the financial statements.

BRAC BANK
আস্থা অবিচল

Registered Office: Anik Tower, 220/B, Tejgaon-Gulshan Link Road, Tejgaon I/A, Dhaka-1208, Bangladesh
Share Office: Anik Tower, (Ground floor) 220/B, Tejgaon-Gulshan Link Road, Tejgaon I/A, Dhaka-1208, Bangladesh

PROXY FORM

I/We .....of.....

..... being a member of BRAC Bank PLC and entitled to vote, do hereby appoint Mr. /Ms .....

..... of .....

.....

..... as my proxy to attend and vote for me on my/our behalf at the 27th Annual General Meeting of the Company to be held on June 11, 2026 at 11:00 a.m. via live webcast by using digital platform.

Signed this ..... day of ..... (Month) 2026

Signature of proxy .....

Signature of shareholder .....

Affix Revenue Stamp of TK. 100.00

BO ID of Member: | | | | | | | | | | | | | | | | |

No. of shares held on Record date (May 17, 2026): .....

Note: The scanned copy of the "Proxy Form", duly signed and affixed with BDT 100 Revenue Stamp must be sent through email to BRAC Bank Share Office at sharedept@bracbank.com no later than 72 hours before the commencement of the AGM. Signature of the shareholder/s should agree with the specimen signature registered with the Company/Depository Participant(s).

Gratitude

Thanks for being with us!

For any services, please contact with us:

E-mail: enquiry@bracbank.com

24 Hour Call Center: 16221, 08 0000 16221 (toll free)

For Overseas Callers: +880255668055-6, +8809611223344

Phone: +88 02 8801301-32; 09677551001-31

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Annual Report 2025

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