



Environmental, Social and Governance (ESG)

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<p>People and Communities</p> <ul style="list-style-type: none"> IFIC focuses on employee diversity & inclusion, training & development, employment practices The Bank invests in the communities through the Sustainable Livelihood Initiative and Holistic Rural Development Program The Bank provides access to financial services to communities including unbanked people 	<p>Conduct and Compliance</p> <ul style="list-style-type: none"> The Corporate Governance structure of the Bank ensures the highest levels of ethics, integrity, corporate governance and regulatory compliance The Board of Directors sets the course and evaluates the performance of compliance, risk management & internal control, information & cyber security, customer service, social and environmental responsibility in terms of sustainable finance and financial inclusiveness 	<p>Transparency with Stakeholders</p> <ul style="list-style-type: none"> The Code of Conduct of the Bank ensures transparent dealings with internal and external stakeholders.
<p>Responsible Financing and Product Responsibility</p> <ul style="list-style-type: none"> IFIC Bank does not fund projects that have an adverse impact on the environment, health and safety levels as per guidelines of Bangladesh Bank 		

IFIC Bank PLC is dedicated to ensuring that its systems, procedures, and practices adhere to a high level of Corporate Governance. It has a well-defined and well-structured Corporate Governance framework in place to support the Board's goal of achieving long-term and sustainable value, as well as to foster a culture that values ethical behavior, integrity, and respect in order to protect the interests of shareholders and other stakeholders at all times. Alongside, the Bank increasingly focused on social issues in response to the policy and guidelines of Bangladesh Bank, putting particular emphasis on diversity, equity and inclusion. Bangladesh Bank as a pioneer financial regulatory body has been addressing sustainability issues in its policies and regulations and guiding Banks and FIs to accommodate Environmental, Social and Governance (ESG) issues in their financing portfolio and credit/investment management. Recognizing that IFIC Bank plays a catalytic role in speeding up the adoption of environmentally friendlier output practices in the real economy.

The Board meets regularly, and meetings are scheduled much in advance (before the start of each fiscal year) in order for members to prepare ahead. When necessary, the Board will convene on an ad hoc basis to discuss urgent matters. The Board met fifty one (51) times in year 2025 to study and examine a variety of key items that required its direction and approval.

Initiatives implemented to reduce ESG risks

Board of Directors and Board Competence

The Board of the Bank represents a well-balanced combination of experience and knowledge in the fields of law, small scale industries, agriculture, rural economy, risk management, finance, credit, information technology, and banking. When necessary, the Board also gets input from other specialists. There are three Independent Directors on the Bank's Board of Directors.

Age Grouping of Directors

Age limit (Years)	Number of Directors	Remarks
50-60	3	One Independent Director, One Government nominated Director and Managing Director of the Bank
60-70	3	Two Independent Director and one Director nominated by the Government

Independent Director

IFIC Bank follows relevant Bangladesh Bank circulars, rules and regulations of the Bank Companies Act, 1991 (as modified until 2018), and Bangladesh Securities and Exchange Commission instructions regarding the composition of its board of Directors. IFIC Bank emphasizes the combination of knowledge, skills, experience, and perception when hiring new Directors. The shareholders elect the Directors at the annual general meeting. We adhere to all applicable norms and regulations when it comes to nomination, removal, causal vacancies, and alternate directors. Directors of the bank are independent of management and are not involved in the day-to-day operations of the Bank.

Average experience of Board Members 33 Years
Time spent by the Board cumulatively in several familiarization programs during FY25 255 hours
Independent Director 3